

# INDEPENDENT COUNTRY PROGRAMME EVALUATION DJIBOUTI



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# INDEPENDENT COUNTRY PROGRAMME EVALUATION: Djibouti

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# **FOREWORD**

I am pleased to present the second Independent Country Programme Evaluation (ICPE) of the United Nations Development Programme (UNDP) in Djibouti carried out by the Independent Evaluation Office of UNDP. The evaluation covers UNDP interventions implemented in the context of the country programme from 2018 to 2023, which include both development projects and non-project activities in the areas of strengthened livelihoods and access to basic health services, environmental sustainability and climate resilience, and inclusive governance.

Djibouti, situated in the Horn of Africa, is one of the continent's smallest countries. It has an estimated population of around 990,000, with over two-thirds residing in the capital city. Additionally, nearly 90 percent of Djibouti's territory is classified as desert. The country is strategically located at the Southern entrance of the Red Sea – one of the world's busiest maritime trade routes and a key connection point between Africa, Asia, and Europe. With scarce natural resources, Djibouti's economy capitalizes on this geostrategic position and on the country's political stability as its prime assets. While Djibouti is considered a low middle-income country based on income criteria, it is characterized by wide inequalities and remains a Least Developed Country (LDC) in terms of human development. In 2021-2022, Djibouti ranked 171st out of 191 countries worldwide in the Human Development Index (HDI).

The UNDP country programme was designed to support the Government in addressing Djibouti's overarching development challenge and national ambition: to bridge the wide gap between its rapid economic growth and the slow-paced advancement of its human capital. Since 1979, UNDP has responded closely to Djibouti's evolving national priorities across the spectrum of inclusive economic growth, fragility to environmental and climate-induced risks, and strengthening human capital and national governance capacities. During the assessment period, UNDP supported the formulation of several national policies and strategies, including Djibouti's second National Development Plan (Djibouti ICI), the national strategies for financial inclusion, youth, gender, and disability, and the Regional Development Plans. UNDP forged strong and long-term partnerships with major donors that enhanced women's literacy and access to justice while continuing to implement solid health and environment programming with the Global Fund and Global Environment Facility (GEF). UNDP also demonstrated strength in finding rapid solutions and rallying inter-governmental support during the COVID-19 pandemic, involving community-based structures in healthcare provision.

However, despite many gains, much remains to be done to bring inclusive, resilient, and equitable social and economic development to Djiboutians. As UNDP advances in the development of a new programme framework for Djibouti, the Country Office will need to consolidate its programme of work in more integrated strategic areas and emphasize systems governance throughout. UNDP will also need to rethink its national capacity strengthening work in light of changed resource flows and design ever more effective knowledge transfer models to enhance the readiness of national institutions and

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delivery structures. Perhaps most importantly, UNDP must bolster advocacy to fight discrimination, support inclusive governance systems, and achieve transformative impacts for the populations left furthest behind.

I would like to thank the Government of Djibouti, national stakeholders and colleagues from the UNDP Country Office, and the Regional Bureau for Arab States for their support throughout the evaluation.

I hope that the findings, conclusions, and recommendations will help strengthen the formulation of the next country programme strategy to enable inclusive and sustainable development pathways for the people of Djibouti.

**Isabelle Mercier** 

Director

**Independent Evaluation Office, UNDP** 

FOREWORD

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# **ACRONYMS AND ABBREVIATIONS**

ADR Assessment of Development Results

AF Adaptation Fund

AfDB African Development Bank

AFD French Development Agency (Agence Française de Développement)

AIDS Acquired Immunodeficiency Syndrome

AMAP Africa Mini-grid Acceleration Programme

ANEFIP National Employment, Training, and Professional Placement Agency (Agence Nationale

de l'Emploi, de la Formation, et de l'Insertion Professionnelle)

**ANPH** National Agency for Persons with Disabilities (Agence Nationale des Personnes

Handicapées)

ANPI National Agency for Private Investment (Agence Nationale pour la Promotion des

Investissements)

**BPPS** Bureau for Policy and Programme Support

**CAMME** Essential Medication and Equipment Purchasing Agency (*Centrale d'Achat des* 

Médicaments et Matériels Essentiels)

**CBO** Community-based Organization

**CCDB** Court of Accounts and Budgetary Discipline (Cour des Comptes et de Discipline Budgétaire)

**CCMI** Multisectoral and Inter-partnership Coordination Committee (*Comité de Coordination* 

Interpartenariat Multisectoriel)

**CEDAW** Convention on the Elimination of All Forms of Discrimination against Women

**CEPEC** People's Savings and Loans Bank (*Caisse Populaire d'Épargne et de Crédit*)

CLE Centre for Leadership and Entrepreneurship (Centre pour le Leadership et l'Entreprenariat)

CMS Case Management System

**CNDH** National Human Rights Commission (*Commission Nationale des Droits de l'Homme*)

**CO** Country Office

**COVID** Coronavirus Disease

**CPD** Country Programme Document

CSO Civil Society Organization

**DEX** Direct Execution

**DHIS** District Health Information Software

**DHIS** District Health Information System

**DIM** Direct Implementation Modality

**DJF** Djibouti Franc

**DNA** Deoxyribonucleic Acid

**DPCGF** Djibouti Partial Credit Guarantee Fund

**DRM** Disaster Risk Management

**DRR** Disaster Risk Reduction

**EdD** Électricité de Djibouti

**EMIS** Environmental Management Information System

**ERC** Evaluation Resource Centre

**ERRY** Resilient Livelihoods, Food Security, and Climate Adaptation in Yemen

**EU** European Union

**FA** Financing Agreement

FAO Food and Agriculture Organization
FEMFI Women and Girls (Femmes et Filles)

**FGM** Female Genital Mutilation

**FSW** Female Sex Worker

**GANHRI** Global Alliance of National Human Rights Institutions

**GAVI** Global Alliance for Vaccines and Immunization

GCF Green Climate Fund

**GDP** Gross Domestic Product

**GEF** Global Environment Facility

**GEN** Gender

**GFP** Gender Focal Point

**GNI** Gross National Income

**GRES** Gender Results Effectiveness Scale

**GSSU** Global Shared Services Unit

**GU** One-Stop Window (*Guichet Unique*)

**HACT** Harmonized Approach to Cash Transfer

**HDI** Human Development Index

**HIV** Human Immunodeficiency Virus

HR Human Resources

IADB Inter-American Development BankIBBS Integrated Bio-Behavioural SurveyICI Inclusion, Connectivité et Institutions

ICPE Independent Country Programme Evaluation

**IDP** Internally Displaced Person

**IEO** Independent Evaluation Office

IFAD International Fund for Agricultural Development

IGAD Intergovernmental Authority on Development

**IGA** Income-Generating Activity

**IGE** General State Inspectorate (Inspection Générale d'État)

**IGF** Inspectorate General of Finance (*Inspection Générale des Finances*)

IICPSD Istanbul International Centre for Private Sector Development

**ILO** International Labour Organisation

INFF Integrated National Financing Framework

**INSTAD** National Institute for Statistics (*Institut National de la Statistique*)

**IOM** International Organization for Migration

IPSA International Personnel Services Agreement

IRS Immune Reconstitution Syndrome

IT Information Technology

JP Japan

**KOICA** Korea International Development Agency

KPI Key Performance Indicator

LDC Least Developed Country

LUCS Laborate Heat Communities Commun

**LHCS** Lebanon Host Communities Support

**LLIN** Long-Lasting Insecticidal Net

LNOB Leave No One Behind

M&E Monitoring & Evaluation

MASS Ministry of Social Affairs and Solidarity (Ministère des Affaires Sociales et des Solidarités)

