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**UNDP/GOK
KEN/95/200: MANAGEMENT OF
DEVELOPMENT PROCESS
PROGRAMME**

**REPORT OF
TERMINAL EVALUATION**

January 1999

101.1)

Preface

This report has been prepared in accordance with the guidelines for the terminal evaluation published by the United Nations Development Programme ¹. Consequently, the report focuses on the relevance of project activities, the priorities of the Government of Kenya, the performance and effectiveness of project activities as well as the efficiency of the agencies and institutions charged with implementing them, capacity development at both the institutional and individual levels and the sustainability of the projects into the next cycle. In respect to sustainability, the evaluation team made a number of recommendations which, we hope, will be considered by UNDP and the Government of Kenya during the preparation of the CCF.

The evaluation team was made up of the following persons:

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¹A Handbook for Programme Managers: Results Oriented Monitoring and
Evaluation, Office of Strategic Planning, New York, 1997.

MANAGEMENT OF DEVELOPMENT PROCESS (MDP) PROGRA

MME

REPORT OF TERMINAL EVALUATION

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ACRONYMS

| | |
|--------|--|
| BSD | Budgetary Supply Department |
| CBO | Community Based Organizations |
| CBS | Central Bureau of Statistics |
| CCF | Country Cooperation Framework |
| CDR | Combined Delivery Report |
| CSRP | Civil Service Reform Programme |
| CSRS | Civil Service Reform Secretariat |
| DANIDA | Danish International Development Agency |
| DFID | Department For International Development |
| DPM | Directorate of Personnel Management |
| EPAPD | Enhanced Public Administration and Participatory Development |

| | |
|--------|---|
| ERD | External Resources Department |
| EU | European Union |
| GDRs | Government Delivery Reports |
| GOK | Government of Kenya |
| GTZ | German Development Cooperation |
| IMF | International Monetary Fund |
| IT | Information Technology |
| MDP | Management of Development Process |
| MOF | Ministry of Finance |
| MPND | Ministry of Planning and National Development |
| NDP | National Development Plan |
| NES | National Environment Secretariat |
| NEX | National Execution |
| NGO | Non-Governmental Organization |
| NHDR | National Human Development Report |
| OP | Office of the President |
| PSC | Programme Steering Committee |
| PSD | Programme Support Document |
| PSIA | Programme Support Implementation Arrangements |
| RPD | Rural Planning Department |
| SDD | Social Dimensions of Development |
| SSJKE | Small Scale and Jua Kali Enterprises |
| SORAAP | Statement of Recommended Accounting and Audit Practices |
| TC | Technical Cooperation |
| TNA | Training Needs Assessment |
| UN | United Nations |
| UNDP | United Nations Development Programme |
| UNICEF | United Nations Children's Fund |
| WSSD | World Summit for Social Development |
| 5CP | Fifth Country Programme |
| 6CP | Sixth Country Programme |

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THE MANAGEMENT OF DEVELOPMENT PROCESS (MDP) PROGRAMME

REPORT OF TERMINAL EVALUATION

EXECUTIVE SUMMARY

1.0 Evaluation objectives

The terminal evaluation of MDP programme, which was one of the three thematic programmes of the GOK/UNDP 6th Country Programme, was supposed to achieve the following objectives.

- Assess the results of the programme.
- Take stock of experiences (both negative and positive).
- Consolidate lessons learned from it.
- Examine the use of UNDP technical support in the development process at three levels of capacity building - (i) systems level; (ii) institutional level; and (iii) individual level.
- Examine the value added by UNDP interventions to GOK in terms of results and management of development.
- Examine the linkages with the other components of the programme and how MDP has in total contributed to achievement of results.

2.0 Findings

2.1 Programme design

The process of drawing up the MDP programme was based on extensive discussions between UNDP and GOK senior officers in charge of external resources negotiations. Analysis was done of Kenya's national development priorities and how they fitted in with UNDP's areas of thematic focus. However, the design of the programme was not participatory enough given that only stakeholders from government ministries and departments were involved, with no representation from Communities, Civil Society institutions and academic and research institutions.

The programme approach and the national execution modality (NEX) were not well understood at the beginning since the guidelines for their application came much later in the programme implementation process. This, coupled with inadequate institutional machinery for MDP implementation and less than total ownership of the programme, caused delays in start up of programme activities.

2.2 Programme focus

Essentially the MDP programme, with its focus on capacity building in the areas of policy design, analysis and coordination, economic and financial management, and public sector reform and management, answered to Kenya's priority capacity development needs, and was in agreement with UN technical assistance development policy framework and UNDP mandate and thematic focus. While the programme was designed with the broad development goal of contributing to the Government's action programme to deal with poverty eradication and unemployment, its thrust was at policy level, and was not directed to "down-stream" development issues. The programme was focused on macro level issues and not specifically on any sectoral or target population group. Nevertheless, the programme adequately addressed Kenya's national capacity development needs,

except in the areas of gender, environment and natural resource management. It should be noted however, that the National Environment Secretariat joined the programme late when other stake holders were already implementing their activities. Secondly the process of reorganisation of the Government after elections affected the activities of the PSIA on policy design, analysis and coordination.

2.3 Outputs and results

Expected outcomes in the ten programme output budgets were realized to a large extent, but they were not easy to quantify. The direct beneficiaries derived significant benefits from the programme. The following sample illustrations clearly demonstrate some of the key programme results. The Social Dimensions of Development Secretariat was able to compile a compendium of District Project Profiles and help to produce the National Poverty Eradication Plan document. The Macro Planning Department, in addition to training and acquisition of information technology equipment, also produced the 8th National Development Plan and hosted several NDP dissemination workshops. CBS was assisted in carrying out the Labour Force Survey, together with the Ministry of Labour, and got started with support from an external consultant on the process of implementing the 1993 System of National Accounts. The Women's Bureau was able to produce a paper on "Integrating Gender Issues in Development Planning"

and to host several gender sensitization seminars for top level policy makers including Permanent Secretaries and donor and NGO representatives. A Training Manual on Gender Concepts was also produced. The Budgetary Supply Department was able to train most of their key staff in tax policy, public expenditure management and aid and debt coordination. The Fiscal and monetary Affairs Department was able to train officers in tax policy, tax analysis and forecasting, revenue collection and debt management. The Department also held Workshops in Strategic Finance Management and data capturing for decision making. External Resource Department was able to acquire an efficient system of external debt/ aid monitoring system, and obtained training in aid coordination and negotiation skills. The CSRS succeeded in carrying out capacity and training needs analysis for 6 ministries, DPM and two government training institutions. The National Council of NGOs benefited from the programme by having a new accounting and auditing system developed, which was intended for NGOs and other charitable organizations. This was through the project on "Statement of Recommended Accounting and Audit Practices" (SORAAP).

Impact of training on performance was difficult to measure since there was no mechanism in place to monitor performance of trainees before and after training, although it was evident that new skills

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were acquired. There were a number of constraints and other factors/forces which adversely impacted on performance of the programme. Some of these were: inadequate understanding by the stakeholders of the programme approach and the NEX modality; inadequacies in the financial reporting, auditing and general accountability on the part of the GOK financial management system; and absence of a secretariat to support effective management of the programme.

2.4 Relevance of the MDP programme to the development priorities of Kenya.

The MDP programme was, and continues to be, very relevant to Kenya's priority needs with respect to capacity building and technical assistance. The area of policy analysis and coordination still needs strengthening; and so does coordination and management of external aid and cooperation. Emphasis has been rightly placed on the related problems of poverty and unemployment. In spite of progress made in developing the necessary policy framework contained in the National Poverty Eradication Plan, articulation and implementation of specific action programmes on poverty eradication is yet to be finalized. Interventions in this area are formulated within the context of Sustainable Human Development, for which UNDP is one of the most ardent supporters. Given that Kenya has not finalized work on the preparation of its National Human Development Report (NHDR), there is still need and clear relevance of UNDP support in this area.

