UNDP

I•EO | INDEPENDENT **Evaluation Office**

United Nations Development Programme

INDEPENDENT COUNTRY PROGRAMME EVALUATION
PANAMA

EVELOPMENT effectiveness COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OW
ustainability MANAGING FOR RESULTS responsivenes COORDINATION AND DEVELOPMENT resp
COORDINATINATION HUMAN effectiveness COORDINATION AND PARTNERSHIP sustainability
ATION relevance sustainability MANAGING FOR RESULTS responsivenes HUMAN DEVELOPMENT e
ss COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MA
RESULTS effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainab
AND PARTNERSHIP sustainability MANAGING FOR RESULTS responsivenes HUMAN DEVELOPM
ustainability MANAGING FOR RESULTS responsivenes COORDINATION AND DEVELOPMENT resp
INATION HUMAN effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP
TION relevance sustainability MANAGING FOR RESULTS responsivenes HUMAN DEVELOPMENT
ss COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MA
DINATION AND DEVELOPMENT responsiveness NATIONAL OWNERSHIP sustainability PARTNER

INDEPENDENT COUNTRY PROGRAMME EVALUATION

PANAMA

REPORTS PUBLISHED UNDER THE ICPE SERIES

Afghanistan
Albania
Algeria
Angola
Argentina
Armenia
Bangladesh
Barbados and OECS
Benin
Bhutan
Bosnia and Herzegovina
Botswana
Brazil
Bulgaria
Burkina Faso
Cambodia
Cameroon
Chile
China
Colombia
Congo (Democratic Republic of)
Congo (Republic of)
Costa Rica
Côte d'Ivoire
Croatia

Cuba
Djibouti
Dominican Republic
Ecuador
Equatorial Guinea
Egypt
El Salvador
Ethiopia
Gabon
Georgia
Ghana
Guatemala
Guyana
Honduras
India
Indonesia
Iraq
Jamaica
Jordan
Kenya
Kuwait
Kyrgyzstan
Lao People's Democratic Republic
Liberia
Libya

Malawi
Malaysia
Maldives
Mauritania
Mexico
Moldova (Republic of)
Mongolia
Montenegro
Morocco
Mozambique
Namibia
Nepal
Nicaragua
Niger
Nigeria
Pacific Islands
Pakistan
Panama
Papua New Guinea
Paraguay
Peru
Philippines
Rwanda
Sao Tome and Principe
Senegal
Serbia

Seychelles
Sierra Leone
Somalia
Sri Lanka
Sudan
Syria
Tajikistan
Tanzania
Thailand
Timor-Leste
Togo
Tunisia
Turkey
Uganda
Ukraine
United Arab Emirates
Uruguay
Uzbekistan
Venezuela
Viet Nam
Yemen
Zambia
Zimbabwe

INDEPENDENT COUNTRY PROGRAMME EVALUATION: PANAMA

Acknowledgements

Foreword

It is my pleasure to present the Independent Country Programme Evaluation for UNDP in Panama, the first country-level assessment conducted by the Independent Evaluation Office of the United Nations Development Programme (UNDP) in Panama. This evaluation covers the programme period 2016 to 2020.

Panama is a high-income country with a high level of human development. Despite steady economic growth in the country over the last five years, inequality remains high among indigenous peoples and in rural areas, and the unemployment rate continues to rise. The Government recognizes the need for reforms and improvements in the quality of education, governance, rule of law and the taxation system.

UNDP's longstanding partnership with Panama began in 1973. The current Country Programme Document, which is aligned with the UNDP Strategic Plan 2014–2017, puts emphasis on four main areas: (1) basic services, (2) voice and democracy, (3) environmental sustainability and (4) security and justice.

The evaluation found that UNDP's programme has been effective in achieving most of the output targets and produced positive results of varied scope, scale and strategic importance. UNDP is well positioned and valued in Panama as a strategic, reliable and inclusive partner. Its role of facilitating consensus building during consultation processes is one of the most valued contributions to Panama's development. Important contributions were also found in strengthening the accountability, transparency and results-based management of some government institutions, through the provision of useful and tested planning tools under the Strengthening Management Capacities for Governance (SIGOB) methodology.

The evaluation recommended that UNDP should support Panama to close its inequality gap, ensur-

ing that the projects focus on initiatives and investments that will facilitate innovations to accelerate the achievement of the Sustainable Development Goals with a renewed focus on leaving no one behind. It will be important for UNDP to gradually move away from the predominant role of funds/project administrator to become a strategic, substantive technical development partner, able not only to support national partners with technical advice but also to propose innovative solutions to solve the structural causes of the inefficiency and dependence on UNDP's operational and administrative support.

UNDP should take the launch of the National Human Development Report as an opportunity to address the renewal of institutions, to introduce a series of dialogues about institutional reforms with the aim of addressing structural causes of institutional inefficiencies — a serious impediment to the sustainability of development results. UNDP should also develop a theory of change to further mainstream gender in the programme, specifically focusing its efforts towards addressing structural barriers and root causes of gender inequalities in the country.

I would like to thank the Government of Panama, the various national stakeholders and colleagues at the UNDP Panama country office and the Regional Bureau for Latin America and the Caribbean for their support throughout the evaluation. I trust that the findings, conclusions and recommendations will be useful in strengthening the formulation of the next country programme.

Indran A. Naidoo
Director, Independent Evaluation Office

Contents

ACRONYMS AND ABBREVIATIONS

ACP	Panama Canal Authority
CAN	High-Level Commission of Health
CINAMU	Local women's centre (established by INAMU)
CONVIMU	National Commission on Violence against Women
CPD	Country programme document
DIM	Direct implementation modality
DRM	Disaster risk management
Global Fund	Global Fund to Fight AIDS, Tuberculosis and Malaria
GRES	Gender Results Effectiveness Scale
HDI	Human Development Index
ICPE	Independent country programme evaluation
IEO	Independent Evaluation Office
INAMU	National Women's Institute
MIDES	Ministry of Social Development
MINGOB	Ministry of Government
MITRADEL	Ministry of Employment and Labor Development
MPI	Multidimensional Poverty Index
NIM	National implementation modality
PDIPIP	Plan for Integrated Development of Indigenous Peoples of Panama
PEG	Strategic Plan of the Government
PENCYT	National Strategic Plan of Science, Technology and Innovation
ROAR	Results-oriented annual report
SDGs	Sustainable Development Goals
SENACYT	Secretariat for Science, Technology and Innovation
SIGOB	Strengthening management capacities for governance
TB	Tuberculosis
UN	United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UN-Women	United Nations Entity for Gender Equality and the Empowerment of Women

Evaluation Brief: ICPE Panama

COUNTRY CONTEXT AND UNDP IN PANAMA

Panama is a high-income country with a high level of human development. Despite steady economic growth over the last five years, inequality remains high among indigenous people and in rural areas, and the unemployment rate continues to rise. The Government recognizes the need for reforms and improvements in the quality of education, governance, rule of law and the taxation system. The 2015–2019 Government Strategic Plan outlined priority areas and initiatives to be put in place for the country's sustainable and inclusive development.

UNDP's longstanding partnership with Panama began in 1973. The current Country Programme Document (CPD), which is aligned with the UNDP Strategic Plan 2014–2017, emphasizes four main areas: (1) basic services, (2) voice and democracy, (3) environmental sustainability and (4) security and justice.

FIGURE 1. Country programme funding sources 2016–2018

TOTAL PROGRAMME EXPENDITURE: $80.6 MILLION

0.01%
0.3%

| 4.9% | 13.7% | 81.1% |

■ Other resources ■ Regular resources ■ Bilateral/multilateral funds ■ Vertical trust funds ■ Government cost sharing
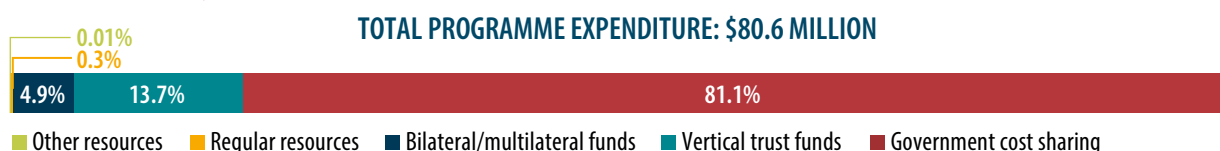
FIGURE 2. Programme expenditure by thematic area, 2016–2018 (millions)

Thematic area	Expenditure
Justice and public security	$3.6
Enviromental sustainability	$22.9
Governance	$32.9
Access to basic services	$21.3

Findings and Conclusions

UNDP's programme has been effective in achieving most output targets, and it has produced positive results of varied scope, scale and strategic importance. UNDP is well positioned and valued in Panama as a strategic, reliable and inclusive partner. The organization has not only complemented and made significant contributions to national priorities, but also succeeded in pushing for attention to sensitive issues, multidimensional approaches and in some cases behavioural change.

Panama achieved high-income status in 2018, leading to a decline in core regular resources from UNDP. As a result, UNDP has grown increasingly driven by demand and opportunity in alignment with the availability of government and vertical funds. This has lessened its programme focus and led to scattered projects, limiting its effectiveness in contributing at the outcome level and ensuring the sustainability of results.

UNDP is recognized for its efficient and transparent management. The incentives for it to support the Government administratively have limited UNDP's

opportunities to contribute with more substantive and innovative roles to improve national capabilities and help the country address the structural causes of institutional inefficiencies.

The country office has made positive contributions to strengthening institutional frameworks and capacities and raising awareness for gender equality. However, it has been challenging to improve gender equality in Panama due to insufficient human and financial resources and lack of a strategy focused on targeting the root causes and structural barriers of inequality.

With achievement of high-income status will come Panama's transition out of the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund), scheduled for 2021. Despite achievement of results in HIV/AIDS and tuberculosis, progress in preparing Panama to transition out of the Global Fund has been insufficient, and the country is delayed in its preparation for the exit. UNDP now has the challenge of helping Panama speed up transition preparations and ensure that HIV/AIDS and tuberculosis results are sustained.

Recommendations

RECOMMENDATION 1. UNDP should help Panama close the inequality gap by better focusing projects, initiatives and investments on innovations to accelerate achievement of the Sustainable Development Goals, with renewed focus on leaving no one behind.

RECOMMENDATION 2. UNDP should incrementally move away from its predominant role in administering funds and projects. It should also make clear to partners that its interest lies in serving as a strategic, substantive technical development partner, able to both support national partners with technical advice and offer innovative solutions to solve the structural causes of inefficiency and dependence on UNDP's operational and administrative support.

RECOMMENDATION 3. UNDP should take the opportunity of the launch of the National Human Development Report, which addresses the renewal of institutions, to introduce a series of dialogues about institutional reforms. The aim should be to address structural causes of institutional inefficiencies — a serious impediment to the sustainability of development results.

RECOMMENDATION 4. UNDP should adjust its theory of change to increase its already strategic emphasis on mainstreaming gender in the programme, specifically focusing efforts in most if not all programme initiatives on addressing structural barriers to equality and root causes of gender inequality.

RECOMMENDATION 5. UNDP should work with national partners and the Global Fund to revise the transition plan. It should also develop risk mitigation strategies to ensure that Panama will be prepared for the transition out of the Global Fund and to continue efforts to increase and sustain the achieved results in HIV/AIDS and tuberculosis.

CHAPTER 1

BACKGROUND AND INTRODUCTION

1.1 Purpose, Objective and Scope of the Evaluation

The Independent Evaluation Office (IEO) of the United Nations Development Programme (UNDP) has conducted this independent country programme evaluation (ICPE) in Panama to capture and demonstrate evaluative evidence of UNDP's contributions to development results at the country level, as well as the effectiveness of UNDP's strategy in facilitating and leveraging national efforts to achieve development results.

This is the first country-level evaluation conducted by UNDP in Panama. It aims to answer three main evaluation questions (see Box 1) and will serve to (1) support the development of the next UNDP country programme, for 2021–2025, and (2) strengthen the accountability of UNDP to national stakeholders and the Executive Board.

The ICPE covers the current country programme (2016–2020) and examines UNDP's performance in the country from 2016 to April 2019. The evaluation considered all UNDP activities in the country and interventions financed by all sources of funding, including UNDP core resources, donor funds and government funds. The ICPE also covered non-project activities, such as coordination and advocacy, that are viewed as important for the country's political and social agenda.

BOX 1. Main evaluation questions

1. What did the UNDP country programme intend to achieve during the period under review?

2. To what extent has the programme achieved (or is likely to achieve) its intended objectives?

3. What factors contributed to or hindered UNDP's performance and eventually, the sustainability of results?

1.2 Methodology

Methodology. The evaluation was guided by the United Nations Evaluation Group (UNEG) Norms & Standards[1] and the UNEG Code of Conduct for Evaluation in the UN System.[2] A theory of change approach was used in consultation with the UNDP country office. It focused on mapping the assumptions behind the programme's desired changes and the causal linkages between the interventions and the intended country programme outcomes. As part of this analysis, progress in fulfilling the country programme over the review period was also examined.

The effectiveness of the country programme was analysed through an assessment of progress made towards achievement of the expected outputs and the extent to which these outputs contributed to the intended outcomes. In this process, both positive and negative and direct, indirect and unintended results were also considered.

To better understand UNDP's performance and the sustainability of results in the country, the review examined the specific factors that have influenced the country programme, both positively and negatively. In assessing the evolution of the CPD, UNDP's capacity to adapt to the changing context and respond to national development needs and priorities was examined. Some of the aspects assessed include the utilization of resources to deliver results, the extent to which the country office fostered partnerships and synergies with other actors (i.e. through South-South or triangular cooperation), and the extent to which the key principles of UNDP's Strategic Plan[3] have been applied in the CPD design and implementation.[4]

Special attention was given to integrating a gender-responsive approach to evaluating data collection methods. To assess the level of commitment to gender at project design, the evaluation considered the UNDP

---

[1] http://www.unevaluation.org/document/detail/1914.

[2] www.uneval.org.

[3] These principles include national ownership and capacity; human rights-based approach; sustainable human development; gender equality and women's empowerment; voice and participation; South-South and triangular cooperation; active role as global citizens; and universality.

[4] This information is extracted from analysis of the goals inputted in the enhanced results-based management platform, the financial results in the Executive Snapshot, the results of the Global Staff Survey and interviews with management/operations in the country office.

gender marker[5] assigned to the project outputs. IEO's gender results effectiveness scale (GRES) was used to assess the level of gender-related results achieved by the programme in the different outcomes. The GRES classifies gender results into five categories: gender negative, gender blind, gender targeted, gender responsive, gender transformative (see Figure 3).

The evaluation used data from primary and secondary sources, including a portfolio analysis and desk review of corporate and project documentation and surveys. Views were collected from a diverse range of stakeholders on UNDP's performance and contributions at the national level. Face-to-face and telephone/Skype interviews were conducted with over

FIGURE 3. Gender Results Effectiveness Scale

Gender Negative	Gender Blind	Gender Targeted	Gender Responsive	Gender Transformative
Result had a negative outcome that aggravated or reinforced existing gender inequalities and norms.	Result had no attention to gender, failed to acknowledge the different needs of men, women, girls and boys or marginalized populations.	Result focused on numerical equity (50/50) of women, men and marginalized populations that were targeted.	Result addressed differential needs of men and women and equitable distribution of benefits, resources, status, rights but did not address root causes of inequalities in their lives.	Result contributes to changes in norms, cultural values, power structures and the roots of gender inequalities and discriminations.

120 people, including those from the Government, civil society organizations, UN agencies, bilateral donors, the UNDP country office, the UNDP Regional Bureau for Latin America and the Caribbean, and programme beneficiaries. Data and information collected from different sources were triangulated before conclusions and recommendations were developed. These triangulated data helped confirm findings and reduce subjective bias and served to confirm or refute the assumptions in the theory of change analysis. Field visits were carried out in Panama City, the Panama Canal Basin, Chiriquí, Colón and the Ngäbe Buglé Comarca, to interview counterparts and beneficiaries and observe project sites.

Given the multitude of projects implemented in the period under consideration, the ICPE team selected a sample of initiatives to assess their effectiveness, based on the following criteria:

- Initiatives implemented during the 2016–2019 period;

- Initiatives with good performance and those with performance issues, based on the results-oriented annual reports (ROARs);

- Projects implemented by both national and direct implementation modalities (NIM and DIM);

---

[5] The gender marker is a corporate monitoring tool used to assign a rating score to project outputs during programme design and track planned expenditures towards outputs that may include advances or contributions to achieving gender equality and the empowerment of women. The gender marker does not reflect the actual expenditures assigned to advancing gender equality and women's empowerment. The gender marker is assigned by project output and not project ID, so a project might have several outputs with different gender markers.

- Initiatives under way and those already completed (closed projects);

- Pilot and non-pilot projects;

- Projects with both large and small budgets;

- Initiatives executed with the Government and with civil society (which are not mutually exclusive);

- Interventions that incorporated elements of South-South cooperation;

- Initiatives implemented in the capital and in the rest of the country.

In order to ensure coverage of issues affecting the programme as a whole, rather than specific projects, the ICPE team interviewed stakeholders who had been involved across the whole spectrum of projects.

Process. Following the development of the terms of reference (see Annex 1), the IEO recruited two regional experts to support the outcome assessments. A pre-mission questionnaire was sent to the country office on 8 March 2019 as a self-assessment and reflection tool. A two-week data collection mission was carried out from 13-28 May 2019 by the IEO Lead Evaluator, Associate Evaluator and the two experts. At the end of the mission, preliminary findings and results were shared with the country office for reflection and validation. Subsequently, the team drafted separate outcome reports, which served as input for this report. The draft ICPE report was reviewed for quality assurance by two IEO internal reviewers and two external experts (members of the IEO Evaluation Advisory Panel). It was then submitted to the country office and the Regional Bureau to check for factual errors, and finally to the Government and other national partners for comments.

Limitations. The evaluation team faced no significant limitations during the data collection mission, other than not being able to speak with officials of the incoming Government to gather their views. UN officials were in the process of coordinating joint meetings for heads of agencies and asked evaluators to wait until these initial meetings had occurred, but they did not take place before the end of the mission.

1.3 Overview of the Country Context

With the highest gross national income per capita in Central America ($14,370),[6] Panama transitioned to the World Bank's high-income category in 2018. The country's average annual economic growth rate has been 5.6 percent over the last five years.[7] This has led to significant social progress, particularly with respect to poverty reduction, as evidenced by a drop in the poverty level from 21.9 percent in 2010 to 14.1 percent in 2017.[8] The 2018 Human Development Index (HDI) placed Panama in the high HDI category, ranking it 66 out of 189 countries and territories.[9]

The national unemployment rate has been rising in recent years, reaching 6.4 percent in 2019, and informal employment increased from 40.8 percent in 2017 to 43.6 percent in 2018.[10] Levels of inequality have remained particularly high among indigenous people and in rural areas, and the Human Inequality Coefficient ranks Panama almost five percentage points higher than the rest of the High HDI countries.[11] Discrimination against ethnic minorities is still found, and indigenous groups have struggled to exercise their legal rights.[12] Life expectancy for indigenous women and men living in their territories (67.8 years) is 11 years less than that of the overall population (79 years).[13]

---

[6] Derived from the Atlas method (current US dollars), World Bank Data.