MEDD Ministry of the Environment and Sustainable Development (Ministère de l'Environnement

et du Développement Durable)

MEFI Ministry of the Economy, Finance, and Industry (Ministère de l'Économie, des Finances et

de l'Industrie)

MEL Monitoring, Evaluation, and Learning

MICS Multiple Indicator Cluster Survey

MoH Ministry of Health (*Ministère de la Santé*)

MoJ Ministry of Justice (*Ministère de la Justice*)

**MoU** Memorandum of Understanding

MPA Marine Protected Area

MPI Multidimensional Poverty Index

MPTF Multipartner Trust Fund

MSME Micro, Small and Medium Enterprise

MSM Men who have Sex with Men

NCE Nature, Climate, and Energy

**NCHR** National Commission on Human Rights

NEX National Execution
NFM New Funding Model

NGO Non-Governmental Organization

NGS National Gender Strategy

NIM National Implementation Modality

NOC National Professional Officer

**OGPP** Project Portfolio Management Agency (*Organe de Gestion de Portefeuille de Projets*)

**OHCHR** Office of the High Commissioner for Human Rights

**ORCA** Oversight Readiness Capacity Assessment

PAGDEL Governance and Local Development Support Program (Programme d'Appui à la

Gouvernance pour le Développement Local)

PAJ Access to Justice Programme (*Programme Accès à la Justice*)

**PAPP** Programme of Assistance for the Palestinian People

**PCAP** Partnership and Communication Action Plan

PCAT Partner Capacity Assessment Tool

PLSS Fight against AIDS Program (*Programme de Lutte contre le SIDA*)

**PLWHA** People Living with HIV and AIDS

PMU Program Management Unit

PNDA Post-disaster Needs Assessment

PNLP National Malaria Control Program (*Programme de Lutte contre le Paludisme*)

PNLT National Tuberculosis Control Program (Programme de Lutte contre la Tuberculose)

PPE Personal Protective Equipment

**PPP** Public-Private Partnership

PWD Person Living with Disabilities

RBA Regional Bureau for Africa

RBAS Regional Bureau for Arab States

**RBM** Results-based Management

RB Regional Bureau

**RDP** Regional Development Plan

**ROAR** Results-oriented Annual Report

**ROME** Operational Register of Occupations and Jobs (*Répertoire Opérationnel des Métiers et* 

des Emplois)

SCAPE Strategy for Accelerated Growth and Employment Promotion (Stratégie de Croissance

Accélérée et de Promotion de l'Emploi)

**SDG** Sustainable Development Goal

**SEGRC** Executive Secretariat for Risk and Disaster Management (Secrétariat Exécutif de Gestion des

Risques et des Catastrophes)

**SGP** Small Grants Program

SMART Specific, Measurable, Achievable, Relevant and Time-bound

**SOP** Standard Operating Procedure

SRHR Sexual and Reproductive Health and Rights

STD Sexually Transmitted DiseaseSTI Sexually Transmitted Infection

**TB** Tuberculosis

TVET Technical and Vocational Education and Training

UGAP Protected Areas Management Unit
UMP Union pour la Majorité Présidentielle

**UNAIDS** United Nations Programme on HIV and AIDS

**UNCT** United Nations Country Team

**UNDAF** United Nations Development Assistance Framework

**UNDP** United Nations Development Programme

**UNDRR** United Nations Office for Disaster Risk Reduction

**UNFPA** United Nations Population Fund

**UNHCR** United Nations High Commission for Refugees

**UNICEF** United Nations Children's Fund

**UNOCHA** United Nations Office for the Coordination of Humanitarian Affairs

**UNPRPD** Partnership on the Rights of Persons with Disabilities

**UN** United Nations

**UNV** United Nations Volunteer

**USAID** United States Aid for International Development

**WFP** World Food Programme

WHO World Health Organization

# **Evaluation Brief: Djibouti**

The Independent Evaluation Office (IEO) of the United Nations Development Programme (UNDP) conducted the second Independent Country Programme Evaluation for Djibouti in 2023. The purpose of the evaluation was to inform the development of the next UNDP country programme, strengthen accountability to national stakeholders and the UNDP executive board, and contribute to organizational learning and decision-making. The Djibouti Independent Country Programme Evaluation assessed the current programme cycle (2018-2024) which includes both development projects and non-project activities in the areas of strengthened livelihoods and access to basic health services, environmental sustainability and climate resilience and inclusive governance.

Located in the Horn of Africa, the Republic of Djibouti is one of Africa's smallest countries, with an estimated population of around 990,000, more than two-thirds of whom live in the capital, and nearly 90% of its territory classified as desert. The country is strategically located at the Southern entrance of the Red Sea – one of the world's busiest maritime trade routes and a key connection point between Africa, Asia and Europe. With scarce natural resources, Djibouti's economy capitalises on this geostrategic position and on the country's political stability as its prime assets. While Djibouti is considered a low middle-income country based on income criteria, it is characterised by wide inequalities and remains a Least Developed Country in terms of human development. In 2021-2022, Djibouti ranked 171st out of 191 countries worldwide in the Human Development Index.

Over the assessment period, the government of Djibouti implemented Djibouti ICI, the National Development Plan for 2020-2024, which focuses on three strategic axes: inclusion, connectivity, and institutions. UNDP played a vital role in supporting this effort, aligning with the UN's sustainable development goals and working to bridge the wide gap between Djibouti's rapid economic growth and the slow-paced advancement of its human capital.

### FINDINGS AND CONCLUSIONS

This evaluation underscores UNDP's significant role as a long-standing and valued partner of the government of Djibouti and wider development community. UNDP support for livelihoods met its targets through cross-outcome activities and progress towards an integrated approach boosted by the Covid-19 economic response. UNDP's livelihoods work was mostly coherent and highly relevant to key national and corporate priorities. UNDP demonstrated a strong value-add in supporting women's literacy and testing solutions for support micro, small and medium-sized enterprises. However, the main challenge remains to ensure effective and sustainable access to employment and entrepreneurship, especially for youth.

In cooperation with national partners, UNDP contributed to the achievement of significant overall results for the prevention and treatment of HIV/AIDS, tuberculosis and malaria. The organization was overall effective in its fiduciary role as principal recipient of the Global Fund. However, the transfer of this role to the Ministry of Health was not completed as planned, despite ongoing UNDP investment in national capacities and structures in this area. Operational effectiveness was hampered by the shortage of human resources and management tools as well as by the limited sustainability of the systems set for health governance and quality control of medical products.

In the area of environmental sustainability and climate resilience, UNDP contributed to the creation of an enabling environment through legislative and financial frameworks, as well as "proof of concept" work in the energy sector. While interventions were well-designed, effectiveness and sustainability of results were mixed due to over-ambitious planning versus the level of capacities. As a result, implementation suffered delays, damaging relations with government partners. In addition, some programmatic aspirations and objectives were not met, such as private sector engagement and the gender transformative ambition set out in the environment outcome of the CPD.

1

Despite its importance in the Djiboutian context, UNDP's inclusive governance outcome was rather minimal and fragmented in character. Efforts to support public transparency and the fight against corruption were hampered by institutional obstacles at national level. A positive exception was UNDP's flagship *Access to Justice* programme which achieved strong results. Important, if partial, results were achieved in strengthening mechanisms to accelerate the SDGs and development planning and financing. To date, action plans have not been envisaged to accelerate their implementation.