The purpose of the NHDR is to articulate a framework/paradigm for developing

indicators of sustainable human development relevant to Kenya with the aim of formulating policies which ensure the social welfare of all Kenyans; the need to understand the nature, extent and scope of the national poverty, by the rising unemployment and population; and the need to have information on key development aspects, which would help in the design and analysis of appropriate and relevant policies.

There is clear evidence that the specific MDP programme components were well articulated and focused and aimed to address some of these problems of capacity enhancement. The outputs of the programme which included important policy studies and reports were relevant to the identified needs. In addition to the draft HDR, there were also Poverty Eradication Plan, Labour force and Unemployment surveys, District Project Profiles, and the Master Plan on Education and Training.

2.5 The comparative advantage of UNDP vis-a-vis other multilateral and bilateral donors in capacity building for the management of development process.

For along time UNDP has been an important development partner of Kenya, by providing badly needed technical assistance and coordinating similar assistance of other UN development partners. Within the context of the MDP programme in particular, and the 6th Country Programme in general, UNDP was especially well placed to help Kenya, given that the country was going through a difficult time with respect to several multilateral and bilateral assistance. The problem had arisen as a result of reluctance of some of the donors to disburse additional development assistance funds unless and until certain specific conditions/conditional i ties had been satisfied by the government. In the face of this situation, UNDP continued to support Kenya and was instrumental in influencing other donors to resume aid flows.

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The areas of UNDP's thematic focus, as already mentioned elsewhere in this report, are in complete agreement with those spelt out in Kenya's ,4ational Development Plan. UNDP's long standing concern for sustainable human development, which led to its formulation of the Human Development Index puts UNDP in a unique position to assist Kenya in its fight against poverty and declining social welfare.

UNDP also has a clear comparative advantage over other UN agencies and bilateral donors in terms of leading the policy dialogue concerning Kenya's development needs and mobilization of requisite external resources.

2.6 Ownership of the design, implementation process, and results of the Programme.

The National Execution modality initiated by UNDP some years back, if well applied, is a very effective tool for ensuring ownership of the design and

implementation of any externally assisted development programme and its results. The issue of ownership by the Government of Kenya was central to the design of the 6CP. As a result of the shift from project to programme approach, and from UN agency execution to national execution, the MDP programme (and 6CP) formulation process took a longer period than expected due to (a) the need for extensive consultations with various stakeholders, and (b) complex guidelines which could not be internalized in a short period of time and the requirement to prepare two separate documents, namely, the PSD and the PSIA.

Ensuring ownership of the programme is closely linked to total acceptance and implementation of the NEX principle. There is evidence to suggest that the full implication and application of NEX has not been fully internalized by some government officers. More capacity needs to be developed in this area. The Joint GOK/UNDP Issue Paper on 6CP, which was prepared in October 1996, points out a number of problems which made the process of implementing NEX activities difficult. These include: (a) disparities between the financial procedures as applied by GOK and UNDP (and, hence, the need for direct payments by UNDP for certain programme expenditures as opposed to the more "NEX-relevant" government "Pay Master General" approach); (b) a long process of authorizing payments; (c) bottlenecks in the implementing institutions, particularly those within the line ministries; (d) inadequate financial reporting; (e) lack of institutional management audit capacity; (f) inadequate skills in programme supervision, which led to most of the operational tasks being done by the Programme Advisor; and (g) high staff turnover within government ministries and departments. Several of these problems were addressed in two NEX workshops (conducted in 1996 and 1997) and through the Capacity Assessment National Execution study (1997). The evaluation team found that many of these problems were still present.

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2.7 Effectiveness of the Government as executing agency for the thematic programme area, including its monitoring and evaluation capacity.

There were some difficulties in national execution due to several reasons, including those mentioned in the previous sub-section. One was the fact that existing systems and procedures within the Civil Service were not suited for effective NEX modality, and there was no deliberate attempt to adapt or modify them to put them in line with the programme approach and the NEX modality. A telling illustration is the government procurement system and expenditure authorization process, which has to go through a lengthy inter-ministerial tender committees and the paymaster general system. This difficulty was mainly responsible for the high proportion, about 75 %, of programme expenditure made through direct (UNDP) payment.

As mentioned above application of the NEX modality was not smooth because the

institutions charged with its implementation were not conversant with the system and coordination of various programme components through the respective coordinators relied too much on the efforts of the Programme Advisor.

2.8 Effectiveness of the UN agencies and the Civil Society organizations as implementing agents.

The UN agencies were involved in implementation of specific activities through Support for Technical Services (STS) UN Department for Economic and Social Affairs implemented activity related to integration of technical cooperation into government planning. UNESCO provided technical support in costing of the education Master Plan. The International Labour Organisation supported the Ministry of Labour in preparation of report on progress made in employment since the World Social Summit for Development meeting. The only Civil Society organization that was involved was the National Council of NGOs. The rest of the programme activities were implemented by various departments, as indicated above. The National Council of NGOs, working closely with the NGO Bureau in the Office of the President, has succeeded to compile an up to date, register of all NGOs registered in the country. The Council is in the process of developing an accounting and auditing system which is tailored to specific needs of charitable organizations. The other NGOs involved in implementation of the programme were the League of Women Voters, FIDA, Women in Democracy and ICJ who are collaborating in strengthening capacity of women voters.

2.9 Sustainability of programme results.

Sustainability takes at least three forms, namely; technical sustainability, financial sustainability, and social and political commitment. Technically, the programme results are sustainable because substantial national expertise in policy analysis skills exists at both the individual and the institutional levels. Financial sustainability will be difficult to realize unless continued funding from both external sources and internal resources is assured. Given the low level of resource mobilization during the MDP programme implementation, the probability of realizing additional funds does not appear high. In terms of socio-political and institutional sustainability, there is still commitment to consolidate the gains made, but the national execution modality will have to be more actively applied than has been the case so far.

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3.0 Recommendations

Several recommendations are made in the main body of the report touching on many issues which were investigated during the evaluation. Only the major ones are presented in this Executive Summary.

- Future programmes should involve intended beneficiaries of the programme in all stages of programme design and implementation to ensure a sense of ownership and better understanding of key development issues inherent in the programme.

The Coordinating government institution/ministry should ensure that there is representation of stakeholders from the private sector and civil society organizations.

- Any programme similar to MDP should expand the concept of capacity building beyond macro level policy issues to capacity enhancement issues at the district and community levels. Such a programme should select and focus on specific areas in which demonstrable achievements can be realized over the programme period. The concept of capacity building should be broadened in scope beyond competency and facilities, in order to include, for example, building confidence, commitment, and ensuring operational systems and procedures. Government should identify specific areas of focus and negotiate with collaborating development partners for their inclusion in the PSIAs.
- Further efforts should be applied by the Government and the UNDP to strengthen the already built capacity in some instances, for example, at the CBS, NES, and Women's Bureau; and in those areas in which capacity was not built during the MDP period.
- Consultations and cooperative arrangements between GOK and UNDP should continue to select specific areas that promise highest impact on poverty eradication and employment generation.
- A Programme Secretariat or Programme Management Team should be constituted from serving government officers to manage the programme on a full time basis. The staff of the Secretariat should comprise a Programme Manager, Component Managers, an Accountant, a Procurement Officer and the relevant support staff. This should improve programme management and increase the chances of achieving programme objectives.