[7] World Bank Country Overview, updated 4 April 2019, http://www.worldbank.org/en/country/panama/overview.

[8] Poverty headcount ratio at $5.50 a day (2011 purchasing power parity). World Bank data, https://data.worldbank.org/indicator/SI.POV.UMIC?end=2017&locations=PA&start=1999.

[9] The HDI 2018 Statistical Update presents the 2017 HDI values and ranks, http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/PAN.pdf.

[10] National Institute of Statistics and Census (INEC) Panama, https://www.contraloria.gob.pa/inec/.

[11] UNDP, human development indicators, http://hdr.undp.org/en/countries/profiles/PAN.

[12] Freedom House, 'Freedom in the World 2018', https://freedomhouse.org/report/freedom-world/2018/panama.

[13] World Bank, 'Country Overview', updated 4 April 2019, http://www.worldbank.org/en/country/panama/overview.

The Gender Inequality Index ranks Panama at the 109th position. Despite high participation rates, women continue to be politically underrepresented. During the May 2019 elections, only 16 women were elected to the National Assembly, which represents 22.5 percent of the total of 71 elected, a 1 percent gain. For the first time, a female representative from Guna-Yala province, an indigenous region, was elected to the National Assembly. Discrimination based on race, social class, sex, religion or political ideas is prohibited by law,[14] but it does not explicitly mention sexual orientation or gender identity. The country's racial minorities and lesbian, gay, bisexual and transgender community continue to face obstacles to the full exercise of their political and civil rights.

Access to basic services is not yet universal and remains linked to factors such as geographic location, education level, ethnicity and household income level. Levels of disparity are reflected in the fact that three indigenous regions are classified as having low human development,[15] while the capital province is classified as having very high human development. Currently, the urban population represents 67.4 percent of the total population.[16] The rural-urban gap can also be seen in the 29 percentage-point disparity in access to basic sanitation services between rural and urban areas. Only 59 per cent of the rural population has access to basic sanitation services.[17]

The national Government recognizes the need for reforms. Improvements in the quality of education,

governance, rule of law and the taxation system are some of the main priorities to be addressed.[18] Due to the absence of a permanent, professionalized civil service, high turnover of public servants after each election affects the stability of public administration and policies.[19]

Citizen security is a high priority of the population. Homicide rates have been declining since 2010; in 2017 the rate reached the lowest point of the last 13 years,[20] and femicide has been declining since 2014.[21] Despite these improvements, the citizen insecurity perception index increased, from 67 percent in 2014 to 82 percent in 2017.[22] The majority of citizens consider the justice system slow, biased and deficient, and not very transparent or accessible.[23] The Government is facing challenges in implementing its new adversarial legal system,[24] due to the insufficient capacity of the system and the lack of resources to guarantee its proper implementation.[25] Relevant constitutional changes specified in the Agreements of the State Pact for Justice, which would allow correction of the distortions in the justice system, are still pending.

Corruption and impunity are serious challenges.[26] Despite the existence of a law on transparency and access to public information and relevant structures, misconceptions and lack of information have led to the perception of lack of transparency in the public sector.[27] The Corruption Perception Index of the public sector in Panama was 37 out of 100 points in 2017,[28] showing low perception of trust in public

---

[14] Article 19 of the Constitution of Panama.

[15] The Ngäbe Buglé, the Guna Yala and the Emberá Wounaan regions. UNDP Panama, Informe Nacional de Desarrollo Humano Panamá 2019, p. 63.

[16] UNDP Human Development Indicators, http://hdr.undp.org/en/countries/profiles/PAN#.

[17] UNICEF and World Health Organization, 'Progress on drinking water, sanitation and hygiene: 2017 update and SDG baselines', 2017, p. 88.

[18] OECD, 'Multidimensional Review of Panama. Volume 2: In-depth analysis and recommendations', 2017, p. 8.

[19] UNDP Panama, 'Informe Nacional de Desarrollo Humano Panamá 2019', p. 19.

[20] A rate of 10.3 per 100,000 habitants. Citizen Security Report, Citizen Security Observatory, Chamber of Commerce, Industry and Agriculture of Panama. https://www.seguridadcciap.com/.

[21] Government of Panama, Informe Estadístico Víctimas de Femicidio de enero a diciembre 2018, http://ministeriopublico.gob.pa/estadisticas-judiciales/.

[22] Observatorio de Seguridad Ciudadana, Informe de la Cámara de Comercio, Industrias y Agricultura de Panamá, https://www.seguridadcciap.com/presentacion-de-indice-de-seguridad-ciudadana-2017/.

[23] UNDP Panama, 'Informe Nacional de Desarrollo Humano Panamá 2019', p. 16.

[24] In this system, the prosecution and defence compete against each other, and the judge serves as a referee to ensure fairness to the accused, and that the legal rules criminal procedure followed. https://www.organojudicial.gob.pa/uploads/wp_repo/uploads/2011/01/introduccion-al-sistema-penal-acusatorio.pdf ; https://www.unodc.org/e4j/en/organized-crime/module-9/key-issues/adversarial-vs-inquisitorial-legal-systems.html.

[25] 'Desafíos y Avances hacia la Implementación del Sistema Penal Acusatorio (SPA) desde la Perspectiva Institucional', Citizen Security Observatory Report, Chamber of Commerce, Industries and Agriculture of Panama (CCIAP), 2017–2018.

[26] Freedom House, 'Freedom in the World 2018', https://freedomhouse.org/report/freedom-world/2018/panama.

[27] UNDP Panama, 'Informe Nacional de Desarrollo Humano Panamá 2019', p. 22.

[28] Transparency International, 2017, 'Corruption Perceptions Index'.

institutions, the National Assembly, the judicial branch and political parties. This is reflected in the low percentage of the population that approves of the Government, which fell dramatically from 66 percent in 2015 to 22 percent in 2017.[29]

Panama is also having difficulties implementing its decentralization process. After a five-year suspension, decentralization Law 37, which aims to transfer authority, responsibilities and funds to municipalities, entered into force in 2015 as Law 66. However, it faces several implementation challenges, including resistance by central authorities, who are reluctant to yield authority; limited capacities in the districts, which are exacerbated by labour instability due to the absence of a civil service system; and lack of efficient and effective citizen participation mechanisms allowing for informed participation, transparency, accountability and citizen audit.

Panama is one of the most biologically diverse countries in the world, and its forests are of critical importance for global conservation. The country is also vulnerable to multiple natural disasters, which intensify climate change impacts and deforestation of wetlands and mangroves. The country currently ranks 56th out of the 180 countries monitored in the Environmental Performance Index. Air quality, water and sanitation, heavy metals, biodiversity and habitat are the areas in which the country is performing below the average.[30]

According to the 2015–2019 Strategic Plan of the Government (PEG), changes in land use have caused 39 percent of the detected losses in biodiversity and are the principal cause of carbon emissions. According to the PEG, "The loss of coverage of native forests is, together with the quality of waters, key environmental problems of the country. The deficient application of the legislation, together with an obsolete, confusing and insufficient legal framework, are at the origin of this situation that has led to the loss of more than 250,000 hectares of mature forest in less than a decade."[31] Forest coverage decreased by 8.4 percent from 1990 to 2015.[32] Mangroves cover 2.3 percent of Panama's total surface area, the largest proportion in Central America,[33] even though more than half of the mangroves have been cleared during the last 50 years.

The approach to climate change and geological/environmental risks is not comprehensive. The country is vulnerable to soil degradation and floods in the near and medium terms, and to scarcities in access to water and electricity. According to the National Hydrological Safety Plan, the demand for water will double in the next two decades, especially for drinking water, the Panama Canal and irrigation in agricultural areas.[34] This will increase the risk of conflict over the use of water resources.[35] Inadequate consultation processes and incomplete valuation of the socio-environmental impacts of investment projects have led to social conflicts.

Institutional difficulties limit the effective implementation of the national policy on disaster risk management (DRM). The identification of risks has been insufficient, and there are no established protocols for the exchange, systematization and integration of information.[36] Floods represent the main concern in terms of DRM, and they accounted for 86.9 percent of all disaster-related economic losses between 1990 and 2014.[37]

Economic growth over the last decade has led to much higher energy consumption. The percentage of the rural population with access to electricity

[29] World Economic Forum, 2017, Executive Opinion Survey.

[30] Yale Center for Environmental Law and The Center for International Earth Science Information Network, Earth Institute, Columbia University, Environmental Performance Index, 2018, https://epi.envirocenter.yale.edu./.

[31] Government of Panama, 'Plan Estrategico de Gobierno 2015-2019, Un solo país', p. 22.

[32] UNDP, Human Development Report indicators, http://hdr.undp.org/en/indicators/164206.

[33] United States Agency for International Development, 'Central America mangroves, tenure, and REDD+ assessment', 2016, p. 14.

[34] Government of Panama, Consejo Nacional del Agua, 'Plan Nacional de Seguridad Hídrica 2015-2050: Agua para Todos', 2016, p. 23.

[35] Government of Panama, 'Plan Estrategico de Gobierno 2015-2019, Un solo país', p. 111.

[36] Government of Panama, 'Plan Estrategico de Gobierno 2015-2019, Un solo país', p.113.

[37] UN Office for Disaster Risk Reduction, https://www.preventionweb.net/countries/pan/data/.

increased dramatically, from 61.6 percent in 2010 to 81.3 percent in 2016.[38] Almost 52.2 percent of the electric energy was generated by hydroelectric plants and just 0.3 percent was produced by other renewable sources.[39] The sectoral challenge lies in implementing strategies to increase and diversify the energy supply, together with policies to mitigate climate change and other environmental and social risks. The transportation sector was responsible for 54 percent of total carbon dioxide emissions in 2016.[40]

1.4 Overview of UNDP in Panama

UNDP's partnership with Panama started in 1973. The CPD for the period 2016–2020 is guided by the United Nations Development Assistance Framework in alignment with the priorities identified by the Government in its 2015–2019 PEG: "… in order to grow more and better, with more fairness, balance, environmental sustainability, and with greater social, ethnic, cultural and territorial integration and cohesion."[41]

The CPD is also aligned with the UNDP Strategic Plan 2014–2017 and takes into account the Sustainable Development Goals (SDGs) as articulated in four main areas: (1) basic services, (2) voice and democracy, (3) environmental sustainability and (4) security and justice (see Figure 4). The CPD is also focused on the UNDP Strategic Plan outcomes linked to inequality reduction, institutional capacity strengthening and sustainable development. Moreover, it also addresses gender equality, risk management and resilience building as cross-sectoral elements.

FIGURE 4. Main thematic areas of the UNDP Panama country programme

Basic services and inclusion (Outcome 25)	Voice and democracy (Outcome 26)	Environmental sustainability (Outcome 27)	Security and justice (Outcome 28)
Institutional support	Institutional capacity development	Strengthen capacities / fulfilling national commitments	Access to justice
Extension of services	Public participation processes	Climate change mitigation / disaster risk management	Addressing violence and citizen security
New knowledge	Transparency and accountability	Local economic development and green jobs	Human rights and cultural diversity

← Gender equality / risk management / resilience building →

---

[38] UNDP, human development indicators, http://hdr.undp.org/en/indicators/181706.

[39] UNDP, ROAR Panama 2018, p. 8.

[40] Secretaria Nacional de Energía, 'Actualidad Energética Panamá 2015-2017: Un sistema energético en transición', 2017, p. 30. http://www.energia.gob.pa/energia/wp-content/uploads/sites/2/2018/04/PEN-2017-Versi%c3%b3n-Final.pdf

[41] Government of Panama, 'Plan Estrategico de Gobierno 2015-2019, Un solo país', p. 9, http://www.siteal.iipe.unesco.org/sites/default/files/sit_accion_files/siteal_panama_0071.pdf.

The first three years of the programme benefited from a significant increase in budget allocation. In its CPD, UNDP estimated that $89.4 million would be required to implement its five-year programme. UNDP received over $122 million in funding, exceeding its five-year target by almost 40 percent. With almost $81 million in expenditures,[42] the overall execution rate stands at 66 percent, but it is well above the initial target based on the initial estimates in the CPD. The execution rate was over 80 percent during the first two years of the programme, but implementation slowed markedly in 2018 during the pre-election period. Expenditures reached their peak in 2017, when $35.3 million was spent (see Figure 5).

FIGURE 5. Total programme budget and expenditure 2016–2018 by year
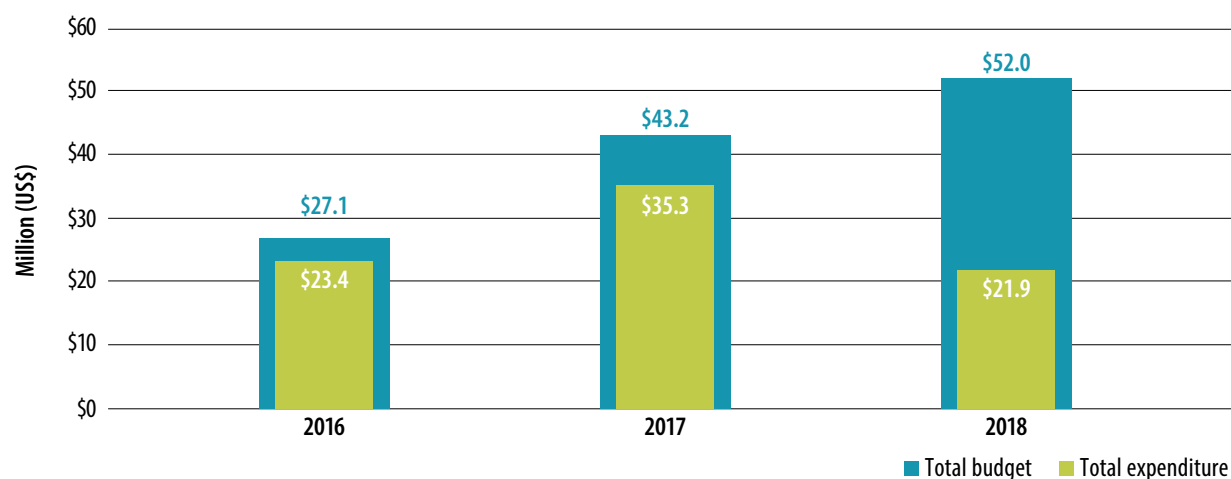
1. The significant increase in non-core resources comes mainly from Government cost-sharing and vertical trust funds. The main funding partner is the Government of Panama, which accounts for 84 percent of the total expenditure. This amounted to $68 million during the 2016–2018 period. Other major donors include the Global Fund, the Forest Carbon Partnership Facility and the Global Environment Facility (see Figure 6).

FIGURE 6. Top donors, 2016–2018

Million (US$)

---

[42] Data source: The IEO's main source for financial data for the ICPE process is PowerBI/Atlas, accessed once before the field mission. In this case, data were extracted in March 2019 and were verified at that time with the data on Executive Snapshot to confirm their validity.

2. The amount of UNDP core resources in the programme has been minimal, representing 0.3 percent of total expenditure in the 2016–2018 period (see Figure 7). For each dollar of regular core resources, the country office was able to mobilize $357. National counterparts also recognize that the resources mobilized by UNDP have helped to catalyse resources provided by national and local institutions. National governing and technical institutions have partnered successfully with UNDP, which has helped them mobilize funds and contribute their own financial and human resources to the interventions. Of the total expenditure, 20 percent was implemented under DIM and 80 percent under NIM.

3. The management efficiency ratio[43] of the country office is aligned with the average of the organization, at 8.5 percent in 2017 and 7.3 percent in 2018. Improved automation and process flows have significantly improved efficiency. Healthy financial management systems have earned UNDP a stable value-for-money and cost-effectiveness rating among national partners in Panama.[44]

FIGURE 7. Distribution of core/non-core expenditures by year

Million (US$)

	Core	Non-core
2016	$0.08	$23.3
2017	$0.10	$35.2
2018	$0.04	$21.9

■ Core ■ Non-core

---

[43] Data source: UNDP Executive Snapshot, collected 13 March 2019. IEO calculates management efficiency ratio based on the 'management utilization' as a proportion of 'total utilization' per year.

[44] Based on partnership survey results triangulated with positive interviews and financial analysis.

CHAPTER 2

FINDINGS

2.1 Basic Services and Inclusion

Outcome 25: By 2020, the State implements comprehensive public policies and provides quality social services with a focus on equity, gender equality and attention to priority populations, according to international standards of human rights.

In the area of basic services and inclusion, UNDP has committed to contributing to outcome 25 through the following outputs:

- Output 1. Institutions strengthened for the coordinated implementation of policies that increase equality and inclusion.

- Output 2. Capacities strengthened at national and subnational levels to promote and deliver quality social services with a focus on vulnerable populations.

- Output 3. Research and development initiatives generate knowledge for incidence on public policies and to catalyse development innovations.

- Output 4. Strengthened capacities of national institutions to promote and deliver quality HIV- and TB-related services.

During this programme cycle, 22 projects were implemented under this outcome, of which 5 focused on institutional strengthening for equality and inclusion, 6 on social services for vulnerable people, 8 on research and development for public policies and innovations, and 3 on HIV- and TB-related treatment and prevention services. The total budget amounted to $36.2 million and expenditures to $21.2 million, a 59 percent execution rate (see Figure 8). This outcome represented 26.4 percent of the total programme expenditure for the period. Resources came mainly from the Government of Panama. (See Annex 9 for a complete list of UNDP partners contributing to this outcome.) Fourteen projects used NIM and nine used DIM.

FIGURE 8. Outcome 25 budget and expenditures
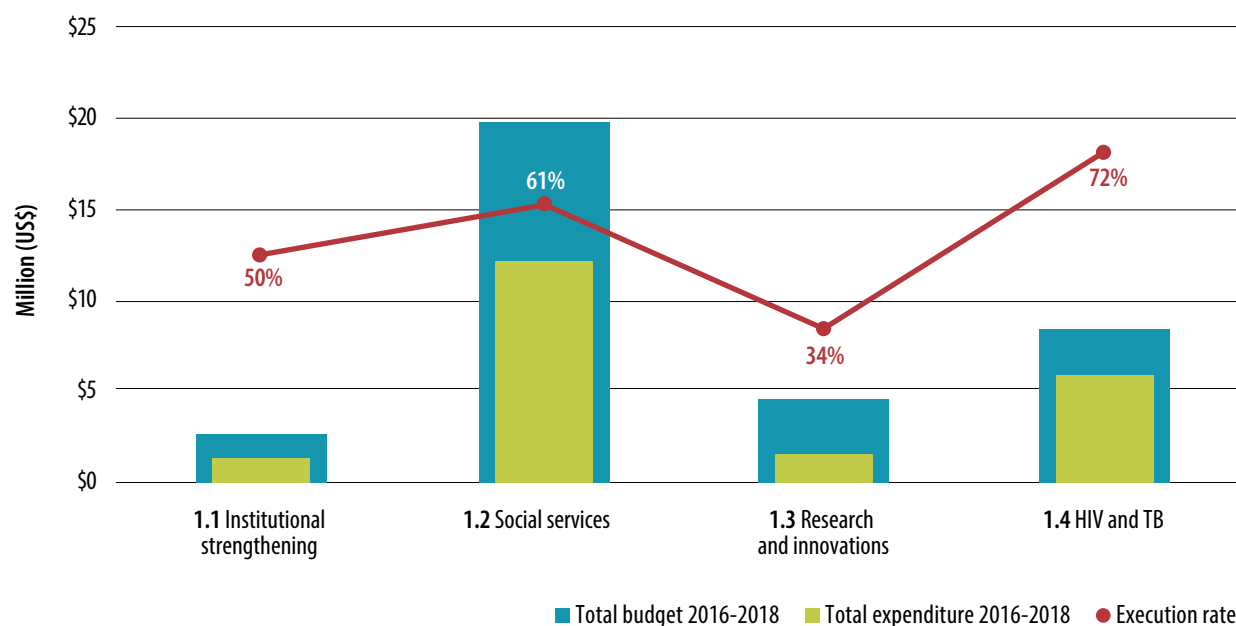
The high reliance on government funding has led to a demand-driven programme. While this made the programme relevant to national needs and priorities, it did not always correlate with a coherent theory of change and strategy.