Internally, UNDP Djibouti intensified its efforts in gender mainstreaming and provided valuable support for key institutions working on gender mainstreaming, although more outspoken high-level advocacy is still needed. Given the scale of deprivation in the country, the "leave no one behind" (LNOB) principle has often been applied by default – yet not explicitly nor based on disaggregated data. Critically, targeting of priority populations was not systematic which contributed to delays in achieving the national priority of accelerating the development of human capital.

UNDP's response to the Covid-19 pandemic in Djibouti was effective, rapid and holistic and had some positive effects such as increased work with civil society and inter-sectoral programming. UNDP support to responding to other crises in Djibouti was more limited, especially in relation to sustainability of results and recovery planning and preparedness.

The country programme prioritized support to strengthening national capacities in view of a shift towards national implementation modalities. Yet, measurable change in capacities is yet to be achieved. The key hindering factors were limited partner buy-in and a systemic tendency for capacity substitution (e.g. through assisted NIM), exacerbated by the lack of agreed targets and indicators for demonstrating capacities built.

UNDP Djibouti proved its ability for resource mobilization, securing seven eighths of its budget through non-core resources. However, overreliance on vertical funds and a small number of donors posed risks to the country programme's financial sustainability. Partnerships with non-traditional actors, such as the private sector and community-based actors, were limited. While UNDP's operational capacity in Djibouti was adequate, areas for improvement include procurement and financial management – a key concern given UNDP's fiduciary responsibilities under the vertical funds.

# Recommendations

**Recommendation 1.** UNDP should consolidate its programme of work into more integrated strategic areas and emphasize systems governance throughout, in particular with regard to health systems and climate governance. UNDP should strengthen integrated programming with connected policy and provision components.

**Recommendation 2.** UNDP should carefully assess its national capacity strengthening work and design solid mechanisms to measure effective knowledge transfer and readiness of national institutions and delivery structures.

**Recommendation 3.** To balance its dependency on vertical funds, UNDP should enhance its offer for partnerships with new and non-traditional funders including Islamic and South-based institutions. UNDP should intensify partnerships with UN sister agencies, the private sector and community-based organizations, particularly to boost its work in the inclusive growth and governance areas.

**Recommendation 4.** The office should build on its revised Gender Strategy to integrate Leave No One Behind (LNOB) considerations into its programming. UNDP should bolster advocacy to fight discrimination, support inclusive governance systems and achieve transformative impact for the populations left furthest behind.

**Recommendation 5.** UNDP should conduct an office-wide comprehensive assessment of its procurement and financial management capacities in line with changing needs and devise a solid mid- and long-term plan for restructuring its operational capacity. The office should continue to increase investment in documentation, internal communication and lesson learning.

# **CHAPTER 1 BACKGROUND AND** INTRODUCTION

This chapter presents the purpose, objectives and scope of the evaluation as well as the methodology applied. It lays out the development context of Djibouti before introducing the UNDP country programme.

# 1.1 Purpose, objectives and scope of the evaluation

The Independent Evaluation Office (IEO) of the United Nations Development Programme (UNDP) conducts Independent Country Programme Evaluations (ICPEs) 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 for achieving development results. ICPEs are independent evaluations carried out within the overall provisions contained in the UNDP Evaluation Policy.<sup>1</sup>

This is the second independent country-level evaluation conducted by UNDP in Djibouti. The last ICPE, titled Assessment of Development Results, was published in 2012 and covered the previous two programming cycles of 2003-2007 and 2008-2012. The current country programme covers the period of 2018-2024. In 2021, the UNDP Executive Board approved the extension of the country programme until 2024. This ICPE covers all programme activities from 2018 up to October 2023, which include both development projects and non-project activities in the areas of strengthened livelihoods and access to basic health services, environmental sustainability and climate resilience and inclusive governance.

# 1.2 Evaluation methodology

The ICPE was conducted according to the approved IEO process. The evaluation methodology adhered to United Nations Evaluation Group norms and standards.<sup>2</sup> The evaluation covers four main evaluation questions (Text Box 1), which frame the whole exercise. In line with UNDP's gender mainstreaming strategy, the evaluation examined the level of gender mainstreaming across the country programme and its operations. The detailed methodology of the ICPE is described in Annex 1 (Terms of Reference).

The evaluation relied on information collected from different sources to triangulate evidence:

- The main documents consulted by the evaluation team are listed in Annex 5.
- A tabulation of the programme portfolio and outcomes and output indicator matrix can be found in Annex 6.
- In-person and phone interviews included 73 stakeholders (34 female and 39 males). The
  consultation included UNDP personnel (29 percent) at country, regional and headquarters levels
  and over 30 institutions, including government representatives (26 percent), UN country team
  representatives and development partners (14 percent), civil society organizations (CSO) and
  private sector representatives (19 percent). In addition, field visits were conducted with eight
  beneficiary communities across the capital and four regions (18 male and 21 female respondents).
- Field visits were conducted in: 1) Djibouti-Ville; 2) three regions in the North Arta, Tadjourah and Obock; and 3) one region in the South Ali Sabieh. The field visits were undertaken to assess the results of selected initiatives and to conduct semi-structured interviews, focus group discussions and participant observations with stakeholders and beneficiaries. The evaluation team worked

See UNDP, "Evaluation Policy," <a href="http://web.undp.org/evaluation/policy.shtml">http://web.undp.org/evaluation/policy.shtml</a>.

United Nations Evaluation Group, "Norms and Standards for Evaluation (2016)," http://www.unevaluation.org/document/detail/1914.

- synergistically with a GEF evaluation team conducting field visits to UNDP's project on marine protected areas (MPA) in Ras Ali and Sagallo (Gulf of Tadjourah) to avoid burdening respondents and to cross-check information.
- Findings were triangulated by cross-examining internal documents and accounts (by UNDP
  Djibouti) with external documents and interviews with independent experts, stakeholders from
  various governmental and non-governmental affiliations as well as international actors and UNDP
  personnel at corporate and regional levels.

The analysis focused on the main evaluation criteria (Annex 7) and included: 1) analysis of programmatic assumptions and pathways of intended change to identify the logic, sequence of events and assumptions behind the proposed programme, including hypothesis of unintended consequences; 2) stakeholder and partnerships analysis; 3) analysis of synergies within and across each outcome; 4) stratification of results information by beneficiary type (as far as possible); and 5) problem analysis of underlying development challenges, most significant change analysis, contribution analysis against programmatic assumptions and hypothesis and counterfactual analysis to check whether results could have been delivered without UNDP.

The evaluation took into account two factors that influence implementation of the current country programme 2018-2024: 1) Djibouti's fast-paced economic growth and strong ambition to ascend to middle-income country (MIC) status; and 2) the COVID-19 pandemic and other crises. These factors brought about adjustments in strategic planning and programme design, funds mobilization, partnerships, programme implementation and monitoring and evaluation (M&E).

The draft ICPE report was quality-assured by IEO's senior management, internal peer reviewers and two external reviewers, then submitted to the UNDP Djibouti Country Office and Regional Bureau for Arab States (RBAS) for factual errors, corrections and comments and finally shared with the Government and other national partners.

#### **Evaluation Limitations**

Some of the projects in the country programme portfolio ended within the first two years of the cycle while others were undergoing implementation. In the former case, the evaluation relied more heavily on written documentation, including end-of-project evaluations, as some implementing partners and beneficiaries had moved on. In the latter case, the evaluation added a forward-looking element to the analysis, assessing the likelihood of achieving sustainable results. In several cases where projects and non-project activities had little documentation (e.g., project technical and progress reports), the evaluation supplemented the analysis with additional interviews with project implementers and beneficiaries.