4.0 Lessons

- MDP programme helped to improve policy analysis, which is key to ensuring formulation of appropriate development strategies and providing an enabling environment for public and private sector performance.
- Two years of MDP programme was too short to realize its immediate and short term objectives. The time-frame of any given programme life cycle is of essence in enabling capacity building interventions to yield desirable results.
- Capacity building, while necessary, is not sufficient to ensure achievement of anticipated development objectives. Equally, training, study tours and fellowships while necessary, will not of themselves make a big impact on performance. Other organizational and job related factors, such as compensation and work environment could adversely affect performance and reduce any positive impact of capacity building interventions.

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- The national execution modality (NEX) did not work as well as expected. NEX implementation requires strong national institutions which are committed and well facilitated. For instance, a full time programme management team, with authority over day to day operational aspects, including procurement, accounting, monitoring and supervision of a given programme. The offices of the Programme Coordinator and the Component Coordinators were too pre-occupied with other day to day civil service responsibilities to give their full attention to

- implementation of MDP activities.
- A strategic planning workshop of all key stakeholders before implementation of programme activities would have been useful in concretizing programme issues, learning from the positive results of the one that was held one year after the programme started.
- Human development programmes must originate from and be directed to community level, which did not happen in the MDP programme. Popular participation in the design and implementation of development strategies is more effective in results oriented programme implementation. In addition to formulating poverty, SDD and unemployment policies, the fight against poverty and unemployment has to focus on the grassroots. That is where impact will be felt most.
- It is not possible to promote socio-economic development without incorporating gender aspects, and in particular without acknowledging the critical role of women in development. Future programmes should pay more attention to this aspect.
- Dialogue between UNDP and programme stakeholders is urgent in order to share respective expectations, methods of operation and procedures and standards of performance, and increase mutual understanding.

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THE MANAGEMENT OF DEVELOPMENT PROCESS (MDP) PROGRAM ME REPORT OF TERMINAL EVALUATION

I. INTRODUCTION

1.0 Context and purpose of evaluation

The Management of Development Process (MDP) Programme, which was one of three thematic components of Kenya/UNDP Sixth Country Programme (6CP), was launched in 1995. The other two components of the 6CP were (a) Enhanced Public Administration and Participatory Development; and (b) Support for Small Scale and Jua Kali Enterprise for Employment Generation. While the MDP Programme Support Document (PSD) was signed in November 1995, Programme Support Implementation Arrangements were not concluded until beginning of July 1996. The MDP programme's main objective was

" to strengthen national capacity for better management of development process for rapid economic growth, which will result in a significant reduction in unemployment and poverty through well targeted strategies for financial and economic management, improving the efficiency of the public

sector, and enhancing policy analysis and coordination".

The terminal evaluation of the thematic programme of MDP Programme was proposed at the Tripartite Review Meeting, which was held in July 1998. The evaluation was necessary to assess the results of the programme, and to take stock of experiences gained and the lessons learnt in the process of programme implementation. The primary aim of the evaluation was to determine the extent to which the Programme addressed Kenya's priority development needs; whether programme activities were being implemented on schedule; whether the programme had achieved stated objectives and targets; and draw lessons of experience which could be built into the process of drawing up the next Country Cooperation Framework.

More specifically, this terminal evaluation would examine the use and impact of UNDP technical support in the development process at three levels of capacity building: (a) the systems and policy level; (b) the institutional level; and (c) at the individual/ staff level. It would also examine the value added by UNDP interventions to the government in terms of results and impact on the management of the development process. Thirdly, it would examine the linkages existing between MDP and the other components of the 6CP.

2.0 Evaluation issues

The evaluation was to address the following main issues.

- The continued relevance of the whole or parts of the MDP Programme to the development priorities of Kenya.
- 1
- The comparative advantage of UNDP vis-a-vis other multilateral and bilateral donors in capacity building for the management of development process.
 - Ownership of the design, implementation process, and results of the programme.
 - Effectiveness of the Government as executing agency for the thematic programme area, including its monitoring and evaluation capacity.
 - Effectiveness of the UN agencies and the Civil Society organizations as implementing agents.
 - Achievements of the programme's immediate objectives.
 - Contribution of the MDP programme to Kenya's overall development process.
 - Sustainability of programme results.
 - Capacities developed at various levels; system level, institutional level, and individual level.

3.0 Evaluation outputs

At the completion of the evaluation, the following outputs were expected.

- Determine the extent to which the MDP programme has achieved its objectives.
- Lessons learnt concerning best and worst practices about programme design, execution, implementation and management.
- Recommendations on strategies for concluding the programme; follow up activities, including those being proposed for the next Country Cooperation Framework.
- Highlight early signs of potential impact and sustainability of results, including the contribution to capacity development.

Details of the Terms of Reference are

contained in Annex I. **4.0 Evaluation**

methodology

As a first step in the evaluation process, the Evaluation Team held an initial briefing session with UNDP and GOK key stakeholders, at which the terms of reference were clarified and the daily work plan was agreed. Relevant documents were reviewed. A list of these documents is given in Annex 11. The Team read all the documents to gain a clear understanding of the Programme background, context, objectives, activities and management modalities. The review of these documents also brought out information about government development strategies and priorities and recent economic and social policy initiatives. The Team reviewed all annual workplans, progress reports and minutes of all the Programme Steering Committee meetings. The latter were quite useful in pointing out implementation problems and constraints.

Interviews were held with a cross-section of the key stakeholders, including officers from the Civil Service Reform Secretariat in the Office of the President, Ministry of Finance, Ministry of Planning and National Development, Ministry of Labour, Ministry of Environmental Conservation, Social Dimensions of Development Secretariat in OP, Bureau of Women's

Affairs in the Ministry of Home Affairs, National Heritage, Culture and Social Services, Central Bureau of Statistics in MPND, the UNDP, and Kenya National Council of NGOs. The list of persons interviewed is contained in Annex III.

UNDP's administration of the programme was evaluated by examining its policies and procedures, for example, regarding approvals of funds, their disbursement, procurement of services, goods and equipment, reporting requirements, accountability, cost sharing, counterpart funding arrangements and inter-institutional collaboration between UNDP and GOK departments. This was done through in-depth interviews with GOK officers and relevant UNDP staff, respectively.

5.0 Structure of the report

This report is written in accordance with the prescribed UNDP format for Project evaluation reports. In addition to the Executive Summary and Annexes sections, the Report contains seven other sections. Section I is the Introduction, which describes the purpose, key issues and methodology of the evaluation. Section II is about Programme concept and design. Section III discusses Programme implementation. Section IV describes Programme results; Section V Findings; Section VI Recommendations; and Section VII Lessons learned. In the Annex are included the Terms of Reference, a list of persons interviewed, and a list of documents reviewed.

II. PROGRAMME CONCEPT AND DESIGN

1.0 National development context

The overriding development objective for Kenya, as for most other developing countries, has always been to achieve high and growing per capita incomes, which are equitably distributed among the citizens. Over time, achievement of this objective has proved very difficult as a result of both external and internal factors. Among the external factors are included unfavourable terms of trade, leading to balance of payments deficits and mounting external debt. Internal factors include, inter alia, declining national productivity, failure to formulate and/or implement appropriate policies, high rates of inflation, rising budget deficits, and a rapidly growing population. A combination of all these factors has led to declining per capita income, unemployment and increasing poverty.