Based on the gender marker used at project design stage, five project outputs were committed to contributing to gender equality in a limited way (GEN1); nine had gender equality as a significant objective (GEN2); and five had gender equality and / or the empowerment of women as their primary and explicit objective (GEN3).

This outcome does not have a clear theory of change, nor is it clearly explained in the overall programme theory of change[45] with a specific pathway for the basic services and inclusion area that coherently articulates the integration of the outputs with other outcomes. The underlying theory of change of this outcome operates under the assumption that key institutions in charge of coordinating equity, gender equality and promotion of quality HIV- and TB-related services would ensure the provision of quality social services to the most vulnerable populations and generate knowledge to influence public policy and catalyse innovations.

The hypothesis of the theory of change, as reconstructed for this ICPE by triangulating the desk review and interview data, is that (1) institutional strengthening and an amplified offer of services oriented to the most vulnerable and excluded populations would ensure their inclusion and employment; job training services; social pensions; participation in micro, small and medium-size enterprises; and access to HIV and TB preventive and treatment services; and (2) expanding awareness of poverty and vulnerability programming can spur a more effective, multidimensional approach, which can increase attention paid to marginalized populations.

Finding 1. UNDP has approached inequality and inclusion in Panama through multiple fronts in alignment with its multidimensional and human development approach. In this process, it has helped to strengthen key social sector institutions and promoted the participatory development of social policies and strategic planning documents that mainstreamed the SDGs. Although integration of multidimensional solutions has been a challenge and there has been limited progress in effectively reducing inequality and improving inclusion, UNDP's work has helped to change the way social institutions in Panama engage in participatory policy discussions involving multiple sectors. The country now has better knowledge and understanding of poverty and development through the multidimensional lens.

A key contribution attributed to UNDP has been the facilitation of policy discussions and provision of technical support to develop various strategic policies and planning documents. In addition, UNDP brings its own tested tool and programme, Strengthening Management Capacities for Governance (SIGOB), which has been successfully used in Panama and other countries.[46] With SIGOB, UNDP supported the programmatic alignment of the initiatives and services prioritized by the Government based on the PEG, the Council of the National Agreement for Development, and the SDGs. As part of this effort, UNDP supported the Government in preparing the long-term vision of Panama 2030, identifying the indicators associated with the SDGs.[47]

UNDP has also been key in generating other research and the development knowledge base of various policies. These include: (1) the State Vision Plan to 2030 (Plan Panamá 2030);[48] (2) National Human Development Report; (3) Panama Voluntary Report for the SDGs;[49] (4) Monitoring the SDGs and Strengthening the Institutions in Charge of the Development Agenda after 2015; (5) youth policies at the Ministry of Social Development (MIDES); (6) Indigenous Women's Diagnosis; (7) Study on Care and Co-responsibility Policies; and (8) Gender Equality in Science, Innovation and Technology Research. All these initiatives produced information and analysis of relevant issues, and they can aid in formulating public policy decisions and characterizing priority

---

45 See Annex 8, CPD theory of change produced by country office.

46 SIGOB is a goal-oriented programming and management system, a product of the UNDP Regional Bureau for Latin America and the Caribbean.

47 UNDP Panama, ROAR 2016, p. 8.

48 Consejo para la Concertación Nacional para el Desarrollo and UNDP, 'Plan estratégico nacional con visión de estado Panamá 2030', 2017, p. 9.

49 Government of Panama, MIDES, Panama Voluntary Report 2017, p. 4.

groups and their development conditions. So far, there is limited evidence that the knowledge generated has significantly influenced change, but interviewed parties acknowledged that these products have the potential to catalyse development innovations.

In the health sector, UNDP's neutrality, credibility and legitimacy were key in mediating dialogues that led to formulation of the National Health System reform. Historical tensions between health unions and the country's main public health institutions impeded institutional confidence in the National Health System. The dialogues produced a 15-year road map, the White Paper, for reform of the system and for creation of the High-Level Commission of Health (CAN).[50] UNDP oriented the content of these reforms to include (1) a joint institutional approach between the Ministry of Health, Social Security Fund, Social Security Agency and key health service providers; and (2) a multisectoral approach to improving the social determinants of health. Under CAN´s operational platform, several initiatives and assessments were developed, including reform of the medications procurement system, which is under way. UNDP, together with the United Nations Office for Project Services and the Pan American Health Organization, helped CAN analyse various options for structures, strategies and mechanisms for an effective reform process.

Reform of the health system is one of the country's main needs, and UNDP´s participation in developing the White Paper was highly valued and was key to achieving consensus, according to interviewed partners. However, UNDP is now only providing management services for the administration and execution of the government resources. UNDP could have continued to provide more substantive support, and the country needed it.

UNDP also helped to reactivate the Social Cabinet to coordinate interministerial policies and programmes on poverty reduction.[51] According to the technical secretariat for the Social Cabinet, this improved coordination in developing policies and programmes. This can be seen, for instance, in the Strategic Plan for Youth. It was constructed with the participation of diverse sectors of civil society and proposes intersectoral action of multiple government institutions.[52] The National Social Cabinet was replicated in 12 of the 26 most complex and poorest districts, supporting coordinated action of government institutions, in response to concrete needs.

Another important contribution was the technical assistance provided to develop and implement the Multidimensional Poverty Index (MPI) by the Social Cabinet. As a result of this collaboration, three MPI measurements were developed, including one on children and youth in Latin America. Throughout the process, stakeholders representing civil society, expert bodies and institutions were consulted. A consensual, comprehensive measure of poverty was developed and adapted to the Panamanian reality. It was an important first step, leading to inclusion of multiple dimensions of poverty and identifying the challenges in providing services in the diverse social and geographical context of Panama.

In 2017, the MPI was adopted by executive decree as the official measure of multidimensional poverty in Panama, complementing the official measurements of income poverty at national and subnational levels. In 2018, the MPI measurement was undertaken, and later that year the children and youth MPI index was adapted and measured in collaboration with the United Nations Children's Fund (UNICEF). This index is based on recognition that measuring the quantitative and qualitative magnitude of child poverty is insufficient

---

[50] The White Paper is the final document of the Dialogue Roundtable for Health, 'Proposed guidelines for the improvement and strengthening of the integral health system in the framework of a state policy'. The White Paper is a diagnostic tool containing the strategic guidelines that will underpin development of prevention mechanisms. These will allow the authorities to achieve an improved and strengthened system that meets the demands of the Panamanian population.

[51] The Social Cabinet included MIDES, as technical coordinator; Ministry of Education; Ministry of Housing and Territorial Management; Ministry of Environment; Ministry of Employment; Ministry of Health; and Ministry of Economy and Finance.

[52] Government of Panama, 'Interinstitutional Youth Strategic Plan, Panama 2015–2019', pp. 4 and 137.

to understand the incidence of poverty among children and adolescents. It aims to help generate effective public policies and social programmes for the most vulnerable population groups.

This MPI is aligned with the Global MPI, but both have yet to be more considered in public policies. The work on the development and use of the MPI represented an important transfer of knowledge and methodologies to trained government officials. A technical board was created with the permanent participation of the National Institute of Statistics, Ministry of Economy and Finance, and MIDES.

Despite the limited changes to policies and indicators of poverty and inequality so far, the government institutions working for social development have started to change their understanding of poverty and inequality. According to document reviews and interviews with stakeholders, this work has steered Panama´s public policy towards achievement of the SDGs and has introduced a multidimensional approach to poverty analysis and the proposal of solutions to the country's social challenges. In addition, the participatory dialogue processes contributed to inclusion of vulnerable populations, such as indigenous communities, in policy discussions and developments.

The contribution of UNDP was also relevant in strengthening the capacities of MIDES to undertake and coordinate strategic planning, results-based management and preparation of annual operational plans. According to interviewed partners, this process entailed an integrated planning and budgetary process in the social development institutions that had not yet been addressed by other public sector entities. In 2018, UNDP initiated technical support to the Ministry of Economy and Finance to establish a national planning system to align the SDGs to the territorial multisectoral realities. This has been a process of transferring knowledge and methodologies for public management planning, monitoring and evaluation.

UNDP also supported the Ministry of Employment and Labour Development (MITRADEL) and National Women´s Institute (INAMU) on initiatives focused on gender equality, but with limited results so far. The project with MITRADEL was oriented to improving its strategic planning to reduce inequality in priority populations. UNDP supported the development and implementation of the Labour Equality Plan and the Public Sector Gender Equality Seal to generate knowledge and institutional capacities to promote gender equality in the workplace.

The objective of developing and piloting the Private Sector Gender Equality Seal was achieved, and six private institutions were effectively certified, covering 12,806 workers, of which 49.5 percent were women. Despite this, limited tangible results have been achieved, considering the size of the private sector and of the output initially proposed in the CPD. The country office has reportedly initiated discussions with the new Government to scale up this initiative.

The project with INAMU focused on its institutional strengthening to propose changes in policy frameworks, procedures and practices for greater gender equality. UNDP supported INAMU in reactivating the National Council of Women and the Network of Equity and Gender Mechanisms in all national public entities, complying with one of the main goals of the Equal Opportunity for Women Policy. However, INAMU's attention has been more directed to gender-based violence.

Finding 2. UNDP is contributing to improving the promotion and delivery of quality HIV and TB health services in Panama. However, national capacities and allocated resources are still insufficient to ensure a timely, successful transition out of the Global Fund in 2021. A transition plan has been developed, but delays were experienced in its implementation.

With resources from the Global Fund, UNDP coordinated the sensitization activities and policy discussions for integrating and harmonizing HIV and TB policies and strategies. This integration has been crucial, considering the overlap of the populations affected by HIV and TB and the coinfection risks. HIV coinfection is the most important risk factor for developing active TB, which increases the

susceptibility to primary infection or reinfection and also the risk of TB reactivation for patients with latent TB. In its role of knowledge broker, UNDP hired and supervised consultants, bringing expertise and delivery of results for quality assurance controls.

UNDP also supported capacity strengthening among NGOs and at-risk community groups through trainings in conflict management, human rights, communication skills, stress management and administration,[53] providing them with tools to reach marginalized populations. In a joint effort with NGOs and the Ministry of Health, a prevention strategy was implemented, targeting and reaching 6,354 men who have sex with men, 354 transgender persons and 1,509 sex workers in 2016. The partnership, in which UNDP hired NGOs representing at-risk community groups, has been rated as effective by interviewed stakeholders. Over 60 percent of the high-risk population reportedly now has access to HIV/TB health services.[54] This is a noticeable improvement over the 20 percent baseline figure recorded at the beginning of the programme in 2015. According to members of the Coordinating Country Mechanism and the country office, identifying symptomatic agents in the respiratory system associated with TB reportedly improved the ability to identify the disease, primarily in the indigenous areas of Ngäbe Buglé and Guna Yala.[55]

Although there has been progress in strengthening the capacities of high-risk populations,[56] the country has faced delays in fulfilling its commitment to open two additional special clinics. According to the audit report on Global Fund grants for 2017, the clinics were not opened due to lack of financial resources to hire staff. Institutional capacity-building activities for civil society were also delayed. The audit also reported inadequate management of funds to subrecipient organizations, necessitating special capacity-building in financial management,

including planning, budgeting and reporting.[57] In response to the audit results, UNDP developed and implemented a financial management strengthening plan. This reportedly helped further strengthen the organizations' financial management and planning skills and led to improved payment of health workers and timely delivery of reports.

Panama's graduation to high-income status in 2018 means it will lose its eligibility for Global Fund assistance and be required to transition out of it by 2021. A transition plan covering the 2019–2021 period has been discussed, but its implementation is delayed, and it is unlikely the country will be ready for transition without further support. The transition project proposes interventions in three areas: HIV, TB, and resilience and sustainable health systems. It focuses on strengthening the infrastructure of health services that address HIV and TB; decentralization of basic services for prevention, diagnosis and care; and promotion of alliances and multisectoral collaboration at the national level. Although the plan has been approved and is in its initial implementation phase, no funding was allocated for implementation during national budget discussions between March and June 2019. Consequently, according to national counterparts, it was uncertain whether resources would be available in 2020. However, Parliament is scheduled to adopt the 2020 national budget on 31 October 2019, and lobbying to obtain the necessary allocation will continue by the Government Coordinating Country Mechanism for HIV and TB.

Based on the delays described above, the country is not on track to technically and financially take over the prevention, promotion and care of HIV/AIDS and TB. Implementation of the transition strategy commenced in January 2019. It entails strengthening government and civil society capacities to take over activities supported by the Global Fund and UNDP, and it is expected to help the country fulfil

---

[53] Panamian Centre for Research and Social Action (CEASPA), 'Final Report of the Project for Strengthening the Capacities of Civil Society Organizations to Ensure the Sustainability of HIV and Tuberculosis Prevention Interventions', 2018.

[54] UNDP Panama country office, ROAR, 2018, p. 6.

[55] UNDP Panama country office, ROAR, 2018, p. 6.

[56] Men who have sex with men, transgender people and sex workers.

[57] UNDP, Office of Audit and Investigations, audit of UNDP Panama, referring to grants from the Global Fund, p. 8.

its commitments. However, consultations with civil society representatives[58] in Chiriquí Province indicated the Government was not preparing enough to take the full responsibility and allocate the necessary funding. This includes, for instance, efforts for the prevention and treatment promotion aspects and engagement with associations of at-risk people and civil society actors across the country. The heads of the Government Coordinating Country Mechanism for HIV and TB were consulted, and they also reported the urgent need to strengthen transparency and accountability mechanisms for financial resource management in the Ministry of Health and for additional specialized expertise in advance of the transfer of responsibilities. These are UNDP´s recognized and valued strengths, but a more comprehensive capacity-building strategy is needed for UNDP to better support the Government in successfully transitioning.

Finding 3. UNDP's work on improving social services and inclusion has broad outputs and multiple projects, some with limited scope and scale. This makes them susceptible to being executed in silos, with limited integration with other areas, and thus at risk of not strategically addressing social equity and inclusion to ensure significant sustainable results.

For the output aimed at strengthening institutions to coordinate policy implementation to increase equality and inclusion, more than half of the budget is allocated only to strengthen the commission in charge of advancing health system reform. The other two main projects supported MITRADEL and INAMU to improve gender equality in work settings. Some of the MITRADEL and INAMU initiatives are still in the pilot phase, and if they are not scaled up, the likelihood of them significantly effecting change at the necessary scale is limited, as they remain isolated interventions. These three initiatives are insufficient to deliver the intended output.

The output proposing to strengthen the government´s capacity to promote and deliver quality social services with a focus on vulnerable populations, such as indigenous people and women, focused mostly on only two institutions and had relatively limited success. The projects oriented to strengthening vocational training and micro, small and medium-size enterprises, implemented by INADEH,[59] did not sufficiently involve the vulnerable population.

The project to strengthen INADEH was oriented to facilitating the creation of the national vocational training system to improve the capacities of men and women, help reduce poverty and achieve gender equality. A management model capable of customizing the institutional offer of services was initially tested in six professional training centres, and later implemented in all 22 centres in the country. Since 2018, specific actions to prioritize women's access to professional training initiatives have been undertaken.[60] However, there is no evidence of work with vulnerable population groups, including youth, indigenous people, rural and African-descendant communities. These population groups were not included in the project objectives, even though in principle the output aims at reaching all vulnerable groups.

In the AMPYME[61] project, the institution was strengthened and guidelines were produced and disseminated to increase access to services, but without a specific orientation to inclusion of the most vulnerable groups. The Social Security Fund project had no concrete actions, apart from preliminary diagnostics and specification of the methodology for a possible future consultative process aimed at reforming the disability, death and the elderly programme. Although UNDP alerted government counterparts to the importance of initiating the dialogue process, the Government did not agree it was a high priority and decided not to continue the process.

---

[58] Associations of at-risk population groups contracted by UNDP to undertake HIV and AIDS prevention and treatment promotion and the Human Rights Committees for HIV-positive and TB-affected population.

[59] INADEH is the National Institute for Vocational Training and Training for Human Development.

[60] UNDP Panama country office, ROAR 2018, p. 5.

[61] AMPYME is the Authority of Micro, Small and Medium Size Enterprises.

Outcome 26: By 2020, the State will have advanced in the implementation of institutional reforms that strengthen a system of participatory, inclusive and articulated democratic governance at the local level.

- Output 1. Support to public institution reforms.

- Output 2. Support and facilitation of participatory and inclusive processes for building consensus and public policies of national priorities.

- Output 3. Strengthening of transparent access to public information.

- Output 4. Strengthening of public institutions for more efficient administration and coordination at local and national levels.

- Output 5. Capacities of women for public participation supported.