To overcome language barriers, the evaluation team conducted most interviews in French as the language is widely spoken among stakeholders. For respondents at community level who did not speak French, live interpretation was provided by the national coordinator recruited for this ICPE and, in one case, a village focal point. Due to the brief duration of the mission (10 days), the evaluation team could not meet all stakeholders. A number of remote interviews were conducted in October 2023 to mitigate this limitation and complete data collection.

# 1.3 Country context

Located in the Horn of Africa, the Republic of Djibouti is one of Africa's smallest countries, with an area of 23,200 square kilometers and an estimated population of around 990,000, more than two-thirds of whom live in the capital.<sup>3</sup> The country is strategically located at the Southern entrance of the Red Sea – one of the world's busiest maritime trade routes and a key connection point between Africa, Asia and Europe. Djibouti is a member of three important geopolitical state organizations: the League of Arab States, the African Union and the Intergovernmental Authority on Development (IGAD) in Eastern Africa.

With scarce natural resources, Djibouti's economy capitalizes on its geostrategic position and political stability as its prime national economic assets.<sup>4</sup> With nearly 90 percent of its territory classified as desert and only approximately 9 percent considered pasture, it relies on imports of most goods.<sup>5</sup> Over 90 percent of its economic activity is in the services sector, derived mainly from its thriving port industry, which services its landlocked neighbor Ethiopia (80 percent of port imports) and acts as a convenient refueling and transshipment centre.<sup>6</sup> In the past 15 years, Djibouti has become a leading regional base for international garrisons following piracy in the Gulf of Aden (2007-2012).<sup>7</sup> The infrastructure of undersea telecommunications cables that pass through Djibouti are another significant source of income. Thanks to these revenue sources, the country's GDP has grown at a high rate over the past decade, varying between 4.7 percent and 7.5 percent per year.<sup>8</sup>

While Djibouti is considered a low middle-income country based on income criteria,<sup>9</sup> it is characterized by wide inequalities and remains a Least Developed Country in terms of human development. In 2021-2022, Djibouti ranked 171st out of 191 countries worldwide in the Human Development Index.<sup>10</sup> Nearly half the country's working age population (aged 15-64) never attended school, about a third of children are affected by malnutrition, and almost a third of Djiboutians live in multidimensional poverty.<sup>11</sup> Extreme poverty is particularly frequent outside Djibouti City, with the rate standing at 21 percent for the whole country and 62 percent for rural areas.<sup>12</sup> Djibouti is struggling with consistently high unemployment rates (28 percent in 2021), which disproportionately and increasingly affects young people (from 67 percent in 2010 to 77 percent in 2021).<sup>13</sup> In 2022, the labor force participation rate among females was 18.2 percent, compared to 45 percent among males in 2022.<sup>14</sup>

<sup>&</sup>lt;sup>3</sup> World Bank Overview of Djibouti, <a href="https://www.worldbank.org/en/country/djibouti/overview.">https://www.worldbank.org/en/country/djibouti/overview.</a>

https://www.worldbank.org/en/country/djibouti/overview.

<sup>&</sup>lt;sup>5</sup> World Bank, GINI Index, World Development Indicators.

World Bank, GINI Index, World Development Indicators.

As major global and regional players sent warships to the region to fight the pirates, the need for a foothold in the region was felt, prompting China and Japan to establish military bases in Djibouti.

<sup>8</sup> UNDP, "Human Development Report 2021/2022."

According to the World Bank, lower middle-income economies are those with a per capita GNI between \$1,086 and \$4,255. In 2021, Djibouti had a per capita GNI of \$3.080, placing it in the mid- range of this category but around half the regional average for the Middle East/North Africa region. World Bank, "GNI per capita, Atlas method (current US\$)," World Development Indicators.

Djibouti's economic growth experienced a contraction of 1.2 percent in 2020 due to the COVID-19 pandemic. See World Bank, "GDP growth (annual percent)," World Development Indicators, <a href="https://databank.worldbank.org/source/gdp-growth-annual">https://databank.worldbank.org/source/gdp-growth-annual</a>. UNDP, "Human Development Report 2021/2022."

UNDP, "Human Development Report 2021/2022."

World Bank, "Poverty and Equity Brief Middle East and North Africa, Djibouti, April 2020."

World Bank, "Unemployment, total (percent of total labor force) (modeled ILO estimate)," "Unemployment, youth total (percent of total labor force ages 15-24) (modeled ILO estimate)," World Development Indicators.

World Bank. Gender Data Portal, Djibouti. <a href="https://genderdata.worldbank.org/data/download/pdfs/countries/djibouti.pdf">https://genderdata.worldbank.org/data/download/pdfs/countries/djibouti.pdf</a>.

Despite improvement in health indicators, Djibouti continues to face multiple health-related challenges. In the last decade, the prevalence of HIV fell from 1.7 percent in 2011 to 0.7 percent in 2021 and mortality rates were halved, with similar effects on tuberculosis. However, malaria has witnessed a resurgence since 2013. Challenges include lack of adequate funding for the health system, fe resulting in structural weaknesses in health provision and management.

Djibouti is directly affected by environmental and climate threats. An arid climate, rising temperatures, altered rainfall patterns and increased frequency of extreme weather events exacerbate existing water scarcity. Additionally, Djibouti faces risks associated with a rise in sea levels due to its coastal location. Over the years, climate-induced disasters have increased internal rural-urban migration, adding to the strain on urban communities, which already make up over four fifth of the population and having a serious impact on public health and sanitation management (drinking water, drainage systems, waste collection).

A relatively young nation, Djibouti gained independence from France in 1977. It observes a multiparty presidential system. The President of the Republic, who is also the Head of Government, is elected every five years by direct universal suffrage and by majority ballot in two rounds, mirroring the French system, with some adaptations.<sup>17</sup> President Ismaïl Omar Guelleh entered office in 1999 and was re-elected for a fifth term in April 2021 with 97.44 percent of the vote. The ruling coalition, the Union pour la Majorité Présidentielle (UMP), includes representatives of all the country's major community groups in senior positions across the legislative and executive branches.

Djibouti ranks 39th overall out of 54 countries in the Mo Ibrahim Governance Index, with a positive ten-year trend. The country is showing improvements in the areas of human development, participation, rights and inclusion and economic opportunities. However, performance on dimensions of security and rule of law have deteriorated, notably in the areas of transparency and accountability, where Djibouti scores the lowest score in the Index in the region.<sup>18</sup> The impact and effectiveness of civil society organizations in Djibouti is limited by weak technical capacities combined with a sparse civic space, basic institutional structures and financial constraints.<sup>19</sup>

The country's national motto of "Unity, Equality, Peace" reflects its main security priorities. Djiboutian communities are historically closely linked to neighboring countries (Ethiopia, Eritrea, Somalia, Yemen) and are affected by political instability across its borders. Djibouti also hosts conflict- and environment-affected refugees from neighboring countries and serves as one of the busiest migration routes for economic migrants seeking to reach the Arabian Peninsula and beyond.<sup>20</sup>

Djibouti's overarching development challenge and national ambition is to bridge the wide gap between its rapid economic growth and the slow-paced nature of developing its human capital. The state-centric economic growth model affects the dynamism of the private sector as well as non-governmental service provision. Poor physical and social service provision infrastructure, including high costs of energy and telecommunications, all hinder the acceleration of education and employment across the country. High dependence on the narrow, albeit significant, logistics economy of servicing Ethiopia's imports has been

UNAIDS, Djibouti – Country factsheet."