The Government's adoption of structural adjustment programmes in the mid-1980s was in an attempt to reverse the economic decline that was taking place. The first major

initiative in this regard was the publication in 1986 of the Sessional Paper No. I on "Economic Management for renewed Growth", in which the government decidedly put emphasis on free market forces to determine key market prices and resource allocation. More far reaching structural reform measures were implemented in 1993, which included price decontrol, removal of all import licensing and foreign exchange controls, more liberal investment policies, and public sector reforms. These reforms were enshrined in Sessional Paper No. 1 of 1994 on "Recovery and Sustainable Development to the Year 2010". Strategic development goals contained in this Sessional Paper were incorporated in the Seventh National Development Plan (1994 - 1997), with the theme "Resource Mobilization for Sustainable Development".

Increasing levels of unemployment and poverty, which have resulted from a continuing near stagnation of the economy, and which were worsened by the implementation of austere structural adjustment programmes, have led the Government to put in place the Social Dimensions of Development (SDD) Programme, and to rededicate itself to industrialization as a key development strategy.

2.0 Programme design

The initiators of the MDP Programme fully acknowledged the development challenges facing Kenya, and took these into account in the design of the programme. The Programme Support Document notes that in 1993, the Government launched an economic reform programme aiming to reduce poverty by restoring sustained growth, by following these strategies: (a) macroeconomic stabilization, through fiscal and monetary policies; (b) reduction of the role of the public sector in the economy; (c) strengthened financial system; (d) promotion of exports; (e) domestic deregulation; and (f) improved access of ordinary Kenyans to basic social services.

The MDP Programme was aimed at assisting the government in its efforts to improve the efficiency and productivity of the public sector, and making it better able to support sustained development and to provide an enabling macro-economic policy environment. Emphasis was, therefore, put on strengthening national capacity for policy analysis, coordination and implementation. The three MDP Programme components of policy design, analysis and coordination; public sector reform and management; and economic and financial management were aimed at complementing government efforts to reverse the economic decline and rising unemployment and poverty. The programme clearly took into account the economic, social and political realities of Kenya, and attempted to implement the programme components within existing public, private, and civil society institutions.

MDP programme focused on one specific problem; namely, inadequate institutional capacity at the macroeconomic and sectoral levels for formulating coordinated development policies, which provide an enabling environment for the implementation of agreed development programmes and projects. The Programme, therefore, sought to develop a national capacity in policy design, analysis

and coordination; collection and analysis of economic, social and natural resources data for policy formulation and decision making; public expenditure and financial management; and efficient public sector management. Capacity building in this context was taken to include provision of skills and knowledge and requisite equipment, as well as assisting in the establishment of appropriate systems and procedures.

In general, the programme was intended to benefit all Kenyans by contributing to government's efforts to deal with the priority problems of unemployment and poverty. More specifically, the direct beneficiary of the Programme, by the nature of the programme components and activities, were Ministry of Planning and National Development, Ministry of Finance, Central Bureau of Statistics, Directorate of Personnel Management, Civil Service Reform Secretariat, Department of State Corporations, Relief and Rehabilitation, Federation of Kenya Employers, National Environment Secretariat, National Council of Women, National Women's Bureau, National Council of NGOs, and Civil Society entities. MDP specifically targeted policy managers, analysts and formulators, as well as programme implementers and managers; from both the public and private sectors.

The MDP Programme Support Document (PSD) was prepared

"... within the policy framework of the UN Resolutions 44/211 and 47/199, which provides for renewed emphasis on national capacity building, and national priorities and goals, as well as the affirmation of the need to promote the full integration of women in all aspects of the development process, the mandate to ensure full participation of concerned populations, collective and local organizations, including national NGOs, in the development process, and the shift from project to programme approach; increased national execution as the norm for UN programmes, and determination of the capacity to execute programmes as the principal responsibility of developing countries".

It was also drawn up within the context of UNDP's central mandate, which is national capacity building in the following areas: (a) poverty alleviation; (b) grassroots participation in development; (c) environment and natural resource management; (d) management development; (e) technical cooperation among developing countries; (f) transfer and adaptation of technology; (g) gender in development; and (h) sustainable human development. All these issues are in harmony with government priorities referred to above and were considered in the design of the MDP and the other thematic programmes of the 6CP. The programme was designed to strengthen the capacity of relevant government departments and institutions, as well as some private sector and nongovernmental organizations, as is indicated in the list of stakeholders, which is given above.

The programme was in response to expressed request of the Kenya government to

UNDP for "... support in the following areas: governance and participatory development; capacity building for management of the development process; and promotion of small and medium enterprise development and employment...", which constituted the three thematic areas of focus in the 6th GOK/UNDP Country Programme.

In conclusion, therefore, it was evident from analysis of the Programme Support Document that MDP was well conceived and designed to address critical national capacity requirements in the management of the development process. Its development and immediate objectives were very specific; its three components were relevant; and it was well targeted.

The process of formulating the 6CP, of which MDP was a key thematic programme, started at least twelve months before the end of the 5CP, with consultations between UNDP and GOK senior officials and an evaluation of the country programme. Discussions were based on an Advisory Note prepared by UNDP, which indicated areas of focus and concentration, and on Kenya's National Programme Framework which spells out Kenya's development priorities.

At the design stage, an analysis was done of national development challenges. The need for sound policies and their effective implementation was recognized. Critical competency requirements were identified, and UNDP's areas of thematic focus and Kenya's national development priorities were taken into serious consideration. A consensus was reached about the need to strengthen capacity in the three component areas, mostly through training and acquisition of necessary equipment.

III. PROGRAMME IMPLEMENTATION

1.0 Institutional and organizational arrangements

The organizational set up for the management of the MDP programme comprised, at the policy level, the Programme Steering Committee(PSC);, and at the operational level, the Programme Coordinator, and Component Coordinators: assisted by the Programme Advisor. The PSC was made up of the Financial Secretary (Chairman) and Permanent Secretaries of the major stakeholder ministries, which were: Finance, Planning and National Development; Education and Human Resource Development, Directorate of Personnel Management; Labour; National Heritage, Youth Affairs, Women, Culture and Social Services. The Head of Budgetary Supply Department in MOF and the Programme Advisor were ex-officio members and joint PSC secretaries.

The Ministry of Finance (MOF) was responsible for executing and managing the programme. Implementation was assigned to government line ministries and departments, and in one case, to an NGO. Several of the implementers perceived

the program as donor driven, and did not feel a complete sense of ownership. Coordination between UNDP, GOK and direct implementers was not always smooth due to the following factors, among others: a feeling that it was a UNDP project; delays in the operational procedures; inadequate commitment to the programme by some officers; and a lack of transparency in some government procedures.

The PSC was supposed to ensure that MDP programme activities are implemented in accordance with the policies of the Government; to facilitate policy dialogue within the MDP programme and between the programme and other 6CP programmes; to facilitate resource mobilization for the

MDP programme; to enhance policy dialogue between different government departments and ministries; and to facilitate collaboration between the Programme and the NGOs and the private sector. Generally, the PSC was supposed to provide guidance and advice with regard to the implementation of the Programme. The Committee did perform these roles effectively, except in the area of the resource mobilization where they were not successful.

Three Steering Committee Meetings were held, respectively in March, November 1997, and April 1998. Two Tripartite/Bipartite meetings were held in June 1997 and July 1998. Several stakeholders meetings were also held. The meetings discussed, among other things, issues relating to the review of the operational and implementation status of the programme activities, and accounting and auditing procedures.