2.2 Voice and Democracy

In the area of voice and democracy, UNDP committed to contributing to outcome 26 through the following outputs:

FIGURE 9. Outcome 26 budget and expenditures

Million (US$)

Legend: ■ Total budget 2016-2018 ■ Total expenditure 2016-2018 ● Execution rate
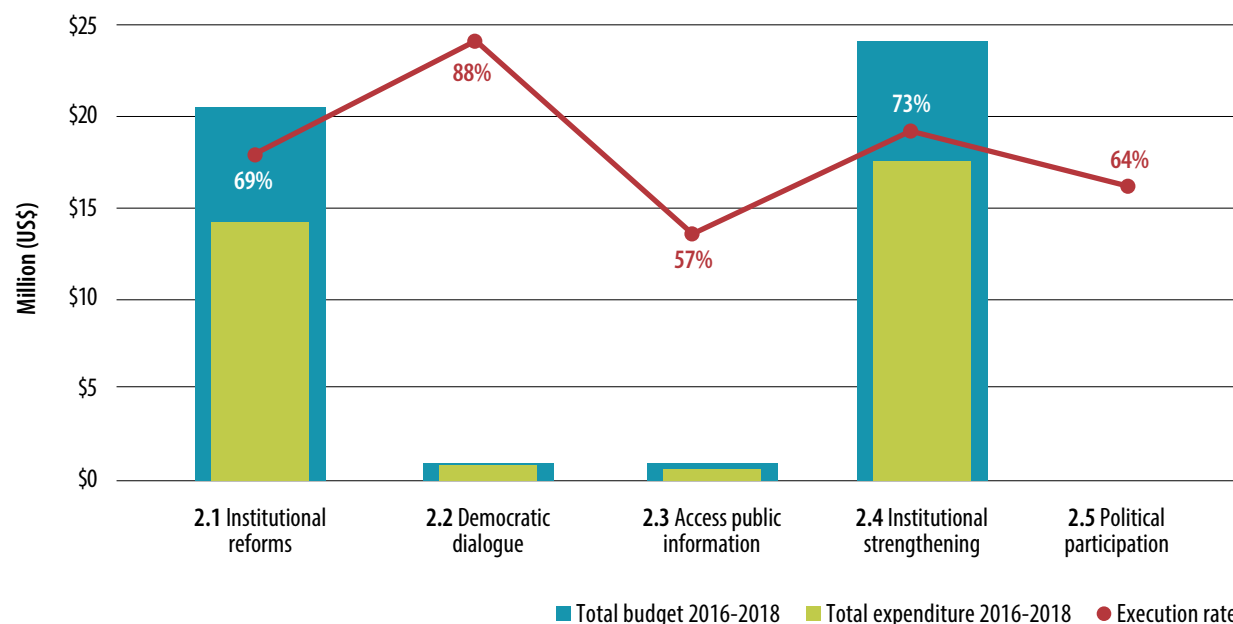
During this programme cycle, 24 projects were implemented, of which 2 focused on institutional reforms, 4 on participatory consensus-building through democratic dialogue, 2 on access to public information, 14 on institutional strengthening at local and national level, and 2 on political participation of women and vulnerable populations ($0.1 million with 64 percent implementation).[62] The total budget amounted to $46.5 million and expenditures to $32.9 million, a 71 percent execution rate (see Figure 9). This represents 41 percent of the total country office expenditure for the period. The main funding partner was the Government of Panama. (See Annex 9 for a complete list of partners involved in this outcome.) Twelve project outputs were implemented under NIM and 15 under DIM.

Based on the gender marker used at design stage, 12 project outputs committed to contributing to gender equality in a limited way (GEN1); 6 to having gender equality included as a significant objective (GEN2); and 1 to having gender equity as the main objective (GEN3).

The theory of change of this outcome was based on the expectation that institutional reforms would strengthen democratic governance. This would boost citizen participation in institutional reforms and enhance the design, implementation and evaluation of public policies for the country's socioeconomic development. The hypothesis of the theory of change, as reconstructed for this evaluation through triangulation of the desk review and interview data, is that promoting different forums for citizen participation and ensuring the availability of transparent information for informed decision-making would lead to improved political processes at local and national levels. It would also create spaces for informed civic monitoring of the functioning of State bodies and public institutions and audit of administrative functions, strengthening accountability.

This hypothesis is based on the assumptions that: (1) the government priorities outlined in the PEG[63] and aligned with it will be implemented;[64] (2) institutional and legislative reforms will be implemented; and (3) UNDP will have a strategic role to play in (a) supporting institutional reform and modernization of public management at national and local levels; (b) supporting decentralization and promotion of strategic planning, results-based management and technological and innovative approaches; (c) strengthening transparency and accountability in public management and fostering access to information; and (d) designing and facilitating inclusive participatory processes for building consensus on national priorities. The outcome has a focus on human rights through access to justice in the penitentiary system and on interculturality, through its emphasis on indigenous populations.

Finding 4. UNDP has been key in supporting and facilitating participatory dialogue processes that made important contributions to the establishment of consensus and agreements, institutional structures, public policies and development plans. Tangible results contributing to the outcome-level changes have been achieved in some State modernization and institutional reforms; however, these are less uniform and have varied degrees of effectiveness and sustainability.

UNDP has played important roles in promoting voice and dialogue for democracy as (1) a provider of technical assistance (political participation, elections); (2) a knowledge broker (Panama Coopera,[65] SIGOB); (3) an enabler and facilitator (democratic dialogue processes and citizen consultations); (4) a supporter of programme implementation and management (Ministry of Government [MINGOB], SIGOB-supported projects); and (5) a provider of policy advice and coordination (inter-institutional coordination, and

---

[62] Atlas data (5 July 2019) on projects 63681 and 110826.

[63] Government of Panama, 'Strategic Plan of the Government (PEG) 2015–2019', namely Axis 2, 'Strengthening of Democracy and the Rule of Law (Renovate the Republic)'. It includes modernization of the public sector through strengthening public institutions, improving intersectoral coordination and results-based management, integrating information systems, and supporting the implementation of regulatory frameworks and organizational mechanisms necessary for the proper functioning of State institutions.

[64] Effective and transparent institutions and public participation for the achievement of national development goals in alignment with the PEG Axis 6.4, 'Democracy, Institutions and Governance', through the strategic sub-axis 6.4.1.1, 'Results-based public management'; 6.4.1.2, 'Justice'; 6.4.1.3, 'Corruption'; 6.4.1.4, 'Citizen security'; and 6.4.1.5, 'Discrimination'.

[65] It is the National Cooperation Plan of Panama, which proposes, with a State vision, a new way of understanding International Cooperation, framed in the 2030 Global Agenda for Sustainable Development. http://panamacoopera.gob.pa/.

implementation of strategic plans, such as the Plan for Integrated Development of Indigenous Peoples of Panama (PDIPIP) and the White Paper on health and education policies).

UNDP has positioned itself particularly well as an important government partner in facilitating participatory consultation, mediating conflicts and strengthening public management programmes and modernization processes. Triangulated evidence from desk review of documents and interviews with multiple stakeholders plus observation by the evaluation team confirms that UNDP has fostered efficient and transparent management in more than 20 public entities at national and local levels. Similarly, UNDP has been an important technical reference for the development and implementation of planning, monitoring and evaluation tools for policies, programmes and projects to improve management, transparency, efficiency and accountability of Panamanian institutions.

These dialogues have supported development of the following policies and strategies in a variety of programmatic areas: (1) National Strategic Plan with State Vision Panama 2030; (2) Plan for the Integral Development of the Indigenous Peoples of Panama; (3) White Paper for transformation of the public health system; (4) National Commitment to Education in Panama; (5) Interagency Strategic Plan for Youth, Active in Panama 2015–2019; (6) National Energy Plan for 2015–2050; (7) National Plan for Water Security: Water for All, 2015–2050; (8) National Plan of Action for Sustainable Fisheries; (9) National Wetland Policy Proposal; (10) National Biodiversity Strategy and Action Plan 2018–2030 (aligned with the Aichi Biodiversity Targets and SDG targets); (11) support for the Modernization of the Environmental Impact Study System; and (12) National Strategy for Citizen Security 2018–2030.

In education, thanks to UNDP support, for the first time in the country's history a permanent council was set up to guarantee implementation of education policies. In health, a consultative body reflecting the interests of all stakeholders will lead implementation of the White Paper, which was developed as a direct result of UNDP support to the health sector dialogue. In both cases, UNDP has been recognized by interviewed parties as directly responsible for bringing together historically antagonistic players from these important social sectors and creating an enabling environment for their interaction and consensual agreement, as well as formalization of their respective organizational structures. Stakeholders described UNDP as a crucial player, without which it might have been impossible to conduct the dialogues and arrive at public policies built on the above plans and agreements.

On indigenous issues, interviews indicated that UNDP had established a reputation as a key player, enjoying utmost trust and confidence of indigenous populations. This is due mostly to its pivotal role in a series of dialogues[66] and the development of the PDIPIP. Developed through participatory agreements with 12 indigenous territories, the PDIPIP operationalizes the main development priorities of indigenous populations through specific action plans. Under the umbrella of MINGOB reform, UNDP was instrumental in the establishment and consolidation of the Indigenous Development Roundtable of the 12 Indigenous Peoples of Panama. It was transformed into the National Council for the Integral Development of Indigenous Peoples,[67] mandated to inform and monitor implementation of the PDIPIP.

The results of UNDP's work in support of the PDIPIP includes (1) individual roadmaps for each municipality of Ngäbe-Buglé; (2) establishment of an Advisory Committee of Indigenous Women,[68] as part of the National Council for the Integral Development of Indigenous Peoples, with UNDP's direct support to empower indigenous women and foster their participation in implementation of the PDIPIP; and (3) development of an inter-agency agreement

---

[66] Even in health, the creation of CAN was the direct result of UNDP work. Though UNDP was not very proactive, having it on the board ensured provision of soft technical assistance and support in its functioning.

[67] Through Executive Decree No. 203 of 27 July 2018.

[68] This national NGO is composed of women from the 12 traditional structures who have been designated by the respective authorities to advise on the implementation of the plan.

with the Food and Agriculture Organization of the United Nations for technical assistance to strengthen food security by restoring productive systems in 10 indigenous communities. According to the Food and Agriculture Organization of the United Nations, this enabled the increased yields that in turn have aided the self-sufficiency of participating communities.

UNDP's technical assistance to MINGOB in implementing the PDIPIP and developing proposals also helped to mobilize significant resources[69] to finance implementation of the plan. As part of the agreement with the National Council for Integral Development of Indigenous Peoples, UNDP led preparation of the design and feasibility studies for construction of the capital city of Ngäbe Buglé province. This city will become the first administrative centre of this province. It will facilitate access by Ngäbe and Buglé peoples to public services and government structures by consolidating the scattered structures and offering services currently missing. Construction of the city was included in the PDIPIP based on demand from the indigenous populations as a result of a participatory methodology encouraging free, prior and informed consent, which included a gender approach.[70] The fact that indigenous communities are being consulted before action is taken is evidence of behavioural change.

In support of public institution reforms, and in the framework of the reform of the penitentiary system, UNDP Panama supported the approval and installation of the National Mechanism for the Prevention of Torture. Its mission is to ensure protections for persons deprived of liberty and monitoring of potential claims. This in turn led to the identification of needs for improving services and infrastructure. UNDP provided training[71] and guidance for officials on implementation of standards for improved inmate registration and habitability of living conditions, as well as inmates' re-socialization and reintegration into society.

UNDP also developed strategic and operational plans for the general directorate of the penitentiary system; carried out feasibility, marketing, infrastructure and sociocultural assessments and studies; helped optimize internal procedures and registries; and refurbished penitentiary infrastructure to improve living conditions. Finally, UNDP led the adaptation of custody and compliance centres for young inmates in conflict with the law, in order to treat young people with dignity and provide spaces for rehabilitation and reintegration. No comprehensive assessment has yet been conducted of the effects of these improvements on inmate habitation.

Finding 5. UNDP has significantly contributed to institutional strengthening and improved accountability, transparency and results-based management of select government institutions in Panama. It has done so by providing useful and tested planning tools, especially through the SIGOB mechanism.

SIGOB is being used in 13 institutions through 32 modules and with the participation of 4,300 government officials. While the uptake of the SIGOB modules varies among institutions,[72] data obtained through triangulation of documents and interview evidence suggests that the majority of beneficiary institutions consider SIGOB's overall approach and methodology relevant and useful.

Key institutions supported by SIGOB — such as MINGOB, Ministry of Security, Ministry of Foreign Relations and the Presidency — have reported significant improvements in a number of areas, including management capacities; communication and coordination both within and between institutions; accountability; systems for target and performance monitoring; and streamlining of organizational processes.[73] One direct result of SIGOB is the reported improvement in the state

---

[69] A World Bank loan of $80 million for governance, education, health and water and sanitation; and $40 million from the Inter-American Development Bank.

[70] Source: Midterm evaluation of the project 'Support to the Programme of Reforms of MINGOB' and evaluation team observations.

[71] UNDP Panama also supported training workshops on the Nelson Mandela Rules addressed to prison directors and department chiefs of the Director General of the Penitentiary System.

[72] Different degrees of uptake of SIGOB systems were reported by the institutions, with opinions about it ranging from highly effective, relevant and important to difficult to use and not relevant.

[73] Source: Midterm evaluation of the Programme of Work for SIGOB in Panama for strengthening of public management, validated by the ICPE team.

procurement approval process, which has fallen from 500 days to 200. Though this is still excessive, it is a notable achievement for the Government, which has a significant backlog of pending procurements.

Another example of the SIGOB's contribution to institutional efficiency was found in MINGOB, which reported having improved management and planning through the use of a number of SIGOB modules: goal monitoring; document transparency and efficiency system; communication action system; and regulated structured procedures system. These modules and the operational manuals for organization and functions and administrative procedures are used by more than 500 public servants from six administrative units in MINGOB and offices in Herrera, Los Santos, Veraguas, Chiriquí, Bocas del Toro provinces and the Ngäbe Buglé Comarca.

Building on its experience from the previous elections, UNDP also used SIGOB to support the Government transition following the May 2019 election, providing the executive branch with the conceptual approach and methodology for the '*pre-empalme*' process. It is based on the SIGOB methodology/tool, which maps and organizes information provided by the exiting administration to the incoming one, supporting government transition and helping guide the incoming administration in planning and priority setting.

The *pre-empalme* methodology helped the exiting administration in 2019 to identify and validate 218 priority recommendations for consideration by the incoming Government. This is part of an attempt to ensure the continuity of governance and consolidation and strengthening of results. With SIGOB, UNDP supported the preparation of information sheets that collected and systematized information on the priorities identified by 41 institutions; regulations considered relevant in each sector; institutional areas of articulation and coordination of cross-cutting policies; and the systems or databases relevant for government action.

Finding 6. UNDP has helped to enhance women's capacities for political participation through training of female candidates and by strengthening institutional frameworks through the creation of the Advisory Committee of Indigenous Women within the National Council for Indigenous Peoples. The effectiveness of these interventions, however, continues to be hampered by structural and cultural barriers that haven't yet been addressed due to insufficient human and financial resources.

The Advisory Committee of Indigenous Women[74] was created as a direct result of advocacy and technical assistance UNDP provided to MINGOB to follow up on executive decree No. 203 of 27 July 2018.[75] Interviewed stakeholders viewed this as a relevant contribution[76] to achieving more representation of women in the National Council and empowering indigenous women. Based on a consultative process, UNDP also carried out a comprehensive assessment of the situation of indigenous women, including women deprived of liberty, which was disseminated to indigenous women and the Council. As a follow-up to the assessment, two forums were organized, in 2017 and 2018, to discuss development priorities, with full participation and leadership of indigenous women.

In collaboration with the National Forum of Women in Political Parties, UNDP also made a modest but valuable contribution to fostering political participation of women, by training 230 women candidates prior to the elections of 2019. While it is methodologically difficult to attribute the election success to these trainings alone, it is noteworthy that 36 percent of the elected Assembly representatives and 58 percent of the elected female mayors participated in these trainings. Interviewed participants said they felt more empowered and capable of managing and participating in political campaigns thanks to the trainings. Participants also reported persistent challenges in dealing with structural and cultural barriers to gender equality

---

[74] The Committee was created less than a year ago and is in the process of consolidation and strengthening. It attends the Council meetings and ensures that the interests of indigenous women are not overlooked. The Council is active and growing. This is the major result in itself; a more tangible outcome cannot be expected in less than a year. The two forums mentioned in the following paragraph involve the Council and indigenous women, but also do not qualify as an outcome of the Council per se, but rather something that the creation of the Council helped take place.

[75] This decree established the National Council for Integral Development of Indigenous Peoples and mandated the inclusion of at least one indigenous woman representative in each traditional structure represented in the Council.

[76] As noted in the midterm evaluation of the project 'Support to the Programme of Reforms of MINGOB'.

in the political arena, such as *machismo*, resistance from political parties, cultural stereotypes and power dynamics. These structural and cultural barriers, however, have not been addressed yet due to limited availability of resources to systematically expand the work in this area.

UNDP also launched a series of discussions with universities, the judiciary, the National Assembly and the Electoral Court on the ability of women to exercise their political participation rights, based on the Atenea Political Parity Index assessment in Panama. This assessment provided data, analysis and recommendations for the advancement of equal exercise of political rights in the country and serves as a baseline for future actions. The methodology and capacities for the development of the Index are being transferred to the Electoral Court for future sustainability.

Finding 7. While the majority of the planned results have been achieved as per established indicators and targets, the outcome was overly ambitious, and many of the assumptions that underpinned the theory of change did not hold. UNDP did not sufficiently factor in all the risks associated with the deficiencies of the Panamanian public management system and its political and governance context. Nor did UNDP effectively apply adaptive management, considering the magnitude, diversity and complexity of the portfolio, thus reducing its effectiveness and diluting focus.

Except for the education dialogue, which was initiated in 2016, the remaining dialogues under the outcome have been carryovers from the previous programme cycles; they did not stem from the new vision of change embodied by the current theory of change. UNDP's continued added value and the exit strategy are not clear. The main focus is on democratic dialogue, which is one way to foster participation, but it only addresses one part of the theory of change. On the other hand, these dialogues have already been concluded and the focus has shifted towards implementation of the achieved agreements, where the citizen participation element of the theory of change is less prominent.

Likewise, the inclusion of SIGOB in the programme strategy was largely due to demand from the Government. Uneven results in the uptake of the modules, and the risks (albeit moderate) associated with the government change, confirm the challenge of limited sustainability faced by the country programme. This is due to the absence of institutional protocols and mechanisms for sustainability related to the deficiencies of the public service, particularly the absence of the administrative career in civil service, and clientelism. Despite SIGOB's established reputation and the proven effectiveness of its modules, it remains to be seen to what extent SIGOB will be maintained in the institutions under the new administration. Given its long-standing history of successful application, rather than the effectiveness of the system and methodology, the challenge lies in the willingness, readiness and internal capacity of the recipient institutions to adopt SIGOB mechanisms and fully commit to their implementation.

The output[77] to support raising the capacities of women for public participation, while the most modest in terms of budget and execution, is clearly related to the citizen participation focus of the CPD theory of change. It is relevant both from the corporate standpoint and from the perspective of the equality and inclusion-related challenges faced by the country. However, having a stand-alone output is not enough to foster women's participation; stronger mainstreaming of gender throughout all actions covered by the outcome is also needed.

Some initiatives, such as those on historical heritage with the Office of Old Town,[78] are only loosely linked with the theory of change. These projects seek to strengthen the role of citizenship and improve the quality of democracy. They aim to do so by supporting interaction among citizens and government institutions; raising awareness of the city and its history and culture; strengthening social cohesion; and fostering national identity and the understanding of democracy and the history of Panama. These projects are not born out of the theory of change logic; rather they represent the ad-hoc response to

---

[77] The creation of output 2.5. after the country programme action plan revision in 2018 reflects the country office's steadily increasing focus on gender issues.
[78] Such as the celebration of 500 years of Panama City, promoting public access to the historical records of Panama (National Archive).

specific requests from institutions and government financing opportunities. UNDP's role in these projects has been limited to funds administration. Their scope is too small to yield sustainable results, and it is not clear to what extent these are sufficient to stimulate stronger political participation and interculturality.

An additional factor that has hindered achievement of some results has been delays in the implementation of Law 37, which decentralized the public administration and specified a municipal regime. After its initial support to the government's decentralization efforts beginning in 2007, UNDP re-engaged in the process in 2015. It sat on MINGOB's interdisciplinary working group to review Law 37, which had been suspended for five years, for its reactivation. As a member of this group, UNDP contributed with content and methodology for the development of the law, most notably related to mechanisms of citizen participation.