<sup>&</sup>lt;sup>16</sup> Global Fund Data Explorer <a href="https://data.theglobalfund.org/grants?locations=DJI">https://data.theglobalfund.org/grants?locations=DJI</a>.

Djibouti, Constitution 1992 (rev. 2010), Translated by Jefri J. Ruchti. (William S. Hein & Co., English Translation 2012). https://www.constituteproject.org/constitution/Djibouti 2010.

<sup>8</sup> Mo Ibrahim Foundation, "2022 Ibrahim Index of African Governance Report."

According to UN-OHCHR, "Civic space is the environment that enables civil society to play a role in the political, economic and social life of our societies [...,] including by accessing information, engaging in dialogue, expressing dissent or disagreement and joining together to express their views;" see <a href="https://www.ohchr.org/en/civic-space">https://www.ohchr.org/en/civic-space</a>. Djibouti ranked low in the Mo Ibrahim index in the category of participation (18 percent) and rights (24 percent).

UNHCR – Djibouti. <a href="https://www.unhcr.org/countries/djibouti">https://www.unhcr.org/countries/djibouti</a>.

shaken by the effects of the recent Tigray conflict.<sup>21</sup> Economic diversification has become a national priority, mainly by capitalizing on natural assets for tourism, untapped marine resources for artisanal fishing, geothermal, solar, and aeolian resources for renewable energy, and undersea cable infrastructure for developing new digital and service industries.

Figure 1 shows Djibouti's current development priorities and National Development Plan 2020-2024 (Djibouti ICI), and juxtaposes these with the recommendations made by the 2012 ADR on how UNDP would best accompany the country and help it move up on the Human Development Index (from its current rank of 171th of 191 countries, as noted above).

# FIGURE 1: DJIBOUTI'S MAIN DEVELOPMENT INDICATORS AND PRIORITIES AND RECOMMENDATIONS OF THE 2012 ADR

- Implement a carefully selected mix of upstream and downstream activities.
- Reduce the proliferation of thematic scope of UNDP programming in Djibouti.
- Maintain focus on well-defined areas of concentration.
- Reduce presence in areas where UNDP has been catalytic in the past and other players have now come on board.
- Carefully analyze programming areas with chronic problems before making any further commitments.
- Help the Government achieve potential synergies between effective aid coordination and monitoring and evaluation (M&E).
- Support aid coordination while contributing to promoting more collaboration among government partners.
- Support resource mobilization efforts by highlighting Djibouti as a peaceful role model, regional hub and strategic entry point to a dynamic region.
- Continue to enhance the country office's human resources.
- Put in place modalities for a transition from DEX to NEX that would reduce misperceptions of inflexibility.

#### I. Inclusion

Inclusive Economic Development Support Financial Inclusion Support

#### II. Connectivity

Interconnection Between the Regions and Djibouti-City and Spatial Planning
Logistics and Digital Platform for a Commercial and Logistic Hub of Africa Modern Infrastructure for Connectivity to the Rest of the World
Strengthening private sector participation
Human Capacity-Building and Institutional for the Trade Agenda

#### III. Institutions

Economic and Financial Governance Administrative Governance Improvement Institutional Capacity-Building in Local Governance Judicial and Political Governance Improvement

#### IV. Intersecting themes

Human Capital Development

Environment, Climate Change and Renewable Energy Socio-Economic Response Strategy for COVID-19 and Other Pandemics

Digital Economy and Technological Innovation Programme

# Strategic Axes of Djibouti ICI (2020-2024)









Extreme poverty (2020) National: 21%

National: 21% Rural: 62% Labor force participation (2020) F: 18.2%, M:45%

F: 18.2%, M:45%

Youth unemployment (2021)

77%

(2021)
77%
remale iliteracy rate
(above 15 y., 2022)

(above 15 y., 2022)
47.1%
4ccess to basic drinking
water services (2020)

Urban: 84%, Rural:47%
Access to electricity (2020)
Urban: 72%, Rural:25%

Mo Ibrahim Governance Index (2022) 39/54

Female representation in parliament (2021)

<sup>&</sup>lt;sup>21</sup> Between 2020 and 2022, Ethiopia witnessed an internal conflict in the Northern Tigray region.

# 1.4 UNDP programme under review

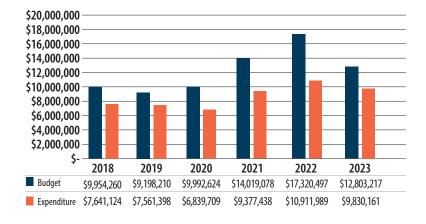
This current ICPE evaluation follows from the Assessment of Development Results (ADR) conducted in 2012. The ADR found that UNDP responded to Djibouti's development priorities by supporting target populations and using a combination of upstream and downstream approaches. The evaluation underscored the high relevance of UNDP's direct contributions, its effective programmes in poverty reduction, and its strong positioning among development actors. It also highlighted low effectiveness in terms of results on governance, social and environmental sustainability, limited effectiveness of capacity development, limited contributions to aid coordination and resource mobilization leading to lack of sufficient resources, and uneven programme efficiency.

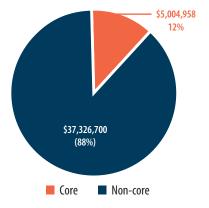
The current Country Programme (CP) is structured around three thematic pillars that mirror the objectives of CPD outcomes derived from the United Nations Development Assistance Framework (UNDAF) for Djibouti, which aim to address: Strengthening livelihoods and access to basic health services (Outcome 1); Environmental sustainability and climate resilience (Outcome 2); and Inclusive governance (Outcome 3). Results are reported by outcome and output.

For the current cycle, the total budget was set at \$72.8 million and expenditures amounted to \$51.7 million until the end of 2023. By the end of 2022, 12 percent of expenditures were drawn from core funds and 88 percent from other sources. The execution rate rose from 77 percent to 82 percent in the first two years of the cycle but dropped below 70 percent between 2020 and 2022, likely due to the impact of the COVID-19 pandemic on implementation. In 2023, the execution rate rose again to 77 percent.

**FIGURE 2.** Evolution of Programme Budget and Expenditure, 2018-2023

**FIGURE 3.** Core vs. Non-core Expenditure, 2018-2022





Source: UNDP financial system (Atlas/Quantum) as of December 2023

Source: UNDP financial system (Atlas) as of December 2022<sup>22</sup>

At the time of publication, inclusion of 2023 data in Figure 3 was not possible due to the unavailability of core vs. non-core disaggregated data in UNDP's Quantum operating system for that year.

Strengthened livelihoods and access to basic health services (Outcome 1) is UNDP's largest programme area, with an expenditure of over \$35 million at the end of 2023, representing about 68 percent of the UNDP portfolio in Djibouti. It is composed of 25 projects (of which 7 are currently active), ranging from youth and women's empowerment to community resilience and response to the COVID-19 pandemic. Projects pertaining to health, notably TB, HIV, and malaria, make up over 64 percent of expenditures within this outcome area and are equivalent to 44 percent of total country programme expenditures. The outcome area on environmental sustainability and climate resilience (Outcome 2) had expenditures of almost \$9 million as of end 2023. With a total of 18 projects, it is the second largest area and represents about 17 percent of UNDP's portfolio. This outcome is mainly composed of climate change adaptation, marine biodiversity, and access to clean energy projects. Inclusive governance (Outcome 3) comprises 16 projects, representing 15 percent of the programme. These projects cover public accountability, access to justice, and SDG acceleration and development planning.