2.0 Resources

A total of US \$ 6.6 million was made available from both the UNDP and parallel funding sources for the implementation of the MDP Programme, which was distributed across the three components as follows: (a) Enhanced capacity of MPND for integrated social, economic and resource management policy analysis \$ 2.66 million; (b) Enhanced public and financial management capacity \$ 2.775 million; and (c) Strengthening capacity for management of the public sector reform \$ 1.165 million. GOK was supposed to mobilize additional resources from other donors to support the programme. A task force, consisting of donors, NGOs and government representatives, was to be formed to assist the government in this fund raising exercise. A review of the minutes of PSC meetings and Programme reports reveals that the government did not succeed in mobilizing additional resources beyond those of UNDP. The issue kept coming up in successive PSC meetings, but was never resolved. Opportunities of parallel funding and cost sharing were not exploited.

A close look at the 1997 disbursement figures shows that by the end of that year programme disbursements totaled US \$ 1,273,442. The budgeted amount for the same period was \$ 1,900,000, which implied that the achieved level of activities did not match the anticipated level of activities, as per the work plans; a level of activity implementation of only 67 %.

In terms of disbursements per PSIA, it is apparent that the PSIA on Policy design, analysis and coordination had used up \$ 813,376 out of a total disbursement of \$ 1,273,442, which represents a share of 64 %, confirming that this component was indeed the largest of the three MDP Programme components. Comparatively, for the year 1997, the PSIA on Economic management had a total disbursement of \$ 329,567 (or 26 % of the total), and the balance of 130,129 (10 % of total disbursements) had gone to the PSIA on Public sector reform and management.

As regards the Direct Payment mode and payment through the Pay Master General (PMG) Account, it is clear that as at the end of 1997, direct payments amounted to \$ 970,252 out of a total of 1,273,442; which is 76 % of total disbursements. Payment through the PMG Account totalled \$303,189; or 24 % of the total. This in essence indicates that there was increasing preference for the Direct mode of payment in the procurement function as opposed to the PMG mode of payment.

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The expenditure scenario in 1998 was that total disbursement came to US\$1,785,273 compared to a budget of US\$2,044,299 (87% delivery level). This indicates that the level of activity was very substantial this year as opposed to 1997, which speeded up the programme implementation process. Indeed a close look at the 1998 figures on a component by component basis reveals that the PSIA on policy design, analysis and coordination had 100% delivery, which necessitated an increase in budgetary resources over and above those previously allocated.

3.0 Programme activities

According to the PSD the following activities were scheduled to take place under each of the component and sub-component. Most of the planned activities were completed; and for those which were not completed, the reasons had to do with the fact that implementation started late, as explained elsewhere in this report, and initially the programme work plans were too ambitious, but they were revised downwards in the second year of implementation.

3.1 Enhanced capacity for data collection and analysis

The aim of this output budget was to strengthen capacity of CBS to collect and analyze national accounts, economic and social data. Installation of the 1993 System of National Accounts was started in 1997 with assistance of an international

consultant. The system has already been set up at CBS and the methodology for updating and making operational the 1993 SNA is in progress. Six CBS staff have been trained on how to use the system. Computers and printers have been received by CBS for use with the new system. A joint CBS/Ministry of Labour Survey is ongoing. The Survey aims at providing updated data on the labour force structure in Kenya. It will provide statistics on general national employment situation in the country, foreign employment, child labour etc, which will be used to formulate planning policies on employment and human resources. Necessary information technology (IT) equipment was procured, and training for CBS officers was undertaken.

3.2 Policy design, analysis and coordination

The 8th National Development Plan (1997 -2001) and the 6th District Development Plan were completed, and several sensitization and dissemination seminars about the Plan were organized for Heads of Department and Planners. A total of 750 people attended these seminars. Preparation and dissemination of these plans had a very positive impact on policy coordination and contributed to better understanding of the planning process. Study tours were undertaken to Mexico, Chile and Brazil to learn about their experiences in specific areas such as industry, privatization, liberalization, infrastructure, poverty, and social and public sector reform. Study tours were also

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undertaken to South Korea to learn about National Plan implementation. The seminars conducted under this output budget include: a seminar on private sector participation in plan preparation; a symposium on poverty; a workshop on employment policy; a gender sensitization workshop for permanent secretaries; a workshop on identification of data gaps; a Workshop on dissemination of the Human Development Report (HDR); and a workshop on environment data needs. As a follow-up to recommendations of the 8th NDP on the abolition of the Wage Guidelines, the Central Planning Unit of the MOL organised two workshops to solicit views of the social partners and stakeholders. The workshops recommended the establishment of a National Productivity Centre. A tripartite team (MOL, MPND, FKE) undertook study tours to Japan, Singapore and South Africa. A number of consultancies were carried out including: those for preparation of the HDR, SDD District project Profiles, identification of data gaps; installation of the 1993 system of National Income Accounts; National capacity assessments; harmonization of various policy papers; computerization of NGO activities and setting up an accounting and auditing system for NGOs.

3.3 Integration of SDD into planning process

Preparation of the Kenya Poverty Eradication Plan, which was aimed at improving the targeting of poverty reduction initiatives in the country, was finalised in October 1998 and is awaiting official launching. A three year Poverty Reduction Programme was yet

to be finalized. A study tour was conducted for senior government officers to Bangladesh and India, which have successfully developed similar poverty eradication programmes, to learn from their experience. Lessons learned from the process of preparing the Plan and the study tours have provided useful inputs into the preparation of the forthcoming GOK/UNDP Country Cooperation Framework, whose main theme is poverty eradication. As a follow up to the 1995 World Summit for Social Development which was held in Copenhagen, a study on the national Public Expenditure on Basic Social Services in Kenya was successfully carried out, and a draft report was ready at the time of the evaluation. Findings of the study have influenced the budgetary preparation process and fed into the ongoing Public Expenditure Review . A study tour was undertaken to South Africa to learn from their experience in this area. Other studies which are on-going are on setting up of a Poverty Research Unit, and Setting up a Poverty Data Base. Another study was on establishing a register of NGOs. The register of NGOs, which is being coordinated by the National Council of NGOs, will help in establishing a more coordinated approach in liaising with NGOs involved in poverty eradication in the country. The Poverty Research Unit will feed into the formation of the Poverty Eradication Unit, which was recommended in the Poverty Eradication Plan as a focal point for poverty eradication efforts in the country. The Poverty Data Base will ensure more targeted interventions.

3.4 Internalization and integration of technical cooperation into government planning and budgeting system

Two studies were undertaken to assess the status of Technical Cooperation in Kenya in terms of its role and significance in public investment planning and programming. The aim of the studies was to review government technical cooperation policy framework, assess the TC process, and identify problems and constraints with national technical assistance coordination, monitoring and evaluation. The studies found out that Kenya had no comprehensive policy on technical cooperation, and they recommended that such policy should be set up.

3.5 Economic and financial management

Training for senior officers in Strategic Finance Management was successfully completed. Progress on the output budget on Coordination capacity of Budgetary Supply Department was hampered by the late recruitment of the Programme Advisor and delays in procurement of certain item such as computers. On output for skills for analysis of tax policies, funds were only enough for the training of 4 officers; a workshop for senior and middle officers in data analysis for policy and administration decisions; and in-house training for secretaries on data capture. Only one workshop for accounting units on control of funds under the output budget on accounting systems for government.

3.6 Skills for financial management policies upgraded

The specific areas of intervention were short-term training and acquisition of appropriate information technology equipment. The training sub-component concentrated on overseas training. About 30 officers were trained over a two year period. Specific areas of training were public sector budgeting, management of external aid, and taxation policy. Those trained were able to understand better the budget process; and conceptualize economic and budgetary policies better. The only long-term training, at Masters level, was availed to one staff member who later left government service. Some of those interviewed felt that in several cases fellowships were not always targeted to specific job requirements and performance deficiencies of the staff, but rather were based on personal motivational needs of the concerned staff. Therefore, selection of those to be trained, was not always based on skills improvement consideration, leading to capacity building not having significant impact on the job. Computer equipment in the MOF was said to be old generation and needed replacement with latest technology equipment.