Building on this experience, UNDP supported the decentralization component under the MINGOB reform programme. This work aimed at developing and implementing the decentralization plan by 2019 with the Citizen Audit Programme, and the establishment of the online platform for citizen monitoring and strengthening of municipal capacities.[79] However, implementation of the decentralization process was delayed for political reasons, and this was exacerbated by the transfer of decentralization competencies from MINGOB to the Decentralization Secretariat under the Ministry of Presidency. Though MINGOB implemented a series of activities linked with decentralization and local development in indigenous territories, the scope and effect of these actions were not sufficient to achieve the expected outcome-level change.

Another pending result is the strengthening of the Vice-Ministry for Indigenous Issues, created after the reorganization of MINGOB. While it was reported by UNDP as achieved, the evaluation did not find evidence thereof. The evaluation team did not interview representatives of the Vice-Ministry. However, most stakeholders consulted, including the representatives of indigenous populations, indicated that the Vice-Ministry

remains largely inactive. They felt it requires support to strengthen its capacities and structures in order to effectively lead implementation of the PDIPIP and address various concerns of indigenous peoples. Though UNDP carried out numerous supportive activities, it is not evident that these succeeded in strengthening the leadership capacities of the Vice-Ministry or improved the ownership of the results.

A component without evidence of achievement is the strengthening of the Government Academy,[80] created to develop capacities for public administration and leadership. Under the test phase of the academy, implemented within the MINGOB reform process, several noteworthy activities and results were produced. These included a diploma course on public policies for integrated development in Panama; a training course on gender discrimination and violence against women for high-level officials of MINGOB and other public entities; a proposal for a master-level course on political leadership and public management; and design of a training plan and internal regulations for the Academy. However, the effect of this worthwhile initiative is still not visible and its future is not clear.

The scope of the MINGOB reform process was large and the intervention complex. There is evidence of: improved capacities of MINGOB, which have led to improved efficiency and accountability; streamlining of internal management processes; and improved planning, programming, monitoring and communication. However, the sheer magnitude and diversity of MINGOB's mandate, turnover of three ministers and change in organizational structure delayed implementation of the decentralization process and the adversarial legal system. That, combined with the inefficiency and uncertainty associated with the public management system, have limited the scope of the results to a series of separate components, not a comprehensive institutional reform.

This is particularly the case considering the small investment needed in the technical/substantive component of the MINGOB reform, compared to the

---

[79] This programmatic umbrella covered implementation of the decentralization of public administration (Law 66 of 29 October 2015), reforms of the administration of justice (Law 16 of 17 June 2016), which instituted Community Justice for Peace and the adversarial system.

[80] Under resolution No. 032-R-021.

infrastructure component. This is not to say that the infrastructure component was not relevant or correct; in fact, improving the penitentiary infrastructure was a necessary albeit costly requirement to bring the penitentiary system closer to international standards in pursuit of respect for human rights and inmate dignity. However, the infrastructure support overshadows the substantive technical advisory work of UNDP, contributing to the prevalent perception that UNDP's primary role is as a funds administrator and implementer.

The effectiveness of gender mainstreaming interventions in this outcome area continues to be limited by structural and cultural barriers that haven't been strategically addressed by UNDP due to its insufficient human and financial resources. UNDP's work on women's political participation highlighted the difficulties faced due to resistance by some political parties to creating an opportunity for women's active participation. UNDP targeted men through gender-equality initiatives with the Electoral Court, National Assembly and judiciary. However, these initiatives lacked sufficient effectiveness to raise awareness and engage men, who normally lead campaigns and hold high-level government positions, to influence their views on gender equality and establish male champions supportive of women's political participation.

The magnitude and the diversity of the actions under the voice and democracy portfolio are negative factors. Together with institutional weaknesses, they strain the programme and limit its overall effectiveness to promote more sustainable change. Rather than concentrating on a few strategic directions, the programme was spread over too many initiatives. In addition to mega-projects such as MINGOB reform, the portfolio comprised a series of actions with relatively limited scope for impact and limited relevance in alignment with a theory of change. As mentioned above, while all of the projects are technically related to the outcome, their scope and eventual impact are unequal. A great part of UNDP

work under the outcome was process-related, yielding numerous results at activity and output level. However, the contribution of these small-scale and dispersed actions to outcome-level change is relatively limited. As a result, the sum of these multiple results was smaller than expected compared to the efforts invested in their achievement and to other projects in the portfolio with more meaningful and sustainable results.

2.3 Environmental Sustainability

Outcome 27: By 2020, the State will have strengthened its capacities to design and implement policies, plans and programmes that contribute to environmental sustainability, food and nutrition security, adaptation to climate change, disaster risk reduction and resilience build-up.

In the area of sustainable development, UNDP has committed to contributing to outcome 27 through the following outputs:

- Output 1. Improving compliance of commitments to international environmental agreements.

- Output 2. Municipalities integrate disaster risk management and climate change in their management plans.

- Output 3. Inclusive and innovative energy efficiency measures, access to energy in rural communities and diversification of the energy matrix, designed and implemented.

- Output 4. Priority rural units improve their productive capacities, diversify their activities and generate livelihoods by incorporating it into local economic development strategies.

FIGURE 10. Outcome 27 budget and expenditures
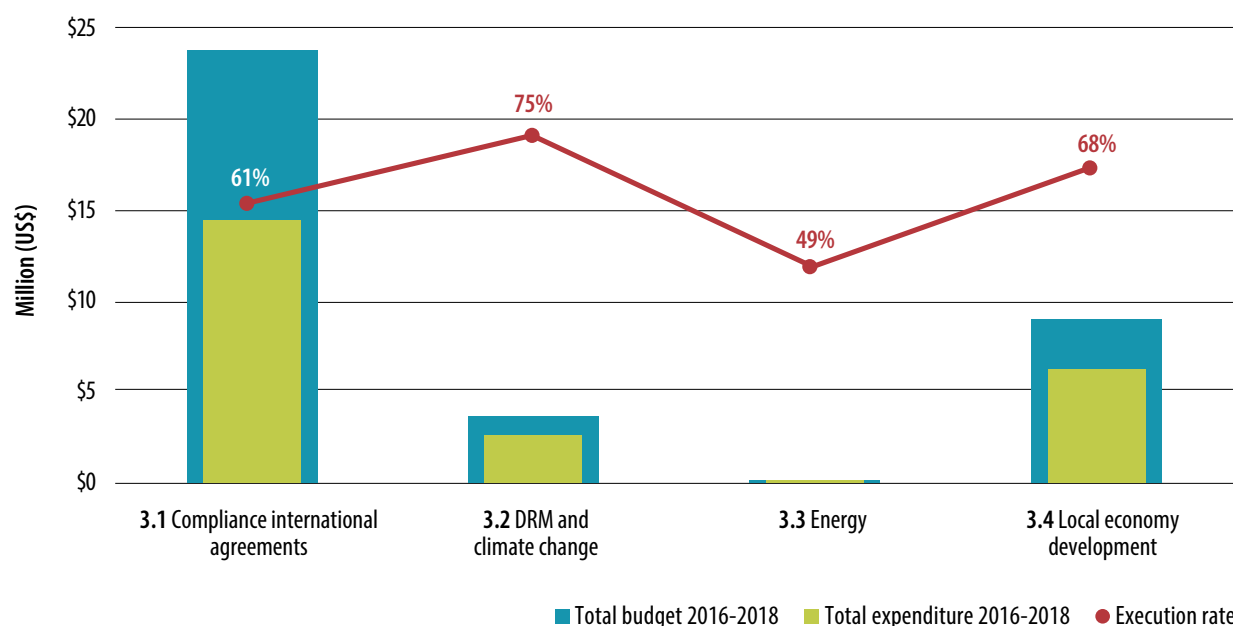
During this programme cycle, 25 projects were implemented, of which 16 focused on compliance with international agreements, 4 on DRM and climate change, 1 on energy and 4 on local economic development. The total budget amounted to $35.5 million and expenditures to $22.8 million, a 64 percent execution rate (see Figure 10). This represented 28 percent of the total country office expenditure for the period. Resources came mainly from the Government of Panama (Panama Canal Authority [ACP] and Ministry of Environment) and the Global Environment Facility. (See Annex 9 for a complete list of partners contributing to this outcome.) Seventeen project outputs were implemented under NIM and 16 under DIM.

Based on the gender marker used at design stage, 12 project outputs committed to contributing to gender equality in a limited way (GEN1) and 17 to having gender equality as a significant objective (GEN2). Only one project, outside the scope of the evaluation, was classified as GEN3.[81]

Although a theory of change for this thematic area was integrated into the overall CPD theory of change, the specific pathways to change were not coherently articulated through the outputs aligned to it. The broad outcome — covering environmental sustainability, nutritional and food security, adaptation to climate change, resilience building and disaster risk management — aimed at integrating these diverse issues into one strategy, but this was not clear, based on the projects aligned to it. The broadness of the outcome and outputs, and the limited scope of projects, are in part responses to specific and scattered government demands and funding opportunities.

The underlying theory of change of this outcome, which was unclear and not well articulated, was based on the expectation that it could be achieved by complying with international agreements, integrating DRM in some municipalities, advancing change in the energy matrix and increasing the productive capacity of some specific units. It was difficult to reconstruct the hypotheses and understand how, with very specific and limited outputs and diverse projects, it could be possible to effectively and sustainably contribute to the extremely broad outcome.

The hypotheses were based on the assumption that the government priorities on environmental sustainability

---

[81] Project 00099142, 'Responsabilidad Socioambiental de la Cuenca del Canal' with ACP.

defined in strategic plans would be implemented and would be sufficient to improve its capacity to produce more sustainable development for the country. The hypotheses also assumed that some initiatives on carbon emission reduction, biodiversity, clean energy production, green productivity and environmental management would be replicated and scaled up by national and subnational governments and NGOs. A final assumption was that the decentralization process would facilitate the adaptation of policies and programmes to diverse local realities and needs.

Finding 8. UNDP effectively contributed to improving commitments to compliance with international environmental agreements. UNDP has also provided the Government with technical advice and supported the participatory development of environmental and energy strategies, plans and policies. This contributed to the institutional strengthening of the Ministry of Environment and helped to prevent and mediate social conflicts related to the use of natural resources.

The social conflicts generated in the past by inadequate consultation processes and incomplete valuation of the socio-environmental impacts of government investment projects opened opportunities for UNDP to introduce participatory processes that have contributed to social peace. According to stakeholders interviewed, the effectiveness of UNDP's mediator role has earned the organization strategic positioning as one of the main partners of the Ministry of Environment for strengthening capacities for compliance with international environmental agreements and commitments.

Strategic participatory initiatives supported by UNDP contributed to the following key outputs: National Biodiversity Strategy and Action Plan; National Policy on Wetlands; National Strategy of the National System of Protected Areas; National Forestry Strategy 2050 and Alliance for the Million Reforested Hectares; National Hydrological Safety Plan; National Energy Plan; Environmental Education Strategy; and National Climate Change Strategy.

Stakeholders consulted indicated that the development of the National Hydrological Safety Plan[82] in particular demonstrated to the Ministry of Environment the value of using participatory processes facilitated by UNDP for the development of policies, strategies and plans. The use of a participatory consultative process to formulate such policy documents led to longer timeframes, due to the highly technical content that involved various sectors, including academia. However, conflicts and environmental and social risks were mitigated, and the consultation and mediation process made the community feel heard and respected.

The National Biodiversity Strategy and Action Plan, which complies with the Convention on Biological Diversity, was mentioned by stakeholders as a key example of UNDP's contribution to the regulation of international law related to the sustainable use of natural resources. It also contributed to harmonization between states, which usually do not have the same development priorities in managing transboundary protected areas. Following the 2018 Ramsar Convention on Wetlands, UNDP also supported the formulation of the National Wetland Policy, which aims to "guarantee integral and sustainable management of wetlands, applying measures for the restoration of these ecosystems, promoting their protection, planning and research, and sensitizing the population with respect to its importance for the human well-being of the present and future generations."[83]

UNDP´s support to the Ministry of Health equally contributed to help Panama comply with other international commitments. These included commitments for the protection of the ozone layer and for reducing and eliminating ozone-depleting substances. According to the Ministry of Health, UNDP was not only effective in administering the financial resources with efficiency and transparency, but also in bringing on board international technical expertise and undertaking the necessary oversight and quality assurance of activities leading to the satisfactory final delivery of specified products.

---

82 Comité de Alto Nivel de Seguridad Hídrica, 'Plan Nacional de Seguridad Hídrica 2015-2050: Agua para Todos', Ciudad de Panamá, 2016. The plan defines key challenges and goals for the hydrologic safety of the country in terms of sustained coverage and infrastructure for the provision of safe water and sanitation; availability of water for the productive sectors; healthy water basins; and behaviour change leading to a culture of responsible shared use of water.

83 Ministerio de Ambiente, Oficial Nacional de Medio Ambiente y Desarrollo Sostenible de PNUD, 'Política Nacional de Humedales de la República de Panamá', Ciudad de Panamá, 2018, p. 19.

Finding 9. UNDP's partnership with the Panama Canal Authority has generated innovative approaches for the comprehensive management of the Panama Canal Water Basin. This has improved the capacities of priority rural units by diversifying economic activities and generating sustainable livelihood options that have been incorporated into local economic development.

The ACP, as the agency responsible for managing the Panama Canal, has implemented several programmes aimed at ensuring the sustainable management of the Canal's water basin. It has significant social and economic importance for the country, as it provides 95 percent of the safe drinking water for the cities of Colón, Panama and San Miguelito.[84]

A key component of the ACP programme has been the issuance of land titles to individuals living and producing in the target subbasins. This is based on the premise of land ownership as a building block to ensure that communities are committed to the conservation of the basin's natural resources. Through these efforts, by the end of 2016, 6,175 titles had been obtained for 8,503 properties, totaling 51,156 hectares and covering 33 percent of total expected land titling. However, due to the decentralization process of the National Authority for Land Administration and the slow procedures for the revision and approval of titling, the goal of 39 percent coverage was not achieved, and only 616 were registered (86 percent of the goal).[85] The process was successful; greater ownership and commitment by the land owners resulted from the methodologies used, the coverage of the titling processes and the direct approach with potential beneficiaries and eventual owners, as seen during the evaluation field visit. This successful process has good potential for replicability.

Landowners also received technical guidance to access ACP's Environmental Economic Incentives Programme, which provides incentives to landowners for the sustainable economic and environmental use of their farms. The aim is to improve their livelihoods while safeguarding the subbasins' natural resources, mainly water. Members of the coffee producers' cooperative *Cuencafe*, supported by the programme, reported in interviews during the evaluation field visits that their coffee production and processing had improved as a result of the newly adopted agroforestry techniques and donated equipment. They also had improved their income and livelihoods from coffee sales. The *Cuencafe* cooperative, which is led by women, benefits around 1,300 producers. To strengthen local governance, 30 local committees and 7 advisory councils were created to identify development needs and protective actions for the Panama Canal Basin. This model has improved local governance structures and generated good economic results while promoting conservation of the environment.

Similar work has already started in the Indio River Basin. According to the country office, there, four community nurseries in the Alto de la Mesa and Rio Indio Nacimiento have been supported, benefiting 110 community members, 48 men and 62 women. The country office stated that as a result of the titling and technical support interventions: (1) 935 hectares of land were dedicated to agroforestry under a sustainable, equitable and environmentally friendly approach; (2) 1,775 hectares of land were dedicated to sustainable forestry livestock farming; and (3) 298 hectares have forest coverage due to reforestation or conservation initiatives supported with seed capital. With support from UNDP, the basin design model has been developed progressively and aligned with the SDGs and with the territories´ needs as defined in intersectoral plans, in compliance with the River Basins Law.

UNDP has also been a key partner for integrating gender approaches in the basin design model. The aim is to ensure not only participation by women in the economic initiatives, but also their empowerment and leadership in governance structures. Title deeds have been granted to 5,472 women in the Panama Canal Basin, and 699 women are benefiting from the incentives of the Environmental Economic Incentives Programme, increasing their productivity

---

[84] Source: ACP website, https://micanaldepanama.com/nosotros/cuenca-hidrografica/.
[85] Source: UNDP PS53351 Project's Annual Report 2017.

and empowerment. Due to this support, as well as its advisory role for the SDGs, UNDP is gradually shifting its role from resource manager in the first phase of implementation of the Canal Basin Project to more of a strategic partner in the second phase.

Finding 10. UNDP's work to integrate resilience, DRM and climate change adaptation in municipal management plans and budgets has been moderately successful but limited in scope. Although the target of work with 10 municipalities is on track to be achieved by 2020, this is a small percentage of the country's municipalities. UNDP's work on mangrove conservation has also been too limited in scope to significantly contribute to the CPD outcome. The rest of the programme, in general, lacked proper mainstreaming of resilience strategies as initially intended in the CPD.

During the CPD period, 10 municipalities received training on how to develop and implement local development plans that include DRM and climate change adaptation measures. However, only four municipalities have integrated DRM and climate change adaptation measures into their development plans, as reported by UNDP.[86] Considering the country has 81 municipalities, there is still a long way to go. UNDP would have been expected to negotiate partnerships to further scale up and replicate the work.

With UNDP's technical support, three municipalities completed the implementation phase of the plans (Remedios, San Lorenzo and San Felix in the province of Chiriquí). The municipality of Panama has initiated the implementation phase; the municipalities of David in Chiriquí and Colón on the Atlantic coast are currently in the adoption phase; and in 2019, three municipalities initiated preparatory works (Pedasí, Pocrí and Tonosí in the region of Azuero).[87] Based on interviews with local government officials, the effective implementation of the DRM actions in the local development plans is hampered by limited resources and conflict with other local priorities, such as school infrastructure and health services.

An important research and demonstration initiative was also undertaken for the management and conservation of mangroves. The research demonstrated the contribution of mangrove ecosystems to the management of climate change risks, for both adaptation and mitigation. However, this was a small experience with limited contributions to the expected output and outcome. A follow-up project in the Azuero Peninsula is to be implemented with Global Environment Facility funding, but it is uncertain if it will ensure continuity with the previous intervention area or serve as a model for replication.

In its CPD, the country office also committed to mainstreaming resilience building throughout the programme, not just for disaster risk management but also to prepare for social and economic vulnerabilities and shocks, such as economic instability. It was not evident that this mainstreaming had taken place, beyond the environmental outcome.

Finding 11. UNDP has helped to strengthen the structure of Panama's Science and Technology Institute, facilitating a participatory process to develop the National Strategic Plan on Science and Technology and establish its planning, monitoring and evaluation unit. This helped to strategically position science and technology in the political agenda and increase the number of practising doctoral-level scientists in the country. Nevertheless, UNDP's work with science and technology does not yet have a holistic strategy integrated with the rest of the programme.

UNDP supported the National Secretariat for Science, Technology and Innovation (SENACYT) to develop the National Strategic Plan of Science, Technology and Innovation (PENCYT) with representatives from the public and private sectors and academia. It established five programmes oriented to promoting more sustainable development, social inclusion, competitiveness and entrepreneurship, scientific knowledge, and science and technology governance structures.[88] According to interviews with stakeholders

---

[86] UNDP, ROAR, Panama, 2018, p. 15.