**TABLE 1.** Budget and Expenditure by Outcome, 2018-2023

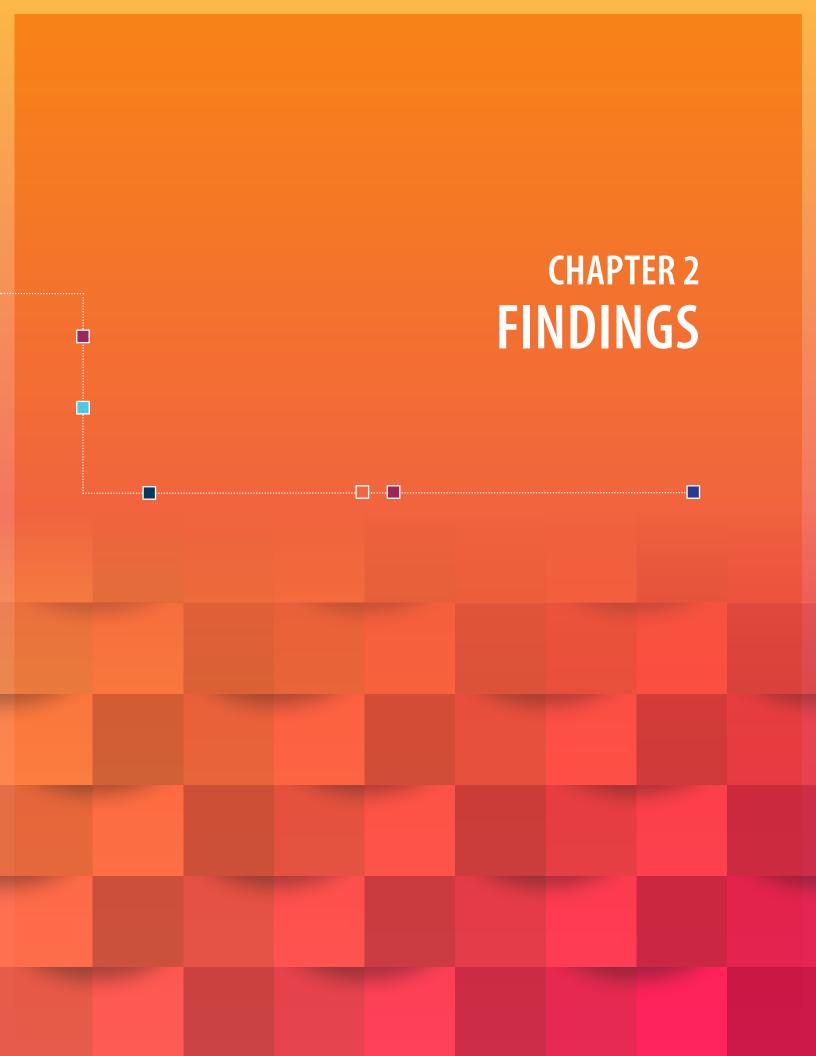
Year	Budget (\$)	Expenditure (\$)
Outcome 1	46,262,576	34,936,083
Outcome 2	13,549,742	9,067,940
Outcome 3	12,966,772	7,717,200
Grand Total	72,779,091	51,721,222

**TABLE 2.** Evolution of Programme Execution Rate 2018-2023

Year	Execution Rate
2018	77%
2019	82%
2020	68%
2021	67%
2022	63%
2023	77%

Source: UNDP financial system (Atlas/Quantum) as of December 2023

For the final year of the country programme (2024), the Country Office is planning to reduce investments in the health area in line with agreements to pass the Principal Recipient role for Global Fund resources back to the government of Djibouti except for supply chain management for pharmaceuticals and other health-related goods. At the same time, some of the projects in UNDP Djibouti's vast environment and climate pipeline will come on stream, requiring additional technical and operational support in that area. Governance work remains underfunded (as previously noted by the 2012 ADR).



This chapter presents the results of the outcome analysis along with an assessment of cross-cutting issues. The chapter also describes the main factors that influenced UNDP performance and contributions to results. The assessment was based on an analysis of project results and of their contribution to the expected outputs under each outcome and subsequently to the outcome objectives in combination with non-project results such as advocacy, policy advisory, and coalition building.

# **Overall positioning**

Finding 1: UNDP is a long-standing and valued partner to the Government of Djibouti and the wider development community. Its distinctive value-add lies in its broad mandate, political savvy, and ability to broker solid technical expertise to strengthen national capacities and structures. During the 2018-2024 programme cycle, UNDP was at its best when it found entry points for cross-institutional partnerships, offering blueprints for integrated programming in the next cycle.

UNDP is among the earliest international actors, operating in Djibouti since 1979, and enjoys the well-earned reputation of a valued and privileged partner among national actors, with landmark and long-term policy contributions.<sup>23</sup> In the current country programme cycle, UNDP has continued to support the incremental upgrade of existing policies and helped advance new policy areas that are closely aligned with the evolving vision of the Government of Djibouti for the country. In 2018, UNDP supported the formulation of DJIBOUTI ICI, the National Development Plan for 2020-2024, which focuses on three strategic axes: inclusion, connectivity, and institutions.<sup>24</sup> From 2018 to the present, UNDP has facilitated the formulation of over 10 policies across many thematic areas, including integrated national financing, gender, disability, and youth.

UNDP's distinctive value-add lies in its broad sustainable development mandate, which encompasses the inclusion of various historically marginalized populations, including women, persons living with disabilities (PwD), key populations for HIV and AIDS and tuberculosis, youth, and rural populations. Over the period assessed, UNDP's flexibility and adaptability has enabled the organization to respond closely to Djibouti's intersecting national priorities across the spectrum of inclusive economic growth, fragility to environmental and climate-induced risks, and strengthening human capital and national governance capacities. Dubbed the "Think-Tank" of the UN system by some stakeholders, UNDP's technical expertise is highly valued, mobilizing in-country and corporate human resources to strengthen national capacities and programming. One example is the support offered to the Government of Djibouti to formulate its Integrated National Financing Framework (INFF) along with an Investor Map to develop a holistic approach for development financing.<sup>25</sup>

In 2014, UNDP supported the Government of Djibouti in formulating the first national strategy since independence titled "Djibouti Vision 2035: A Vision for Sustainable Development" (DV2035) along with its action plan, the Strategy for Accelerated Growth and Employment Promotion (SCAPE 2015-2019). This strategy focused on bridging the gap in human capital and fostering employment. Other partners supporting the Djibouti Vision 2035 are the World Bank and the UN's Commission Économique de l'Afrique. Republic of Djibouti, Djibouti Vision 2035 (Republic of Djibouti, 2013). Republic of Djibouti, Stratégie de Croissance Accélérée et de Promotion de l'Emploi (SCAPE 2015-2019), Djibouti 2013.

République de Djibouti, Djibouti ICI: Inclusion: - Connectivity - Institutions. National Development Plan 2020-2024 (Republic of Djibouti, 2020). <a href="https://economie.gouv.dj/wp-content/uploads/National-Development-Plan-English-version.pdf">https://economie.gouv.dj/wp-content/uploads/National-Development-Plan-English-version.pdf</a>.

The Integrated National Financing Framework (INFF) was developed with the UNDP Istanbul International Centre for Private Sector Development (UNDP IICPSD). The INFF and Investor Map focus on regional economic integration and priority investment themes such as regional connectivity, economic integration, resilience to climate shocks, access to financing and improved value chains, particularly in food and agriculture. <a href="https://sdginvestorplatform.undp.org/country/djibouti">https://sdginvestorplatform.undp.org/country/djibouti</a>.