3.7 Systems for budgetary procedures operating

Training was provided for officers at the level of Assistant Secretaries, Senior Assistant Secretaries and Under-Secretaries in the sector ministries as well as the BSD and the Macro-Economic Division of MOF. The training objective was to improve the analytical skills of the officers responsible for financial management, preparation of annual and forward budgets and budget implementation; to introduce basic techniques of financial and economic analysis; and to enhance the understanding of the relationships between budget planning, allocation and implementation decisions and the economy.

3.8 Personnel management within the Civil service enhanced

A proposal has been prepared for MDP funding for systems development and computerization of the Pensions Department in MOF. A consultant had already been identified to undertake the work, and a computer had been promised under the World Bank funding. The Pensions Department has

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over 200,000 records of pensioners, which are still being handled manually. Implementation of the system will greatly enhance the efficiency of processing pensioners information. The workshop which was supposed to be organized for the CSRS staff to equip them with skills for overseeing the ongoing ministerial rationalization exercise is yet to take place.

3.9 Management and technical capacities enhanced for carrying out ministerial rationalization

Work started on Civil Service re-organization in 12 ministries. Capacity and Training needs assessment in six ministries were conducted, under financing of

MDP programme, which involved also validation workshops aimed at discussing and adopting all or some of the recommendations made in the capacity assessment reports. The validation plans produced action plans on implementation of the recommendations made under the capacity and training needs studies; but these have not yet been implemented.

4.0 Constraints

A number of constraints were experienced during the implementation of the programme. Programme activities did not start until July 1996, when the Programme Support Implementation Arrangements Document was signed, long after the PSD was signed in November 1995. The switch from project approach to programme approach and the new national execution modality required a different orientation, which the programme executing agencies, and the government in general, were not ready for. Procedural issues, for example, a long procurement cycle, and delays in financial reporting by the government, caused similar delays in the starting and completion time of some of the activities. Other constraints were: rigid procedures and inflexibility in some rules and regulations; lack of incentives for the programme implementers; a very short term view of the program activities, extending over a two year period, particularly when contrasted with the 3 - 5 years planning horizon of most government programmes; different financial years for **GOK** and UNDP, resulting in different financial reporting periods; slow disbursements of funds in some instances; slow process of approving budget revisions, which caused delay in the implementation process; staff movement within the government system. The failure to provide support staff (including accountant, auditor, supplies officer) within MDP structure had a negative impact on the execution of certain important tasks such as financial reporting and procurement.

The above named constraints have to be addressed if the objectives of **MDP** are to be fully realised. The implementing officers have to have a clear understanding of the programme approach and the national execution modality. The issue of lack of incentives on the part of **MDP** government officers cannot be ignored since this is likely to negatively affect the progress of MDP. It has to be recognised that there has been too much reliance on the Programme Advisor.

The Programme Coordinators and other government officers felt overworked since they had to continue doing their day to day work. The issue of lack of incentive was not only related to overwork but also to the benefits realised in doing MDP work. Most officers interviewed felt that they had to give priority to their day to day office work. The issue of long procurement cycles and delays in financial reporting need to

be urgently addressed if the activities are to be started and ended on time. Furthermore, financial reporting within MDP can be improved with the support staff such as accountant, auditor and supplies officer. Not enough advantage was taken of other donors opportunity for programme resource mobilization. Too much reliance was placed on UNDP's "seed" money. It is as if UNDP was expected to lead the fund raising effort. This may have been due to the fact that other donors were not involved in the MDP programme right from the design stage.

The Programme Advisor, who reported on the job in February 1997, was able to get the programme moving on the right track by assisting the Programme Coordinator and the Component Coordinators in drawing up detailed six monthly work plans; arranging for PSC, Stakeholders and Tripartite meetings and writing their minutes; and keeping regular contact (through weekly meetings and physical and telephone communication) with UNDP Programme development unit. His periodic reports on the progress of the programme activities were very detailed and informative, and they served as crucial inputs into the various MDP management meetings. They have also assisted substantially in this terminal evaluation.

The Programme Advisor helped in the design and implementation of capacity building strategies and activities for the direct implementers of the programme, for example, the Budgetary Supply Department, the three programme components, the Women's Bureau and NGO Council. He assisted effectively in drawing up annual procurement plans, organizing strategic planning workshops and establishing benchmarks and performance indicators. There has been too much reliance on the Programme Advisor to coordinate most of the programme activities. One reason is that he played the role of the Programme Coordinator who had a notable absence throughout the life of the programme. It was abundantly clear that the location of the MDP programme under the Budgeting Supply Department was a mistake the UNDP should learn from, and which should be avoided in the next Country Cooperation Framework.

IV. PROGRAMME RESULTS

Immediate and short-term programme objectives were very specific and they correspond to the various output budgets. The table below gives for each output budget indication of the extent to which the objectives were met.

Table: Achievement of immediate objectives

| Output budget | Achievements |
|--|---|
| Enhanced capacity for data collection and analysis | <p>Training of data analysts was carried out. Data gaps were identified. The Labour force survey is ongoing country-wide. Gaps on gender statistics were identified and a data base on gender is being developed. Poverty indicators were identified and a Poverty Eradication Plan was formulated. A Draft Kenya Human Development Report was produced and is being finalised. Installation of 1993 System of National Accounts was completed and its</p> |
| Enhanced capacity for policy design, analysis and coordination | <p>The 18th National Development Plan was completed on time and a study tour to South Korea was immediately undertaken. Lessons from the tour led to the need to disseminate the plan; hence, 10 dissemination and sensitisation workshops were held for about 750 officers including all heads of planning units and heads of technical departments from line ministries and in all the districts. A Study tour to Latin America Countries of Mexico, Chile and Brazil was also concluded in May 1997. Computer training for stakeholders was conducted in August/September 1998. Specific support to the Ministry of Labour in the implementation of labour related issues as outlined in the National Development Framework was also accomplished. It included three workshops and study tours to Japan and Singapore and South Africa. The latter was in pursuit of establishing a productivity centre.</p> |
| Integration of SDD into the planning process | <p>A National Education Master Plan whose finalization is in progress was realised. The capacity of the SDD Secretariat was significantly strengthened, and several initiatives were-started. A Social Dimensions of Development 'District Project Profile was compiled. Study tours were undertaken to Bangladesh and India to learn about their</p> |

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| | <p>poverty strategies. A Poverty Research Unit and poverty data base were being developed. The Kenya Poverty Eradication Plan was produced. SDD - Progress, Prospects and Priority Actions document is in place as a valuable source of information. A study Report on Public Expenditure on Social Service was also produced under this output.</p> |
| Internalize and integrate technical cooperation into government planning and budgeting system | <p>Two studies were undertaken to assess the Technical Cooperation in terms of its role in Public Investment Planning and Programming, and review government policy framework, if any, on TC activities. The study reports are in place as information source documents. The studies found out that there did not exist a coherent and comprehensive policy on TC. More technical assistance is required to assist Kenya develop a comprehensive national policy on Technical Cooperation.</p> |
| Enhanced management and technical capacity for carrying out ministerial rationalization | <p>Capacity and training needs assessments were carried out in 6 ministries, the DPM and two 00K training institutions, which were followed by validation workshops aimed at endorsing findings of the studies and drawing up action plans for implementation of assessment recommendations. The findings will assist in the rationalization of ministries. The CSRP process, which is being supported by the World Bank, must move faster because the success of MDP programme greatly depends on a reformed Civil Service.</p> |