[87] UNDP, ROAR, Panama, 2018, p. 15.

[88] Government of Panama, SENACYT, 'Política y Plan Nacional de Ciencia, Tecnología e Innovación 2015-2019'.

and review of documents, the process raised the profile of science and technology in the country and dramatically increased the number of doctoral-level researchers: from 150 PhDs active in research in 2014 to about 750 in 2019.

UNDP also transferred knowledge on how to undertake results-based management to SENACYT and installed a monitoring and evaluation unit. Normally, special management units are set up to undertake complex operations and administration of large projects with multilateral institutions. Given SENACYT´s capacity to administer funds and manage complex operations, it was not necessary to create management units to execute its projects with the Inter-American Development Bank and the Latin American Development Bank (formerly Andean Development Corporation). Because of this, SENACYT has been selected to develop the initial phase of implementation of the national results-based management system. This pilot will aid learning and transfer of practices and instruments to other public institutions in the country.

These are promising results. Yet it is not clear how the work with SENACYT integrates with the CPD outcomes and outputs, and what is UNDP's added value moving forward. UNDP lacks a clear strategy for its work in science and technology in synergy with other development partners. Nor has it articulated how this work fits within the outcome of environmental sustainability and integrates with the rest of the programme. There is an opportunity to leverage UNDP's network and integrator role by supporting the update of the PENCYT with the objective of integrating science and technology with multisectoral entities with longer term competencies and facilitating exchanges with other countries that have had successful experiences.

In 2018 SENACYT developed a 'diagnosis of gender equality in science, innovation and technology', with UNDP support. UNDP also helped to include the science, innovation and technology sector in INAMU´s plan of action for equity opportunities for women. However, according to a SENACYT report,

the PENCYT for 2015–2019 "mainstreamed the gender approach and diluted it, making the problem of gender inequality in [science, technology and innovation] again invisible, as well as the actions to be developed for equality between men and women."[89] The 2019 evaluation report of the public sector Gender Equality Seal, in which SENACYT participates, recommends development of a programme to strengthen women´s participation in science, integrated into the PENCYT for 2020–2025.

2.4 Security and Justice

Outcome 28: By 2020, the State will have more effective systems to prevent and address all types of violence, including gender-based violence; and to administer justice and implement citizen security strategies, respectful of human rights and cultural diversity.

In the area of security and justice, UNDP has committed to contributing to outcome 28 through the following outputs:

1. Output 1. Strengthening institutions to guarantee access to justice and respect for human rights.

2. Output 2. Strengthening of information and monitoring systems for the prevention of violence (public and private) and access to justice with the criteria of equality and cultural diversity.

3. Output 3. Initiatives at local and national levels for the strengthening of citizen security, prevention of violence and promotion of a culture of peace.

---

[89] E. Rodríguez Blanco, et al., 'Diagnóstico de Género sobre la Participación de las Mujeres en la Ciencia en Panamá', SENACYT, Panamá, 2018, p. 24.

FIGURE 11. Outcome 28 budget and expenditures
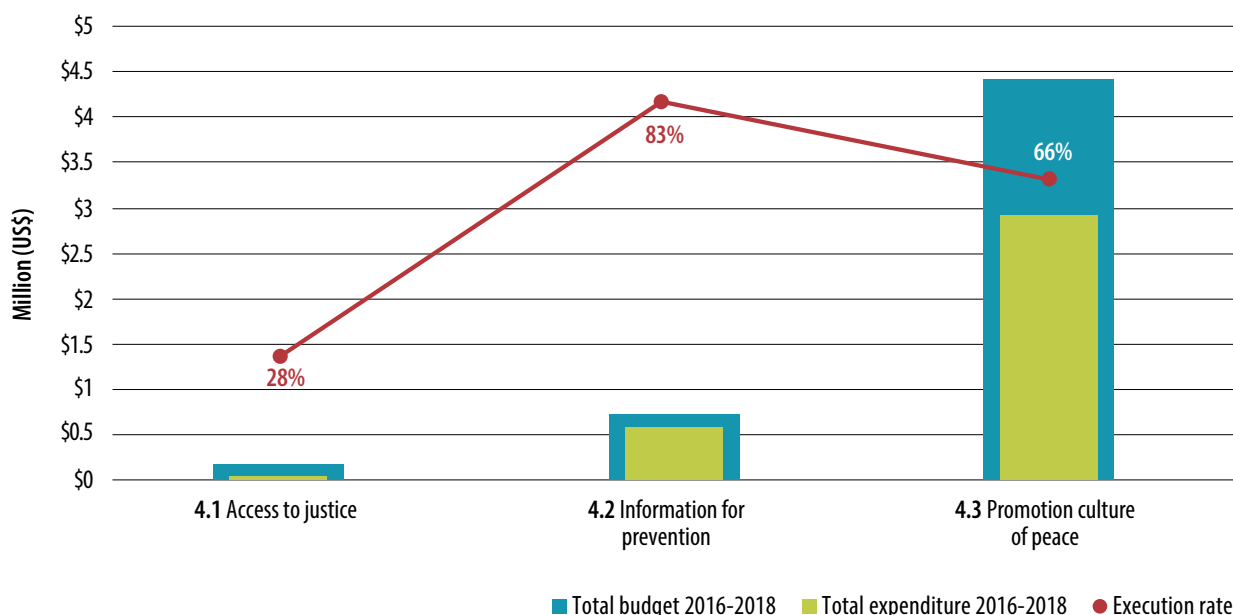
During this programme cycle, six projects were implemented, of which two focused on access to justice and human rights, two on information and monitoring systems for prevention of violence, and two on prevention of violence and promotion of a culture of peace. The total budget amounted to $5.3 million and expenditures to $3.6 million, a 67 percent execution rate (see Figure 11). This represented 4.4 percent of the total programme expenditure. Resources came mainly from the Government of Panama. (See Annex 9 for a full list of partners involved in this outcome.) Two projects were implemented under NIM and four under DIM.

Based on the gender marker used at design stage, one project committed to contributing to gender equality in a limited way (GEN1) and eight to having gender equality as a significant objective (GEN2).

The CPD theory of change does not contain a specific pathway for the security and justice area, but it is embedded in the logical chain for the voice and democracy area. Security and justice is linked to the UNDP Strategic Plan as related to stronger national and local institutions to provide access to quality basic services. The underlying hypothesis is based on the assumption that strengthening local

capacities for increased citizen participation will contribute to the development of competencies for basic decentralized services and lead to improved access to basic services in the justice sector and reduced violence. The outcome has a strong focus on human rights — through prevention of violence against children, adolescents and women; access to justice; promotion of respect for cultural diversity; and through its emphasis on indigenous populations and African-descendant communities.

The reconstruction of the theory of change attempted for the evaluation suggests that the original assumptions were linked to the successful implementation of institutional and judiciary reforms and of the decentralization law and to strong uptake of the adversarial legal system in the country. But the reconstructed risks are common to all outcomes and are associated with the deficiencies of the Panamanian public management system, which is characterized by the absence of long-term planning and budgeting, five-year limits to government programmes and high staff turnover. This repeatedly jeopardizes the continuity and sustainability of results, while also causing corruption, political tensions and clientelism. Given that many of the assumptions underpinning the programme strategy did not hold, and that

implementation of institutional and judiciary reform and decentralization was curtailed or did not proceed as envisaged, it is clear that the theory of change and indicated expected results did not adequately factor in the risks associated with the inherent deficiencies of the Panamanian public management system.

Finding 12. UNDP has made relevant contributions to the development of more effective systems to prevent and address different types of violence in Panama. The programme has been successful in strengthening national capacities for citizen security by providing support for the participatory development and implementation of the National Security Strategy and its articulation at the local level. It has also acted as a link between the national and local levels, to promote the national security, justice and decentralization agendas with local authorities.

UNDP has been a key actor in the development of the National Security Strategy, facilitating a consultative process and supporting its implementation at central and local levels. Interviews with stakeholders highlighted that UNDP is credited for: the development of municipal security plans and local citizen security guides; establishment of a preventive focus in national and municipal agendas; strengthening of local citizen participation mechanisms for violence prevention, such as youth violence prevention networks; integration of local civil society into municipal planning; and strengthening of institutional coordination at local level. The programme has fostered development of capacities and mechanisms for citizen management of local observatories that monitor indicators and progress,[90] including the Citizen Security Observatory of the Chamber of Commerce, Industry and Agriculture of Panama, and the Directorate of the National Integrated Criminal Statistics System.[91] Both observatories have been helpful in designing security plans and citizen security guides, which are being implemented by the municipalities of Colón, David,

La Chorrera, Panama and San Miguelito, along with local participation mechanisms.

Modest but successful attempts have been made to stimulate citizen demand for public services. These have taken place through local interventions aimed at strengthening capacities for more bottom-up approaches and citizen participation, engaging civil society organizations and, to a more limited degree, involving the private sector and academia. Another important result has been the strengthening of citizen networks for violence prevention and culture of peace and social cohesion. Working groups for comprehensive protection of children, adolescents and youth[92] have been put in place and strengthened in Panama, David, Colón and San Miguelito. Similarly networks to prevent violence against women have been established with the support of 14 women's attention centres, CINAMUs, set up by INAMU.

UNDP's support in promoting and implementing the National Security Strategy at local level through the territorial approach was of particular importance. Municipalities were selected based on: provincial human development index; crime and violence data collected through violence and perception surveys and registries; the presence of security institutions; and SIGOB monitoring mechanisms. UNDP strengthened national and local capacities and structures[93] for the prevention of violence, implementation of a model of local citizen security management, and culture of peace in the municipalities of Panamá, San Miguelito, Colón, David and La Chorrera. It also established bases for expansion of such models in Bugaba, Barú, Arraiján, Chame, Aguadulce, Penonomé, Changuinola, Pinogana and Muna.

Diverse aspects of violence prevention and citizen security were addressed at different levels. National level policy work was linked to local implementation

---

[90] In the municipalities of Panama, David, Chorrera, Colón and San Miguelito.

[91] The Citizen Security Observatory of the Chamber of Commerce, Industry and Agriculture of Panama is an example of successful capacity-building by UNDP. Initially the beneficiary of UNDP technical assistance, the Observatory is now fully independent and is providing data to national security and justice institutions and international organizations, including UNDP.

[92] Under the National Secretariat for Children and Adolescents, in MIDES.

[93] The justice sector, municipalities, local violence prevention networks, CINAMUs.

and citizen participation, and monitoring systems were installed to track implementation and measure progress through SIGOB. According to interviews conducted with multiple stakeholders, UNDP has been particularly instrumental in disseminating the draft citizen security strategy for discussion in various provinces and in facilitating opportunities for citizen participation and interinstitutional consultations.

The programme successfully leveraged tools (such as local citizen security management plans and guidelines for their development, and translations of guidelines for access to justice into indigenous languages and situation assessments) and processes (citizen consultations to develop and implement the National Security Strategy, agreements between mayors to replicate citizen security management mechanisms). It also established synergies with the regional security projects InfoSegura[94] and PrevJuve[95] and regional bodies such as the Central American Integration System (SICA). The objective was to install and strengthen evidence-based information systems to improve citizen security management. UNDP also fostered knowledge mechanisms and South-South cooperation, sharing experiences with Colombia, Dominican Republic and Peru on municipal citizen security plans and youth networks; with Honduras and Guatemala on citizen security observatories; and with El Salvador on youth initiatives.

The programme has also helped in strengthening institutions to guarantee respect for human rights. It built the capacities of the Permanent National Commission on Human Rights, helping to eliminate a 10-year backlog of Universal Periodic Reviews of Panama's human rights records. UNDP's support helped to develop capacity for independent development of the reviews for the Human Rights Council, and a functioning mechanism to monitor and follow up on recommendations

of international human rights mechanisms with SIGOB mechanisms. In addition, UNDP facilitated the consolidation of the National Mechanism for the Prevention of Torture in collaboration with the Office of the United Nations High Commissioner for Human Rights. As a result, Panama has been removed from the 'black list' of countries that do not comply with the obligations of the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment. UNDP also helped to strengthen the capacities of the National Secretariat for Children and Adolescents concerning protection measures; of the National Commission of Violence Prevention, addressing children, adolescents and youth; and of the integrated protection working groups in Panamá, David, San Miguelito and Colón.

Finally, the programme supported a communication campaign to aid implementation of the community justice of peace system, established under the MINGOB umbrella. A justice of peace works with a community mediator in community justice houses set up in each district to resolve disputes and promote peaceful coexistence.[96] UNDP also provided training of justice operators on Agenda 2030 and SDGs 16 and 5 and on violence prevention and peace culture; and supported their certification by the Superior Judiciary Institute. Given the absence of specialized statistics or studies that measure the level of conflict in the municipalities in Panama, MINGOB commissioned a baseline assessment for an impact evaluation of the community justice houses, established in the framework of the justice system reform under the State Pact for Justice. Nationwide surveys, interviews and focus groups collected citizens' perceptions about conflicts, including their frequency, location, type and citizen experiences with the community justice houses, including knowledge of their roles and satisfaction with the assistance provided.

---

[94] Financed by the US Agency for International Development, it focused on managing information based on evidence to strengthen the formulation and monitoring of public policies on citizen security in Central America and the Dominican Republic.

[95] Financed by the Spanish Agency for International Development Cooperation and implemented with it for comprehensive security and prevention of violence affecting children, teenagers and youth in SICA countries.

[96] According to MINGOB, this system of justice was established under Law 16 of June 2016. Each community justice house has a justice of peace who works with a community mediator and relevant staff (secretary, clerk) to help resolve disputes and promote peaceful coexistence through alternative methods of conflict resolution without discrimination based on race, sex, religion or political ideology. These methods can include mediation, conciliation and peace circles. The justice of peace is the authority in charge of preventing and sanctioning behaviours that alter the peace and peaceful coexistence in the districts, in accordance with the competencies and procedures established by Law 16.

Finding 13. UNDP has successfully integrated gender into the National Security Strategy and made advances towards gender mainstreaming in citizen security knowledge, information and monitoring systems, programmes, policies and institutional capacities to prevent and address gender-based violence, at both central and local levels.

Under the leadership of INAMU and with technical assistance from UNDP, the National Commission on Violence against Women (CONVIMU)[97] worked to facilitate the implementation of Law 82 on femicide. With the objective of reducing inequality in access to justice and revictimization of women, UNDP also contributed in 2018 to the establishment and strengthening of a specialized police force addressing violence against women.[98] In addition it supported the strengthening of CINAMUs. In the framework of the High Level Inter-Institutional Agreement to End Femicide, UNDP worked with the United Nations Population Fund (UNFPA) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) to support updating of the Clara González Report[99] on the situation of Panamanian women, carried out by INAMU. It also strengthened networks for prevention of violence against women through trainings and provision of knowledge and technical material; facilitated a study visit to the Dominican Republic to learn about local management of violence prevention services offered by the State, for its potential replication in Panama; and monitored cases of violence against children, adolescents, youth and women in the adversarial legal system and by the community justices of peace.

Encouraging a transformational focus on behaviour change, the programme closely collaborated with UNFPA on preventing gender-based violence and bullying, promoting non-violent dating and addressing issues of masculinity among youth. UNDP also collaborated with UN-Women in support of government efforts to develop regulations for implementing Law 82 on femicide.

UNDP's technical assistance[100] and coordination with CONVIMU were instrumental in establishing the National Intersectoral Committee for the Prevention of Violence against Children and Adolescents, local youth networks and local councils for children and adolescents. Similarly, UNDP helped mainstream a gender perspective in the citizen consultation process carried out by the Ministry of Security to amend the National Citizen Security Strategy.

With UNDP support, the National Citizen Security Survey of 2017 mainstreamed gender in its questions, thus capturing relevant information on women and security. UNDP also provided technical assistance to citizen security observatories for evidence-based information management through collection and analysis of gender-disaggregated citizen security indicators. These feed into local security plans and help in building municipal capacities to use this information. In addition, UNDP strengthened the capacity of the Committee on Violence against Women by training operators on implementation of the National Protocol of Violence in Relationships.

Finally, UNDP was involved in mainstreaming gender into the curriculum of the Superior Judiciary Institute and of its internal and external processes and documents. This resulted in giving priority to training modules on trafficking, violence against women and femicide in the Institute's academic plan.

Finding 14. Implementation of institutional and judiciary reforms and the decentralization process did not progress as expected. The country office did not adequately factor in the risks associated with the inherent deficiencies of the Panamanian public management system. In addition, UNDP's contribution to more significant local-level implementation of the security, justice and decentralization agendas has been challenged by its insufficient outreach at the local level.

---

[97] CONVIMU includes state institutions and civil society organizations.

[98] According to the ROAR 2018 report (p. 22), 193 police officers were trained on gender-based violence.

[99] The Clara González Report, developed in 1999, was the first report on the situation of women in the country.

[100] Assistance was given in the framework of the High-Level Inter-institutional Agreement (UNDP, UNICEF and UNFPA) to stop femicide and prevent violence against women, girls and adolescents.

Despite significant output-level results in support of justice reform, UNDP's contribution to outcome-level change is not yet significant. There is documented evidence of UNDP's role in improving the capacities of community justices of peace, increasing the number of cases handled and improving knowledge.[101] However, as reported by stakeholders, the effects of these results on improving access to justice have been limited, primarily due to the inefficiency of the current version of the adversarial and community justice of peace systems; low awareness among the population on how the justice of peace system functions; and resistance of municipalities to implement the system due to the shortage of funds to cover the costs of justices.

UNDP's role in improving the adversarial and community justice of peace systems needs to be reconsidered. In their current form, both systems have proven problematic, generating perceptions of impunity due to the limited ability to sentence criminals and the lack of citizen awareness about how the systems function. Should these systems be modified, which was considered necessary by numerous stakeholders, capacities installed to date may be rendered obsolete or less relevant. Dissemination of information about the justice of peace system in 50 municipalities was insufficient to tackle reported negative perceptions and/or lack of knowledge about a system working to change practices that had been in place for 100 years. Stronger advocacy and a more tailored partnership strategy would have been needed to improve citizen perceptions of the community justice of peace system.

Due to UNDP's limited local presence, delays and challenges related to implementing the decentralization law, and the nature of the Panamanian civil service, local-level interventions have remained a challenge. They require additional support in the medium term. This is not to say that the results to date are not sustainable, as there is sufficient evidence of ownership and financial and institutional commitment to continue implementation of local security plans in several municipalities. However,

long-term sustainability of these results is subject to the same challenges as other areas of Panamanian public administration: insufficient continuity of civil service, limited planning capacity, obstacles related to financial allocations from the central budget and shifting priorities.

The programme has made modest advances, such as in fostering the permanent civil service judicial career through strengthening of the Superior Judiciary Institute and the Institute of Interdisciplinary Studies. Beyond administering the funds, UNDP's role has been limited to technical assistance to integrate gender and human rights approaches and mainstream the SDGs into the curriculum. However, for these programmes to have a more significant impact, UNDP's role should have focused more on addressing structural causes that limit the development of an adequate civil and judiciary service in Panama.