As part of its adaptive programming, UNDP also adopted an integrated approach in its response to the COVID-19 pandemic. The Rising Djibouti portfolio consolidated interventions covering economic support, environment and climate-change adaptation, enhancing public transparency and accountability, and development financing.<sup>26</sup> Aside from the programmatic results achieved (discussed under Finding 2), Rising Djibouti stands out as a manifestation of UNDP's ability to identify useful entry points that incentivize inter-governmental coordination by promoting greater visibility and win-win potential for participating national actors. It also offers important lessons for advancing the portfolio approach in the next cycle.

## 2.1 Livelihoods and health

**CPD Outcome:** The most vulnerable populations have fair access to employment opportunities.

#### **Related outputs**

**Output 1.1.** Enhanced institutional and individual capacities for inclusive access to sustainable livelihoods, inclusive financing and job opportunities.

**Output 2.2.** Capacities and systems for access to prevention and care services of HIV, tuberculosis and malaria strengthened.

Outcome 1 constituted 64 percent of the total budget and 68 percent of expenditures up to the end of 2023. Outcome 1 committed to supporting the most vulnerable populations in gaining fair access to employment opportunities. Under this outcome, Output 1.1. relates to enhancing institutional and individual capacities for inclusive access to sustainable livelihoods, inclusive finance and job opportunities. The targets for Output 1.1. include: 1) Formulating the National Employment Action Plan 2019-2024; 2) Developing and publishing the Operational Registry of Jobs and Employment (*Répertoire Opérationnel des Métiers et des Emplois* – ROME) in Djibouti; and 3) Creating and strengthening livelihoods and decent jobs for 3,000 beneficiaries, including at least 2,000 women, 2,000 in rural communities, 2,000 youth (15-35 year-olds) and 500 floating persons such as nomads, migrants and refugees. The targets for Output 1.2. include: 1) Reducing the number of new HIV infections (from 1.1 to 0.2 per 1,000 HIV-negative people); 2) Reducing the estimated mother-to-child HIV transmission rate (from 19 percent to 8 percent); 3) Reducing the incidence of tuberculosis (from 378 to 181 per 100,000 people per year); and 4) Reducing the incidence of malaria (from 63 to 53 per 1,000 people per year).

# a. Sustainable livelihoods, inclusive finance and job opportunities

**Finding 2: UNDP support for livelihoods met its targets through cross-outcome activities.** The areas of work were highly relevant to key national and corporate priorities and mostly coherent. The country programme progressed from fragmented interventions to an integrated approach boosted by the COVID-19 economic response. UNDP demonstrated a strong value-add in supporting women's literacy, with some weaknesses in the area of post-disaster livelihood support and resilience.

Rising Djibouti <a href="https://www.undp.org/djibouti/rising-djibouti1">https://www.undp.org/djibouti/rising-djibouti1</a>.

Interventions under Output 1.1. comprises around 37 percent of expenditures under Outcome 1, equivalent to around 24 percent of total country programme expenditures. UNDP achieved all its set targets under Output 1.1., including the formulation of the National Employment Action Plan in 2020, and the development and publication of the Operational Registry of Jobs and Employment (*Répertoire Opérationnel des Métiers et des Emplois* – ROME) in Djibouti.<sup>27</sup> The target on the creation and strengthening of livelihoods and decent jobs was achieved by reaching 3,000 "beneficiaries, including at least 2,000 women, 2,000 in rural communities, 2,000 youth aged between 15-35 years, and 500 floating persons (nomads, migrants, and refugees). Reach was measured through an effective cross-outcome approach that included income-generating activities (IGAs) under Outcome 2 (Environment and Climate Change) aimed at rural populations and especially women.

Major interventions under support for livelihoods, i.e., with a budget in excess of \$500,000, were divided into three main areas: 48 percent to expenditures went to economic empowerment, including 22 percent to MSMEs, 18 percent to women's economic empowerment, and 8 percent to enhancing youth employability. Meanwhile, 36 percent of expenditures went to strengthen socio-economic resilience against shocks (including COVID-19 and natural disasters), and 8 percent addressed public accountability and community resilience.

Early interventions (2018-2020) were composed of largely fragmented initiatives that focused on vulnerable populations affected by natural disasters, women's empowerment, youth employment, and social cohesion. In line with corporate guidance, efforts to adopt a portfolio approach were made through the flagship Rising Djibouti programme, which offered a swift and integrated socio-economic response to the COVID-19 pandemic.

Programming was broadly aligned with national priorities and corporate priorities for poverty and inequality. In terms of thematic sub-areas of focus, interventions mostly supported entrepreneurship, MSMEs, and value chains as part of the COVID-19 response<sup>27</sup> as well as income-generating activities (IGA) for women within agro-pastoral communities under environment and climate change (Outcome 2). Women's economic empowerment mainly addressed the significant female literacy gap and combined it with business development training through the flagship. Women and Girls Autonomization Strengthening (*Consolidation de l'Autonomisation des Femmes et des Filles* – FEMFI) programme funded by the EU, and implemented in partnership with UNFPA and UNICEF.<sup>28</sup> Only a fraction of interventions focused on salaried youth employment, job placement, and social cohesion despite the staggering rates of youth unemployment and the associated risks of social instability in the country. The focus on self-employment and entrepreneurship was a strategic choice made by the CO in response to Djibouti's labor market dynamics, which are characterized by a state-centric model and a weak private sector that offers few employment opportunities.

Local economic development and a just and green transition were addressed through supporting income-generating activities (IGAs) and agriculture and fisheries cooperatives in rural areas. Strengthening social protection and poverty and inequality metrics in response to the COVID-19 pandemic was undertaken through stimulus packages for MSMEs in partnership with the Ministry for Social Affairs and Solidarity (MASS) as well as a survey of MSMEs vulnerability in partnership with the National Institute for Statistics (INSTAD). A few interventions added distinct value, such as fostering public-private partnerships for youth employment and job creation in partnership with the Ministry of Finance and the Economy, ANEFIP, and the Chamber of

UNDP; Ministère du Travail chargé de la Réforme de l'Administration, Répertoire Opérationnel des Métiers et des Emplois de Djibouti, UNDP Djibouti.

Women's economic empowerment also included the "Women Centric Climate Resilient Economic Empowerment for Inclusive and Greener Post COVID-19 Recovery" project funded by the MPTF and jointly implemented with FAO. This project provided capacity building and technical and financial support to women smallholder farmers and women's cooperatives in three regions. The project was selected at RBAS level for the documentation of best practices in women's empowerment in 2023.

Commerce. In addition, work on social protection adequately complemented the substantial programmes funded by the World Bank and offered an evaluation of the previous Social Protection Strategy in partnership with UNICEF and WFP. UNDP and WFP jointly also drew up the current national non-contributory Social Protection Strategy complemented with a budgeted action plan and strengthened MASS monitoring and evaluation capacities through an M&E framework and a skills upgrade of MASS staff. UNDP's contribution was less clear in the area of strengthening resilience among vulnerable groups affected by natural disasters as it mainly offered relief support and the supply of equipment and water retention infrastructure (see also Finding 8), which mostly fall under the remit of other specialized agencies. There was less focus on long-term post-disaster livelihood support, mainly due to lack of resources. For instance, following the Post Disaster Needs Assessment in response to the 2019 floods, the implementation plan was not funded, leading to a lack of continuity in post-disaster livelihood support.