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| Strengthening of personnel management function | The capacity and training assessment will also help in identifying in which areas capacity strengthening is required. There was a proposal presented to UNDP to assist in the computerization of Pensions Department records. |
| Capacity in strategic finance management policies enhanced | A total of thirty officers were trained in the various courses: public sector budgeting, external aid coordination and taxation policy. Information technology equipment was acquired. Staff are now in a better position to understand the tax policies and their relevance to development process. |
| Systems for budgetary procedures operating | Training was carried out for officers at the level of Assistant Secretaries, Senior Assistant Secretaries and Under-Secretaries from sectoral ministries. Those trained gained in-depth understanding of the budgetary process. |
| Accounting systems for government commitments operating | One workshop for accounting officers was conducted on the control of funds. A lot more needs to be done in this area in regard to capacity strengthening. |
| Coordination capacity of Budgetary Supply Department enhanced | The Programme Advisor reported on duty in February 1997; about eight months after the signing of the PSIAs . A few fellowships were available for seminars on budgeting, taxation, debt management, aid coordination and National Execution of UNDP funded projects. |

A lot has been achieved by the programme through training and skills development, equipment acquisition, creating awareness among various government departments and ministries about national development priorities and need for comprehensive national development planning, and the role of cooperating partners in development. However, expected results were not specific enough and would not be easy to measure. Impact of other factors/forces (e.g CSRP and issues of governance) in the economy was not adequately assessed. While capacity building is very important, there was over-emphasis on training and fellowships, and not the same kind of emphasis on other aspects of capacity.

The following were considered by most to be the major benefits and achievements

of the programme:- competency built in policy analysis; acquisition of IT equipment, and computerization of certain systems; development of specific policy initiatives e.g on Poverty Eradication; Education and Training; and better understanding of the development planning.

The programme results may not be sustained if resource mobilization is not improved; if the issue of accountability for programme funds is not resolved quickly; and if new institutional arrangements are not put in place for programme national execution.

Several specific successes have been achieved during the implementation of the programme. Most notable of these are: production of important policy related documents including the Draft Kenya Human Development Report; Kenya National Poverty Eradication Plan; National Education Master Plan; Study Report on Technical Cooperation; Social Dimensions of Development Programme - Progress, Prospects and Priority Actions; Study Report on Public Expenditure on Social Services; Labour Survey studies; application of a new System of National Accounts; Study tours to various countries (e.g. Bangladesh, India, Malaysia, Sri Lanka, Philippines, South Africa, Namibia, Brazil, Chile, etc) to learn about the experience of other countries in development planning and dealing with the problems of poverty and unemployment. Additional benefits were realized through various training workshops and seminars that were provided to officers in targeted ministries, departments and institutions; and acquisition of IT equipment, vehicles and other relevant equipment. For example over 20 computers, over 20 printers, 4 cars for CBS/Labour Survey Work, 2 cars for the office of the President, and 4 motor cycles were bought under the programme.

The study reports that have been produced have been very useful in the policy formulation process. However, it is worth noting that the Kenya Human Development Report is still in draft form. It has taken almost eighteen months to prepare. The study tours were very fruitful since the officers had a practical experience of dealing with the problems of poverty and unemployment. Individual capacity was enhanced and evidence of this was shown on the quality and timeliness of the production of the reports. The workshops also created avenues for discussions and clarification of policy issues. The work performance was also improved by equipment acquired.

Despite the success achieved, it is worth noting that there is an issue of concern regarding foreign study tours and training. In terms of cost effectiveness, it would have been cheaper to train more people locally or in the region. There is need for knowing relevant institutions and courses offered locally, in the region. The selection of right officers can be ensured if specific courses are linked to specific job requirements. There is also a need to monitor and evaluate the performance of officers so as to be able to see the impact resulting from extra training. It was difficult to measure impact of training on performance, for example the quality of

policies that were being developed, because there was no monitoring of performance of trainees before and after training, but it was evident that new skills were acquired.

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MDP programme was relevant to Kenya's capacity development needs and in line with UNDP's thematic areas of focus. However, Gender and Environmental issues were not adequately dealt

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with. This was partly due to the fact that with the formation of the new government after the 1997 General Elections, there were major dislocations to the planned activities of gender and environment, resulting from re-organization of ministries. It was relevant to the needs of departments and institutions targeted at the policy level, and with respect to skills and equipment acquisition. Specific competency requirements were addressed e.g. policy analysis, data collection and analysis; policy development, tax policy analysis etc; but in case of CSRS, it was not evident that capacity was greatly enhanced.

Beyond assisting in the development of some policy initiatives, for example, the Poverty Eradication policy and SDD sub-component it was not evident how the programme could assist NGOs and CBOs in promoting poverty alleviation programmes at the grassroots.

The main stakeholders feel a sense of ownership of the programme but this feeling could have been enhanced if they had been involved all along, from inception to formulation, implementation and evaluation stages. Nonetheless, the programme was relevant and beneficial to the country's development management priorities. The government is committed to continue working closely with UNDP in managing the development process.

2.0 UNDP comparative advantage

UNDP has been involved in Kenya's development process for a long time, mostly through provision of technical assistance in the form of training and financial aid. It is an umbrella organization for UN development assistance around the world. It is better placed than other organizations to build consensus among other UN agencies, and other development partners. The UNDP has the necessary independence and, not being attached to any one home government, it is not subject to home country linkage considerations and pressures that the individual bilateral donors may face from, their tax payers back at home. It is an effective consensus builder and resource mobilizer. Its Human Development Report demonstrates its commitment to the social dimensions of development programmes and projects. This commitment is also clearly stated in its mission statement. But its access to large financial resources is not as much as for some of the other development partners, such as the World Bank and bilateral donors. During the period under review, GOK's dialogue with donors had been very turbulent mainly due to issues of governance. UNDP continued having dialogue

with the GOK during the period.

3.0 National Execution Modality (NEX)

A key objective of the 6CP, and by extension the MDP programme, was transfer of execution and implementation of the programme to national institutions so as to create a sense of ownership, accountability, cost effectiveness and greater participation in the programme by the GOK through a National Execution (NEX) modality. The basis of NEX is the premise that GOK can play a leading role in the execution of the program. Consequently, GOK must play a more active role in ensuring that management of the programme by national institutions is effective; but it also means that it must have the means and necessary facilitation to undertake this responsibility effectively. In turn, this calls for full accountability to the funding agency by GOK. All aspects of the programme, encompassing formulation, implementation, monitoring and evaluation had to be undertaken by national agencies and institutions. Only this way would ownership of the whole programme be assured. The NEX modality stipulates that accountability rests with the government in two major respects. First, the government is accountable to the donor for the program funds. Secondly, the government is accountable to the people for proper utilization of programme inputs to ensure both the quality and quantity programme outputs. This would require liberalization of the process of national execution by encouraging greater participation of the private sector and the Civil Society institutions based on their respective comparative advantage.

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4.0 Programme Focus and Scope

MDP was an "upstream" programme, focusing on key policy issues. The Program addressed adequately some of Kenya's national development priority needs in capacity development. MDP was also in agreement with UN resolutions and UNDP mandate and thematic areas of focus. MDP sought to address a clearly expressed need (by GOK) of capacity development for policy analysis at institutional and individual levels. Identification of stakeholders was by ministry and department; and not specifically by population group, sector, or geographical area; and certainly, not by gender. The programme was focused on macro level policy issues and not specifically on any sectoral or population group, although poverty and unemployment were the areas of focus.