UNDP also supported, in 2017, the National Authority of Transparency and Access to Information in the development of the Third Open Government Action Plan, which is currently part of the Commission on Open Government. During 2016, UNDP supported the National Assembly in strengthening citizen participation mechanisms and access to information of this State body. Within the framework of an initiation plan signed by the National Assembly and UNDP, a diagnosis and road map[102] were developed. These establish a series of recommendations to strengthen mechanisms for citizen participation, transparency, access to information and rendering of accounts. A more holistic approach to ensuring access to information and transparency is needed to more effectively fight corruption and inefficiency in the country, but it is still missing.

Finally, it is important to highlight that the analysis of the outcome portfolio suggests that some initiatives were more driven by requests of stakeholders and by funding opportunities rather than by a clear theory of change and coherent, integrated programme strategy. The limited relevance of scope and reach of the Youth Orchestras

---

[101] According to the UNDP Panama ROAR 2018 report (p. 22): In the first months of implementation, approximately 3,568 civil cases and corrections/criminal and community disputes were addressed: 2,431 in the first year in the first judicial district; and 1,137 in six months in the rest of the country, which comprise the second, third and fourth judicial districts. A total of 2,512 civil servants in the country have new knowledge about the 2030 Agenda, SDGs 16 and 5; 1,070 justice operators (688 women and 382 men) received certification from the Superior Judiciary institute; 719 officials (491 women and 228 men) were trained on violence prevention and culture of peace; and 450 people (60 percent women and 40 percent men) were trained on issues of community justice for peace.

[102] UNDP and the Panama National Assembly, 'Fortalecimiento de los Mecanismos para la Participación Ciudadana en la Asamblea Nacional de Panama, https://www.undp.org/content/dam/panama/docs/documentos/undp_pa_informe_participacion_ciudadana_an.pdf.

project[103] to the outcome is an example of UNDP responding to a funding opportunity and spreading itself thin, without clarity about its added value or comparative advantage to justify engagement in an initiative more suitable for an NGO or specialized agency. The intention of the project is noble, but its design and implementation lack focus on a vulnerable group, and there is no apparent logical pathway from musical education to long-term behaviour change leading to a culture of peace. The intervention would need much stronger association with the vulnerable and marginalized population to properly link the initiative to the outcome and justify the engagement of UNDP.

2.5 Cross-cutting Issues

Finding 15. Without significant UNDP core resources, it has been challenging for the organization to work within a programme approach based on clear theories of change with coherent strategies and solutions to development issues without significant UNDP core resources. The programme is aligned with government priorities, but at times it is overly driven by the government's funding dispersal demands and is distracted by funding opportunities that may not always be in alignment with the systems thinking approach required by theories of change to effectively and sustainably address development issues. This has led to overly ambitious objectives and broad outputs to allow multiple but narrow projects to be fit under outcomes. They do not always effectively contribute to integrated, sustainable solutions to the development issues that need to be addressed.

Given that Panama is a high-income country, there are limited donors and minimal UNDP core resources. The programme is mainly funded by the Government and vertical funds. The requirement to respond to government requests and funding opportunities has sometimes driven the programme away from designing and pursuing more integrated strategies. In some cases these demands, although partially aligned to the outcome, don't exactly respond to a strategy or significantly add strategic value to it.

For the most part, demands have drawn heavily on the long-standing tradition of UNDP's work in democratic governance and its perceived role as a reliable funds administrator that can guarantee quality, efficiency and transparency. In the current cycle in particular, demands have often been based on recognition of UNDP's technical administrative capacity, leading the current administration to leverage UNDP's technical and administrative know-how to implement its institutional reform agenda. This is reflected in the share of projects that focus on institutional reforms and strengthening, in line with the priorities of the outgoing Government to improve the performance of State institutions, strengthen their planning and implementation capacities, foster results-based management and improve the civil service.[104]

Nevertheless, UNDP has yet to find the appropriate balance between responding to demands and opportunities and establishing the means and incentives to base programme initiatives in integrated development strategies. Projects have often been aligned after the fact to an existing outcome, or a new output has been developed to allow for corporate reporting. Initiatives instead should be conceptualized and designed as part of a coherent strategy/theory to achieve an outcome or output from the beginning.

The country´s demand for administrative services, due to its limited capacities and institutional issues, has made UNDP an attractive alternative for the execution of government resources. The country lacks the administrative systems and capacities for the timely planning and execution of policies, plans and institutional programmes adjusted to the needs, capacities and availability of resources. The processes of ex-ante fiscal control (*contraloria*) pose significant difficulties that delay the utilization of public resources. Therefore, government institutions seek out UNDP for its agile execution of resources and guarantee of good administrative practices, and its rigorous, safe and transparent processes that protect financial resources. It is particularly attractive that the financial resources administered by UNDP do not have to return to the national treasury if not implemented by the end of the

---

[103] This project aims to create, strengthen and consolidate the National Network of Orchestras and children's and youth choirs to promote a culture of peace and inclusion through music in collaboration with the National Institute of Culture.

[104] Output 2.4 was added to the CPD after the midterm review, which called for streamlining the UNDP work on institutional strengthening and clustering some ongoing projects under a specific output.

fiscal year, allowing for continuity. It is important to note that this flexibility can also lead to project delays, since it allows project managers to escape from the requirement to return unspent resources to the treasury.

UNDP's administrative support is valuable and useful, but it has deviated the attention of institutions from making some of the structural changes needed to address their institutional administrative weaknesses. It is convenient for UNDP to provide these services and recover costs for them. It also often helps the organization carve space for other technical work. But the strategic thinking, incentives and commitment to solve the government's lack of capacity for these services have been insufficient, and a threat to the sustainability of results in the long run.

Although UNDP has been able to demonstrate its added value on substantive and strategic issues, beyond the usual label of fund manager, it is still seen as an administrator, as indicated in interviews with stakeholders. UNDP is also acknowledged as a facilitator of democratic dialogue, but after the dialogues are over, UNDP reverts to an administrator role. Most key stakeholders consulted indicated that UNDP was now mostly acting as resource manager with only some specific technical substantive contributions.

Finding 16. The country office has made substantive progress in mainstreaming gender in its programme and within the office business environment, as reflected in the office being awarded the UNDP silver Gender Equality Seal. Gender mainstreaming, however, has been mostly focused on gender-targeted and gender-responsive approaches and not enough on transformative matters that address key structural barriers and root causes of inequality. UNDP's effectiveness in promoting gender equality is constrained by limited human resources and the institutional capacities of responsible institutions.

The importance the country office gives to gender mainstreaming is reflected in the increasing number of projects and expenditures addressing gender equality outcomes. Based on the gender marker, projects outputs and expenditures for GEN2 increased substantially from 2016 to 2017, while GEN3 expenditures followed a similar trend between 2017 and 2018. Together, GEN2 projects (36 outputs) and GEN3 projects (6 outputs[105]) represent almost half of the total portfolio, and approximately 39 percent of total programme expenditures during the evaluation period.[106]

FIGURE 12. Programme expenditure by gender marker
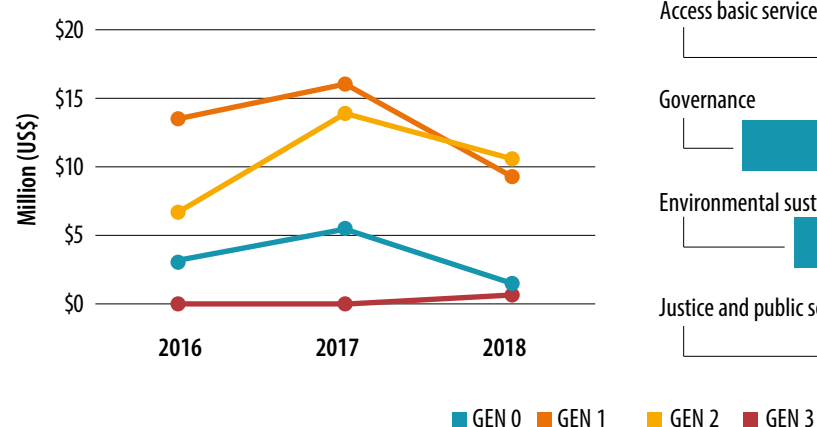
FIGURE 13. Project outputs by gender marker and thematic area

---
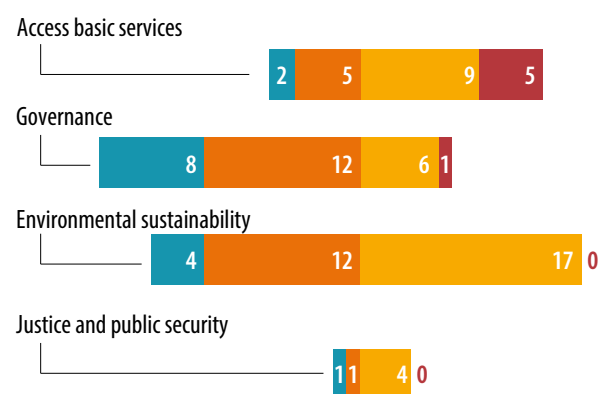
[105] The GEN3 projects are (87798) PI-Mecanismo Respuesta VIH/SIDA; (90872) PI-Fortalecimiento del Instituto Nacional de la Mujer; (99417) Fortalecimiento del Instituto Nacional de la Mujer; (99428) Informe de Desarrollo Humano – Institucionalidad; (99587) Implementación Plan de Igualdad Laboral; and (110826) Participación Política de Mujeres.

[106] Estimates based on data from PowerBI/Atlas (March 2019). Gender markers and programme expenditure data were extracted for the evaluation period (2016-March 2019). Financial data might differ from subsequent financial reports of the country office or the regional bureau.

Outcome 25 (access to basic services) has a predominance of gender-targeted projects, with 67 percent of its interventions (47 percent of expenditures) under GEN2 or GEN3 projects. Outcome 26 (governance) has the fewest expenditures contributing to gender equality, with only 1 percent allocated to GEN2 and GEN3 project outputs. Despite the limited expenditures in interventions focused on gender equality, this outcome area, together with Outcome 28, contributed to notable gender equality results (see Figures 12 and 13).

Outcome 27 (environmental sustainability) presents the most positive correlation between the number of outputs marked as GEN2 and expenditure related to those outputs: 52 percent of the projects are categorized as GEN2 and they represent 83 percent of total outcome expenditures. However, contributions to gender equality and women's empowerment results are not that evident, as discussed further below. Outcome 28 (justice and public security), though the smallest of the outcomes in both number of projects and expenditures, has a high number of interventions focused on gender equality: 68 percent of expenditures contribute to gender equality in some way (GEN2).

In 2009 UNDP established a flagship initiative to promote institutional strengthening for gender equality, the Gender Equality Seal for Public and Private Organizations. At the government level, participating institutions include MITRADEL, which received the gold seal; ACP and SENACYT, awarded the silver seal; and the Municipality of Panama, awarded the bronze seal. UNDP also partnered with INAMU, MITRADEL and the Ministry of Commerce and Industry to support private sector companies[107] in this certification process. Each had to complete an organizational diagnosis for the development of their improvement plans. In this work with the private sector, greater synergies could be fostered with other UN agencies. This would help to avoid overburdening companies with multiple gender-related trainings, as reportedly had been the case. The certification process under the Gender Equality

Seal has served as an incentive for participating governmental and private sector entities to mainstream gender equality in their organizational culture and adopt gender-sensitive policies and strategies. However, the progress made with the gender seal is still too incipient to contribute to the implementation of policies to increase equality and inclusion in the country.

Like the public seal, the private seal measures the extent to which companies have mainstreamed gender equality based on a series of indicators and standards. However, the two certification processes have different standards; public institutions face fewer requirements than those in the private sector and are expected to achieve them at a slower pace. While it is clear that public and private institutions have different operating mechanisms and conditions, it is important to pursue equal gender equality and opportunities across all institutions. It is not appropriate that women in the public sector should have to wait longer to access their rights and opportunities.

UNDP's institutional strengthening support to INAMU was also found relevant but insufficient to strengthen its central leadership role in promoting gender equality in the country. The focus of this work has been on gender-based violence, with limited scope in other dimensions, such as women's economic empowerment and care policies. Greater efforts with other UN agencies and actors will be needed to boost INAMU's leadership as the institution responsible for gender mainstreaming in the country, including at local levels through CINAMUs. In addition, INAMU was not sufficiently involved in the private sector seal process, which was under MITRADEL. This is despite the fact that INAMU signed the project document and participated in the trainings, elaboration of the norms and the Certification Committee. The level of integration possible under this approach is unclear.

Overall, based on the GRES[108] analysis, results achieved by the programme are partially gender targeted and partially gender responsive, some with

---

[107] In June 2019, six private companies received certificates. https://www.pa.undp.org/content/panama/es/home/presscenter/articles/2019/seis-companias-panamenas-certificadas-con-el-sello-de-igualdad-d.html.

[108] See section 1.2, Methodology, for explanation of GRES.

promising transformative potential. Under the areas of **voice and democracy**, and **justice and public security**, results and approaches are more gender responsive, but they have the potential to contribute to more transformative steps. UNDP made significant contributions in mainstreaming gender in national programmes and policies. So too did it in strengthening institutional capacities, frameworks and mechanisms to prevent and address gender-based violence and foster greater political participation of women. For results to become fully transformational, there is a need to strengthen the focus on addressing the root causes of violence and breaking the barriers to women's equal opportunities in the political arena. A crucial but missing component of this strategy is sensitizing men and others responsible for limiting gender equality to influence behavioural change.

Results under the **access to basic services** portfolio have been gender targeted and in some cases gender responsive. UNDP's technical assistance was crucial for the development of MITRADEL's Labour Equality Plan, aimed at mainstreaming gender equality within the institution and in all its policies. The plan has the ultimate goal of transforming the conditions for women's employability and creating equal work spaces without discrimination. Several knowledge products were also developed, including the Human Development Report of Care and Co-responsibility Policies,[109] which is expected to help define a public policy roadmap on care for children and elderly people in Panama, which would be instrumental in breaking barriers. In June 2019, a Presidential Decree[110] established a dialogue on public policies to implement an integrated care system in Panama, under the leadership of MIDES. Concerning health services, the focus has been on ensuring equal access for men and women with HIV/AIDS and for those who are at risk of HIV infection.

In the area of **environmental sustainability**, results have mostly been gender responsive. UNDP's technical assistance has been key to mainstreaming gender equality approaches in ACP's work in the

Panama Canal Basin. This has improved women's access to land, creating greater economic opportunities and fostering their participation and leadership in local economic initiatives and in governance structures. As witnessed during the field visit and focus group discussion with members of the *Cuencafe* coffee cooperative, title deeds and access to incentive programmes have been granted to women in the Panama Canal Basin, increasing their ownership, productivity and empowerment. Similar demonstrative interventions for resilience building, DRM and carbon emission reduction in coastal and archipelago areas included gender-targeted actions. However, they were limited in scale and lacked a clear strategy for replication and long-term sustainability.

Despite the progress made by the country office, gender mainstreaming to attain transformational change remains a challenge. In an attempt to effectively mainstream gender across its programme, the country office risks diluting its impact on transformational gender equality results due to its limited capacity to focus on important strategic issues. This is partly due to internal human and financial resource constraints. Another factor is the nature of the portfolio itself, which still lacks a coherent theory of change focused on addressing the root causes and structural issues of gender inequality in an integrated, concerted manner with all programme initiatives. Integration and linkages among the gender initiatives across outcomes is limited and could be enhanced. INAMU's limited institutional capacities and positioning in the Panamanian public sector have also hindered the effectiveness of UNDP's gender-related work.

Finding 17. South-South cooperation and knowledge management have been underutilized by the programme. There have been ad-hoc initiatives in the framework of some projects, but they have not been systematic. Exchange of experiences has not been properly systematized or documented, and evaluations and lessons learned have been insufficiently used for learning, improving results, replication and scaling up initiatives in Panama and other countries.

---

[109] https://www.pa.undp.org/content/dam/panama/docs/Documentos_2018/undp-pa-el%20bienestar-cuidado.pdf.

[110] Decree #28, 10 June 2019, https://www.gacetaoficial.gob.pa/pdfTemp/28794_A/GacetaNo_28794a_20190612.pdf.

South-South cooperation has sometimes been highlighted as one of UNDP's key value propositions in Panama, used to generate new ideas and improve methodologies and tools. The most important contributions highlighted include the creation of a platform to promote South-South and triangular cooperation initiatives within the framework of the National Cooperation Plan Panama Coopera 2030; initiation of construction of a centre for vocational training with the National Service for Industrial Training (SENAI-Brazil); and participation and leadership in the International Labour Organization's network of training institutes in Central America through the establishment of a platform for the transfer of capacities to and from the subregion.

As part of the work with the Social Cabinet and the social protection system, UNDP collaborated with other country offices to collect experiences from Brazil on the development of a single beneficiary registry system, and from the Dominican Republic on the social protection system. The Superior Judiciary Institute engaged in South-South cooperation with the Ibero-American Network of Judicial Schools, fostering academic exchanges, training and knowledge generation. The human development unit also promoted the issue of care policies with cooperation from the Dominican Republic and Uruguay, which shared the experiences of the care systems in their countries.

Numerous important knowledge management products were produced during the programme period. These include the Clara Gonzalez reports; the first evaluation of the adversarial legal system by the Panamanian Chamber of Commerce, which included a comprehensive survey; mapping of alternatives to deprivation of liberty for people convicted of crimes; baseline for monitoring implementation of the community justice of peace system and a related communication plan; and systematization of the step-by-step local citizen security guides, including

information management and local observatories, design of security plans and participation of citizens (youth networks and networks to prevent violence against women), among others.

However, there was limited evidence of the significant use of most of these products and limited continued engagement of South-South and triangular cooperation beyond study tours and the usual emphasis on short-term benefits. This indicates the need for more clearly articulated theories of change during the design of South-South collaboration strategies and inclusion of them in the theories of change developed for each issue. There is also ample opportunity for a more proactive approach to systematize and document learning for replication and scaling up of results, both internally between municipalities and regions and externally with other countries.

UNDP's role as a knowledge broker could also have been more prominent. This could have taken place through more substantive technical contributions to training of judges, stronger South-South cooperation mechanisms and stronger monitoring and assessment of results. There is room for more rigorous knowledge generation and dissemination for advocacy purposes and application of South-South cooperation mechanisms, especially related to citizen participation and implementation of the adversarial legal system.

There is also opportunity to expand knowledge management beyond the production of knowledge products, with a greater focus on leveraging learning and innovation for enhanced effectiveness. The country office has no knowledge management system to collect good practices, promote adequate synergies or learn from what is not working or not fully achieving expected results. There was limited evidence of use of lessons learned to correct or scale up investments, develop new initiatives or promote synergies and integration.

CHAPTER 3

CONCLUSIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSE

This chapter presents the evaluation team's main conclusions on UNDP's performance and contributions to development results in Panama; the team's recommendations, based on the key findings presented; and the management response from the UNDP country office in Panama.