5.0 Conclusion

In conclusion, it can be said that the MDP programme has helped to narrow the gap between major economic policy commitments as contained in the 1996-98 Policy Framework Paper, e.g. modernization of the National Income Accounting System. The achievements of the MDP programme in general, and of the Policy Analysis and Coordination Component, in particular, should therefore be related to government priorities as spelt out in PFP, the 8th National Development Plan and the Annual Budgets.

E.

RECOMMENDATIONS

ONS 1.0 Relevance

MDP rightly focused on the establishment of an enabling policy framework for public and private sector partnership in addressing problems of economic development, specifically poverty eradication and employment generation. This should continue. However, specific issues and population groups should be targeted, e.g. women, unemployed, disabled, school leavers, specific type of NGOs and CBOs, etc. A participatory approach in identifying these is more effective. More should be done to ensure that the capacity of National Environment Secretariat is strengthened with respect to collecting environment data and setting up a national environment system and network. The Rural Planning Department should have been specifically targeted by GOK for inclusion in MDP programme from the beginning because it is the department charged with the responsibility of coordinating planning for the districts and rural sector.

Consultations between GOK and UNDP should continue to select specific areas that promise highest impact on poverty eradication and employment generation. There is need to continue identifying areas of common concern to both UNDP and GOK, and to formulate Country Cooperation Framework targeting these areas. Similar programmes should focus on a few areas, in which demonstrable achievements can be realized over the short period of time. Special attention should be given to strengthening CBS capacity to provide policy related information. It is recommended that future programmes should also focus on specific issues of capacity building at the district and community levels, e.g agricultural extension service.

2.0

Programme Focus and Scope

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3.0 Stakeholder analysis

The coordinating ministry should carry out a stakeholder analysis at the beginning of programme design. This should involve identification of who are the primary beneficiaries, those who will be involved in implementing programme activities, and potential sources of funding. These stakeholders should be involved in all stages including problem definition, selection of intervention, monitoring and evaluation to ensure a sense of ownership and better understanding of key development problems. Representation in programme design discussions should include, in addition to government departments and ministries, the private sector, NGOs, research institutions and universities.

4.0 Programme duration

A large programme akin to MDP should ordinarily be given more time; at least three years but preferably five years.

5.0 Competency and Training Needs Assessment

Government executing agencies should ensure that capacity building programmes start with competency and training needs assessment (TNA). There is need to first identify job requirements, and to take an inventory of skills and other competencies already available in targeted departments and organizations. From the analysis of the two, competency gaps will be established. This should then be followed by establishing the nature and content of the relevant training (or other management development intervention) programme, the institutions best qualified to offer the training, and the staff that would benefit most from the training.

6.0 Gender issues

The government should ensure that a gender expert is placed in **MPND**, MOF, and **OP** to assist in mainstreaming gender in development policies and plans, and in the budgetary process. Gender focal points in line ministries should also be strengthened. The **MDP** programme should have addressed key policy issues at the District and Community levels. This is where concerns about poverty and unemployment are most appreciated and impact of any intervention measures would be felt. Gender issues were not specifically addressed in the programme design, and only marginally in the implementation stage through the National Women's Bureau MDP support. This fact has been acknowledged and is being taken care of in the ongoing design of CCF. The UNDP current policy of allocating 20 per cent of its programme budget to women affairs is welcome.

Notwithstanding the programme approach, specific poverty related projects should be addressed for NGOs and CBOs, e.g. sensitization of rural women and men on their respective roles in development.

7.0 National Execution

Implementation of the programme approach and NEX were new concepts; and those involved did not have ample time to fully understand them. Guidelines on how to apply these concepts came late. The government should ensure that institutional arrangements for their application are in place. More sensitization of those involved in national execution of programmes should be undertaken. Indeed as a matter of necessity and urgency, the Government should liberalize the NEX process by encouraging greater participation of the private sector and Civil Society Institutions based on their comparative advantage. The issue of accounting and auditing programme resources needs to be addressed and be clearly understood by relevant government officers. Management of donor funded programmes must be mainstreamed into the ordinary government business. Alternatively, a Programme

Secretariat, or Programme Management Team, could be set up to manage the programme. The composition of the team would include a Programme Manager, Component Managers, an Accountant and a Procurement Officer; drawn from existing civil servants. This would greatly improve coordination of programme activities.

8.0 Measurement of results

Performance indicators and benchmarks developed at the beginning of the programme implementation, and even those which were arrived at during the strategic planning workshops, were not well articulated. This is an area where more work needs to be done. The following suggestions would be of help. In order to be able to monitor and evaluate performance of the programme there is need for concerned implementing departments and institutions to identify key result areas and set realistic targets, and to establish clear performance indicators, which are observable, measurable and time bound. An effective system of information feedback and reporting on progress of activities using standard format should be set up.

It is recommended that activities not completed before the end of the programme in December 1998 should be given a grace period of up to 6 months for their completion; particularly in **NES, CSRS, and CBS.**

9.0 Effectiveness

UNDP and other development partners should broaden the concept of capacity building beyond competency and facilities, to include, for example, building confidence and commitment, and ensuring appropriate operational systems and procedures. Capacity building interventions, especially training abroad, could have been delivered in a more cost effective way if national and regional institutions were used in those area where expertise was available. There should be measures instituted by the government to address factors which adversely affect on-to-the-job transfer of skills and knowledge, e.g. work environment and motivation.

MDP programme should capitalize on UNDP's goodwill among donor community to help Kenya mobilize more resources for the programme.

From the District Project Profiles there is useful information regarding poverty situations. This is aimed at addressing specifically rural poverty and unemployment. The District Project Profiles should be used by the government to solicit funding and formulating targeted intervention measures.

F. LESSONS i

- Programs are more likely to succeed wIten a country works closely with its development partners in identifying development issues, which are consistent with their respective mandates. Mutual understanding and confidence is enhanced through open consultations and discussion of areas of common interest.
- Improved policy analysis is key to ensuring formulation of appropriate

development strategies and providing an enabling environment for public and private sector performance. MDP Programme component on policy design, analysis and coordination succeeded in enhancing capacity for improved policy analysis.

- It is better to pick a few areas in which success can be demonstrated than to take on a wide range of issues in which results may not be realized in the short-run. The period of a project/ programme life cycle is of essence in getting capacity building interventions to yield results. The impact of MDP would have been more if the programme was more focused on a few areas and had been given a longer period.
- The development objective of MDP programme was to promote efficient and productive public sector, conducive to sustainable development. While the programme has contributed to this goal through enhancing institutional capacity and enabling policy framework, other measures such as effective implementation of all the CSRP components are urgently required to realize this goal.
- NEX implementation requires strong national institutions which are committed and well facilitated. For example, a full time programme management team, with authority over all day to day operational aspects, including procurement, accounting, monitoring and supervision. One critical assumption which seemed to have been made under the 6th Country Programme was that the offices of "Programme Coordinators" and "Component Coordinators" had adequate capacity, first, to handle their normal responsibilities and, secondly, to effectively coordinate the Programme. This turned out not to be an accurate assessment of the situation on the ground, which led to excess burden being put on offices.
- The linkage between programme objectives, inputs, activities and desired results and impact was well established using the Logframe tool, but these would have been better elaborated if a strategic planning workshop of all key stakeholders had been held before implementation of programme activities.
- For sustainability of programme results there is need to plan and schedule carefully programme activities, as well as ensuring effective institutional mechanisms for execution of these activities. Government systems of accounting and auditing are at best very slow; at worst inefficient. NEX will not work unless this situation is rectified.
- UNDP was perceived to be the main (and perhaps the only) financier of the programme. Some view the MDP and the whole 6CP, as UNDP programme and not a GOK programme. This has serious implications for institutionalization of the NEX modality. Unless that perception is changed, NEX will not work.