3.1 Conclusions

- **Overall programme and positioning: UNDP's programme has been effective in achieving most of its output targets and produced positive results of varied scope, scale and strategic importance. UNDP is well positioned and valued in Panama as a strategic, reliable and inclusive partner. The organization has not only complemented and made significant contributions to national priorities, but also succeeded in pushing for attention to sensitive issues, multidimensional approaches and in some cases behaviour change.[111]**

UNDP is particularly recognized for its pivotal role in facilitating historic dialogue processes and its contributions to important public policies and institutional frameworks. However, when the dialogues are over, UNDP has tended to focus on programme administration and management of funds. This is in part due to the inherent deficiencies of the Panamanian public administration system, which makes UNDP's substantive role and added value less visible than its project management and funds administration role. This perpetuates the less-than-ideal perception of UNDP as an agency that speeds up the execution of government projects, rather than as an able technical development partner. In that sense, the new National Human Development Report on the renewal of institutions and UNDP's support to the government transition present good opportunities for UNDP to discuss (1) structural issues that foster government dependence on UNDP administrative services and (2) how to reposition UNDP with the incoming Government as a strategic partner that can help tackle the root causes of government inefficiency and devise roadmaps to achieve the SDGs.

- **Theory of change versus demand/opportunities driven: Given the decline in core regular resources due to Panama's graduation to higher income status, UNDP has become increasingly driven by demand and opportunity in alignment with available government and vertical funds. As a result UNDP is insufficiently programme based, working on scattered projects. This limits its effectiveness to contribute at outcome level and ensure the sustainability of results.[112]**

Facing the need to respond to government priorities and available funding, and lacking the resource flexibility to map and design integrated solutions, UNDP has struggled to develop and follow integrated theories of change. This has necessitated retrofitting projects and aligning them as best as possible to the programme outputs and outcomes, because UNDP does not always have resource flexibility to map and design the best integrated solutions. The programme has tried to develop some theories of change. But these have been more alignment exercises than clear maps reflecting an integrated strategy and the cross-sectoral and stakeholder synergies required to address the development issues identified. Many of the assumptions of theories of change did not hold. This indicates that UNDP insufficiently factored in all associated risks and barriers, such as the deficiency of the Panamanian public management system and the subsequent short-term time frame of reforms and of the decentralization process.

The quinquennial modus-operandi of the Government, the absence of a permanent civil service and the low implementation capacity of the Government, together with UNDP's constant pressure to mobilize funds, have resulted in a dispersed portfolio and a focus on administration of funds and project management. UNDP is pulled in various directions in order to fill numerous capacity and structural gaps. This dilutes its role as an integrator and policy adviser.

---

[111] Linked to findings 1-17.
[112] Linked to findings 1-17, especially 3, 7, 15.

- **Administrative, substantive and innovative roles:** The incentives for UNDP to perform its administrative role in support of the Government have limited UNDP's opportunities to contribute in more substantive and innovative ways to improve national capabilities and help the country to further address the structural causes of institutional inefficiencies. [113]

The inefficiencies of the State have offered an opportunity for UNDP to provide agile and transparent administrative services and recover costs while offering the organization privileged access to national partners for eventual development assistance work. However, UNDP has lacked the human and financial resources, incentives and commitment to convince partners it can add more value by providing not only technical advice but also innovative solutions, including support for developing national capabilities for more efficient and transparent administration support.

- **Sustainability of UNDP contributions:** The sustainability of development results achieved with UNDP's cooperation has been affected (mostly hampered) by the key unaddressed structural causes of institutional inefficiencies, including the lack of a functioning civil service and adequate legal frameworks and mechanisms.[114]

Most UNDP initiatives focus or depend on the development of national capabilities. Good results have been achieved, but few with the expected sustainability. This is due to the institutional weaknesses and the constant rotation of staff in the absence of a functioning permanent civil service. In the Panamanian public administration system, the continuity of public policies and programmes is affected by five-year changes of national and local governments, the absence of long-term planning and weak institutional capacities. In this context, focusing on institutional strengthening and capacity development without addressing the barriers to creating an enabling environment have prevented the sustainability of development results. Long-term

effect and benefits will remain fragile unless adequate focus is given to planned reforms to improve the efficiency of the public sector.

- **Gender inequalities: Despite the country office's positive contributions to strengthening institutional frameworks and capacities, and raising awareness for gender equality, it has been challenging to improve gender equality in Panama. This is due to the lack of sufficient human and financial resources and a strategy targeting the root causes and structural barriers of inequalities. [115]**

Given the resource constraints, UNDP has not always been able to sufficiently focus its gender mainstreaming efforts on transformation. The country office has not given enough attention to root causes and structural barriers, such as power dynamics in the decision-making sphere. This has limited UNDP's further contribution to transformational change.

- **HIV/AIDS and TB: Despite achieving HIV/AIDS and TB results, progress in preparing Panama to transition out of Global Fund support by 2021 has been insufficient and the country is behind schedule. UNDP now has the challenge of helping Panama speed up transition preparations and ensure that HIV/AIDS and TB achievements are sustained.[116]**

Given Panama's graduation to high-income status, the Global Fund to Fight AIDS, Tuberculosis and Malaria is expected to transition out by 2021. UNDP has supported the Government with a transition plan, but its implementation has not progressed sufficiently, and stakeholders agree the country is behind schedule in preparing to take on its upcoming responsibilities. Of concern are significant weaknesses in institutional structures.

---

[113] Linked to findings 3, 7, 15.

[114] Linked to findings 1, 3, 4, 7, 8, 13, 14, 15.

[115] Linked to findings 6, 7, 14, 16.

[116] Linked to findings 2, 3, 16.

3.2 Recommendations and Management Response

Recommendation 1:	**Advance on SDGs with focus on inequality/leave no one behind** – UNDP should help Panama close the inequality gap by better focusing its projects, initiatives and investments on innovations to accelerate achievement of the SDGs with renewed focus on leaving no one behind.[117] Taking advantage of its local and corporate experience with the government transition (*empalme*) UNDP can use its strategic position to support the incoming Government with innovations that can help the country tackle the underlying and structural causes of institutional inefficiency and inequalities. These include the lack of a functioning permanent public civil service; ineffective mechanisms to prevent corruption; limited care for children and elderly people, impeding gender equality and women's empowerment; and limited economic opportunities for indigenous communities. It will be important to strategically clarify UNDP's integrator role and highlight its corporate comparative advantages and the added value of the human development and multidimensional poverty reduction approaches in addressing inequalities, with a strategic focus on leaving no one behind.
Management Response:	A central challenge for achieving the SDGs in Panama is to strengthen institutions and to reduce the high level of inequality between population groups and regions. As a key partner in the implementation of the 2030 Agenda, UNDP has focused its efforts on addressing these issues with a sustainable human development perspective. UNDP is providing a platform for integration with all governmental and nongovernmental actors, as well as with the UN system through an SDG Task Force. Working with several ministries (including the Ministry for Social Development [MIDES], which leads the Social Cabinet of the Government), UNDP is providing technical support to facilitate the achievement of the 2030 Agenda, specifically supporting: the adoption of methodologies and tools that reinforce planning, monitoring and evaluation systems for government management, including the local level; strengthening institutional capacities of the National Information System, including supporting its digital transformation; supporting development initiatives targeted at vulnerable groups (indigenous, African-descendant, women and young people); supporting mitigations and adaptation measures for climate change; and strengthening planning as a key tool for mainstreaming and localizing the SDGs in public policies. Over the next years, UNDP will continue and expand on this work, including through the new UN Cooperation Framework and UNDP country programme design process.

---

[117] Linked to conclusions 1, 3, 4.

Key Action(s)	Time-frame	Responsible Unit(s)	Tracking*	
			Status	Comments
1.1. Include a leave no one behind approach in the Common Country Analysis (CCA), the UN Sustainable Development Cooperation Framework and UNDP Country Programme.	June 2020	CO	Started	
1.2. Provide technical assistance to the Government in the design and implementation of its new poverty reduction and targeted social protection programme (Colmena[118]), focusing on the most vulnerable groups and territories.	December 2020	CO	Started	
1.3. Prepare analysis and diagnostics for the key population groups of women, African-descendant communities and indigenous peoples that will then be incorporated into policy and programming.	December 2020	CO	Started	

Recommendation 2:	**Balance administrative, substantive and innovative support** – UNDP should incrementally move away from its predominant role as funds/project administrator and make clear to partners its interest in contributing as a strategic and substantive technical development partner. It should underscore its ability to support national partners not only with technical advice but also with innovative solutions to solve the structural causes of inefficiency and dependence on UNDP's operational and administrative support. [119]

For that, UNDP will have to commit to being more programme- and results-oriented, as opposed to being driven by demand, process, activities and opportunities. This will require UNDP to impress upon its government partners that it has the requisite skills and experience to provide such strategic advice and to convince them to pay for such services. It will be important to construct theories of change to address development issues and not align outputs to outcomes; work in an integrated fashion, with a proper analysis of the context and barriers to change that would offer an updated view of underlying causes of problems; and clear analysis of stakeholders' capacities and means to contribute to innovative systems and solutions. Such an approach will require a frank mapping of assumptions, and alignment of inputs and synergic partnerships and resources to build realistic, integrated solution pathways with mitigation strategies for associated risks. This should allow construction of a vision of change based on a more coherent analysis of causes that identifies the links and gaps within and between institutions. It will indicate the minimum and ideal conditions to justify investment and different forms, scale and times of engagement. Equally important is to pursue adaptive management, continuously monitoring to adapt as circumstances change, and to be agile.

[118] Project Colmena, 'Panama free of poverty and hunger, the Sixth Frontier'.
[119] Linked to conclusions 2, 3.

Management Response:	UNDP works at the service of Member States and their populations, helping to implement national development priorities consistent within the organization's areas of expertise and mandate. In this sense, UNDP will continue to take the national development priorities of Panama and Agenda 2030 as its overarching programmatic framework. This will involve providing the appropriate blend of technical and operational expertise in line with the organization's substantive development and operational services role. UNDP takes note of the recommendation regarding causal analysis and theories of change and will incorporate it into the design of the CCA, UN Sustainable Development Cooperation Framework and CPD, ensuring that assumptions are revisited and adjusted throughout the next programme period.

Key Action(s)	Time-frame	Responsible Unit(s)	Tracking	
			Status	Comments
2.1. Provide credible evidence and analysis to the development of the CCA.	January 2020	CO	Started	
2.2. Integrate CCA analysis into the new UN Sustainable Development Cooperation Framework and new CPD's theories of change and results framework.	June 2020	CO	Not started	
2.3. Develop CO approach on local development as a way to mainstream and localize SDGs.	December 2020	CO	Started	
2.4. Monitor and update the CCA (with the UN country team [UNCT]), which is now a feature of the new tool, as well as the CPD in terms of the right mix between technical and operational assistance in projects.	December 2024	CO; UNCT	Not started	

	Recommendation 3:	**Focus on structural causes of institutional inefficiencies** – UNDP should take the opportunity of the launch of the National Human Development Report, which addresses the renewal of institutions, to introduce a series of dialogues about institutional reforms. The aim would be to address structural causes of institutional inefficiencies — a serious impediment to the sustainability of development results.[120]

Leveraging its role as enabler of participatory consultation processes, UNDP can frame the structural causes and barriers to effectively and sustainably addressing institutional inefficiencies as a proposal for a new dialogue series for public sector reform. This will allow UNDP to strategically position itself with the incoming Government by facilitating national stakeholder consultations. These will provide for ample citizen engagement, following the experience of the previous dialogue processes. In addressing barriers, it will be important to look for opportunities to develop an enabling environment and tackle the underlying causes and negative factors that affect poor governance. UNDP can further help with the State's limited capacity and discretion to implement the agreements and commitments in the absence of effective regulations and norms to enforce transparent implementation and prevent corruption. Other opportunities for UNDP to assist lie in addressing the gaps related to representation and weaknesses of civil society to generate the demand and transparently be informed on the implementation of agreements and commitments achieved.

Management Response: UNDP has been a key partner for Panama, providing expertise in the implementation of projects on governance, environment and sustainable development and inclusion, which have had a real impact on the protection of human rights, capacity building, knowledge sharing, and the promotion of gender equity. The National Human Development Report (NHDR), together with the other knowledge products, have provided important baselines for development policy in the country. In the new programming cycle, UNDP will continue working to address key development challenges in the country in order to reduce inequalities, promote inclusion, strengthen institutions, and promote resilience and sustainability.

Key Action(s)	Time-frame	Responsible Unit(s)	Tracking	
			Status	Comments
3.1 Incidence strategy of the NHDR 2019 through local presentations and dialogues with different stakeholders.	January 2020	CO	Started	
3.2 Finalize and disseminate by-products of the NHDR addressing structural and institutional challenges (i.e. indepth studies on civil service and justice sector reform).	January 2020	CO	Started	

---

[120] Linked to conclusions 1, 2, 3, 4.

3.3 Develop and implement methodology for results-based budgeting with the Ministry of Economy and Finance.	December 2022	CO	Not started	
3.4 Review and leverage the SIGOB tools and initiatives using the NHDR lens.	December 2025	CO; SIGOB Regional Project	Not started	

Recommendation 4: **Redirect gender mainstreaming to focus on addressing structural barriers and the root causes of inequality** – UNDP should adjust its theory of change to even more strategically mainstream gender in the programme. In particular it should focus efforts in most if not all initiatives to address structural barriers and the root causes of gender inequality.[121]

UNDP can go beyond targeting to include men and women in initiatives. It can consider the different barriers faced by men and women in fulfilling their needs and achieving equitable distribution of benefits, resources, status and rights. It can aim to address the root cause of inequalities and discrimination, contributing more to changes in norms, cultural values and power structures. This includes targeting key issues in behaviour change and an enabling environment, such as developing structures to provide care for children and elderly people, as providing such care is a key impediment to women's participation in the labour force; and helping women to engage more in politics. For such an approach UNDP should reinforce the gender capacities of the country office staff and partners. It also needs a broadly participatory process to adapt its theory of change specifically for mainstreaming a gender focus in initiatives for behaviour change for transformational results.

Management Response: UNDP has been working consistently on mainstreaming gender equality and women´s empowerment in the CPD and in all the projects, specifically opening up new niches to address gender inequalities, such as women´s economic empowerment and women´s participation in decision-making at different levels. Efforts to mainstream gender in programming have meant a clear improvement on the portfolio´s gender markers. UNDP Panama has also used corporate tools, such as the Gender Seal for the public and private sectors, as an important strategy for addressing barriers to gender equality and women's empowerment. For the next programming cycle, UNDP Panama will build on the progress made during the current CPD and reinforce its efforts on tackling structural barriers and root causes through strategic planning, capacity development and establishing a more gender comprehensive system on monitoring transformational results.

[121] Linked to conclusions 5, 4.

Key Action(s)	Time-frame	Responsible Unit(s)	Tracking	
			Status	Comments
4.1 Develop an assessment of main gender inequalities in the country to inform the CCA, UNDAF and CPD conducted together with other UN agencies such as UN-Women, UNFPA, UNAIDS and UNICEF.	January 2020	CO	Started	
4.2 Gender theory of change and indicators elaborated to guarantee the new CPD is tackling the structural barriers and root causes of inequalities.	January 2020	CO	Not started	
4.3 Capacity development on gender mainstreaming for CO staff.	December 2020	CO	Not started	
4.4 Knowledge products addressing structural inequality (such as political violence against women and women's economic empowerment).	December 2020	CO	Started	

Recommendation 5:	**Ensure the transition from the Global Fund sustains HIV/AIDS results** – UNDP should work with national partners and the Global Fund to revise the transition plan and develop risk mitigation strategies to ensure Panama will be prepared to transition out of the Global Fund on time and to sustain HIV/AIDS and TB treatment and prevention results.[122]
	This should include adequate capacity assessment and a proposal for the timely strengthening of the institutional framework to take over the required responsibilities. It is also necessary to define and agree on the technical and financial requirements to develop the required regulations and procedures related to prevention and treatment supply chains. These will allow national funds to be used under rigorous and transparent processes. The challenges ahead require an integrated approach involving multiple stakeholders, not just the health sector.
Management Response:	UNDP is supporting Panama in the transition process to a sustainable response in HIV and TB prevention. UNDP is working with the Ministry of Health, civil society organizations and representatives of the PEMAR[123] population to strengthen their capabilities and accompany the implementation of national HIV and TB programmes. A capacity development plan and a Social Contracting Strategy have been developed that are expected to enable the country to meet the immediate challenges of the transition and address the needs of health services effectively.

[122] Linked to conclusion 6.
[123] PEMAR stands for population at highest risk, in relation to HIV.

Key Action(s)	Time-frame	Responsible Unit(s)	Tracking	
			Status	Comments
5.1 Implementation of the Capacity Development Plan for the Ministry of Health and other stakeholders, to articulate the response in an orderly and timely transition process for health services.	December 2021	CO	Started	
5.2 Work actively with the Ministry of Health to implement the Social Contracting Strategy for the provision of health services related to HIV and TB and the delivery of prevention packages for populations at higher risk of infection.	December 2021	CO	Started	

* Implementation status is tracked in the Evaluation Resource Centre.

Annexes

Annexes to the report (listed below) are available
on the website of the Independent Evaluation Office:
https://erc.undp.org/evaluation/evaluations/detail/12284

Annex 1. Terms of Reference

Annex 2. Country at a Glance

Annex 3. Country Office at a Glance

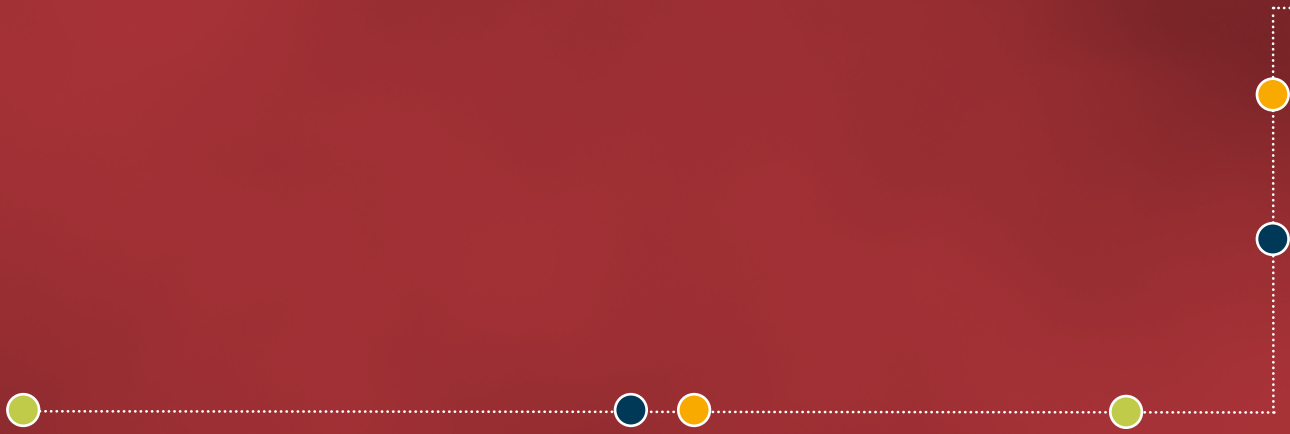**Annex 4.** List of Projects for In-depth Review

Annex 5. People Consulted

Annex 6. Documents Consulted

Annex 7. Summary of CPD Outcome Indicators and Status
as Reported by the Country Office

Annex 8. CPD Theory of Change Produced by the
Country Office

Annex 9. List of Counterparts