**Finding 3: Models of economic empowerment yielded mixed results.** Design was skewed towards supply at the expense of increasing demand among employers or boosting value chains. Support did not always meet the needs and aspirations of priority groups. Pathways for change were unclear, lacking transformative targets that would ensure effective access to employment and entrepreneurship.

UNDP tested several models of livelihood support, with mixed results. Support was successful in strengthening institutional supply structures that facilitated the transition to the formal economy. To foster the development of local services and encourage the formalization of micro to medium-sized enterprises in inland regions, UNDP facilitated the registration of 50 cooperatives nationally (18 in Djibouti-Ville and 32 in the regions). It also partnered with the National Agency for Private Investment (ANPI) to decentralize the One-Stop Window (*Guichet Unique* – GU), the national structure for business registration in the country.<sup>29</sup> A support package was designed to facilitate the registration mechanism at regional level. Technical and financial support was provided to establish and equip the five regional GU desks operating out of Regional Councils and train the appointed focal points in each of the regions outside Djibouti-Ville.

Models to support women's economic empowerment were heavy on supply and prescriptive upskilling that did not address demand needs, with limited success in achieving gender transformation. The EU-funded FEMFI programme supported women beneficiaries with crucial literacy skills for business, upskilling, micro-business development, and small grants in urban and rural areas.<sup>30</sup> Upskilling solutions included a variety of training on conventional occupations such as tailoring, hairdressing, cooking, and handicrafts, which tend to have a low profit margin and incur rapid market saturation, in addition to training on male-dominated occupations in the maritime customs and logistics industries (discussed below). Models to support women's economic empowerment in agri-pastoral communities under Outcome 2 overlooked value chains. They offered artisanal handicrafts upskilling for the tourism market complemented by the construction of facilities for women to sell their products. However, field visits revealed that the quality of the artisanal products was subpar, and sales outlets were redundant as the tourism market remains widely underdeveloped in implementation areas. Interviewed beneficiaries clearly preferred commercial IGAs that would fill gaps in available goods in their communities (e.g., grocery or clothing shops). Less prescriptive approaches, such as training on business development, generated innovative ideas, including sourcing women's fashion and beauty products from international online shopping platforms or sales of solar power

In 2017 (the previous cycle), UNDP supported the establishment of ANPI and the setting up of the GU in Djibouti-Ville. Procedures for business registration were simplified through a one-stop-shop approach. Reportedly, cumulative achievements to date include: 1) Digitisation of the internal registration system into a unified portal across the 15 concerned governmental agencies; 2) Reduction in processing times for registration applications from two months to three days; 3) Reduction in registration costs from \$3,000 to \$300; and 4) Increase in the number of registered enterprises from 400 to 2,000. Figures were provided by ANPI, and could not be independently verified.

<sup>30</sup> Programme partners also include UNFPA, which provides SRHR support and mutual solidarity funds in some localities and UNICEF.

equipment. However, female beneficiaries felt that the financial support provided was too limited for their ambitions. Support also included around 300 female agri-producers across 23 cooperatives in various regions with agriculture training, kits, and equipment.

In an attempt to diversify upskilling and apply gender-transformative approaches, UNDP and partners trained 50 young women in male-dominated jobs in prime sectors, such as customs processing in the port of Djibouti-Ville and driving heavy vehicles. While the training was successful, efforts did not address the gendered mindsets that prevent women's inclusion in such sectors. According to the stakeholders interviewed, employers remain reluctant to recruit graduates due to lack of confidence in women's ability to undertake such responsibilities.

To support women-led startups, UNDP partnered with start-up organization FEMTIC to train around 97 female participants in "Civic Tech," equipping them with skills in information and communication technologies, digital communication through digital tools and social media, leadership and project design and management. As a result, 18 associations were created and supported in their initial activities. Participating projects provided solutions for important social issues such as offering support for addressing gender discrimination in family law and rural regeneration. However, while immediate outputs were achieved, questions remain over the sustainability of mid-term outcomes as most associations struggled to sustain their activities after the end of the intervention as they were in need of continuous business support.

The few models directed at stimulating demand yielded positive results. In a concrete step to boost value-chains in the agriculture sector, UNDP partnered with the Ministry of Finance and the Economy and the Centre for Leadership and Entrepreneurship (*Centre pour le Leadership et l'Entreprenariat* – CLE) to train agri-production cooperatives in rural areas through a participatory approach based on peer-to-peer business development. These efforts culminated in the organization of the first Agri-Producers Fair (*Premier Salon d'Agri-Producteurs*) in Djibouti-Ville. Over two days, the Fair offered a physical platform for 50 participating cooperatives, resulting in the sale of 15 tonnes of agri-production produce. These achievements contributed to boosting the internal agri-production value chains and changing the mindset of the population about the high potential of the national farming sector, which was previously perceived as non-existent.<sup>31</sup>

Efforts to foster job creation through stimulating employer demand were also successful even if most of the activities were conducted in the previous cycle and wrapped up in early 2018. A youth employment project in partnership with ANEFIP and with funding from the Japanese Government trained 254 participants (61 percent females and 39 percent males) on in-demand jobs in prime national economic sectors where they were in short supply. It also generated employer demand by engaging the private sector through the Chamber of Commerce and holding formal agreements with employers to provide job placements for trained youth. An independent impact evaluation conducted at the end of the project indicates that employers went on to offer long-term employment to 80 percent of graduates. Despite the success of this model early-on in the current cycle, the intervention has not been replicated or scaled within the livelihoods portfolio to date.<sup>32</sup> Reportedly, ANEFIP continued with a smaller related initiative, but this did not yield comparable results because it did not involve the private sector (Chamber of Commerce).

Interviews with rights-holders and implementing partners.

UNDP recently developed a draft Concept Note jointly with IGAD to establish the IGAD Centre of Excellence for Technical and Vocational Education and Training (TVET) that would run longer-term youth employment and youth entrepreneurship programmes through a Learning to Earning Capsule with a proposed budget of \$15 million. The Concept Note was shared with potential development partners during the Senior Management's Partnership Development mission to Addis Ababa in 2023. The strategy is also used by a USAID project of \$16 million managed by Kaizen.

Models that balanced supply and demand through financial inclusion services were less successful. As part of the emergency response to the COVID-19 pandemic, MSME support for youth included training young entrepreneurs in business planning and matching them with commercial banks to secure individual loans of DJF 1 million (c. \$15,000). One of the participating banking partners flagged issues in implementation. Most young applicants were not well prepped, with expectations of grants rather than loans, and their business plans were of poor quality. Long-term results were underwhelming as most financed businesses defaulted on their loans. The intervention design included a de-risking cushion as 70 percent of the value of the loans was insured by the French Development Agency (AFD). However, it did not adequately account for the loan-averse attitudes of young entrepreneurs or the burden of providing asset collateral.<sup>33</sup>

**Finding 4: UNDP's work on livelihoods was hindered by internal and external factors.** The drivers of unemployment, especially for youth, were not adequately addressed. Good practices that fostered demand were not replicated. The prospects of institutionalization and sustainability for most interventions were weak.

UNDP livelihoods programming faces important challenges, especially in relation to youth employment. Support for youth employment was fragmented, short-term, supply-heavy, and focused on formal employment and did not factor in the broader structural factors and drivers of youth disaffection and unemployment. In urban areas, youth unemployment is exacerbated by mass migration of cheap labor from neighboring countries, especially in low-income neighborhoods within and around Djibouti-Ville. In regional centres and rural areas, the dynamics of the cross-border informal economy are not factored into the programming. Interviews with various stakeholders in the North (Tadjourah and Obock) and the South (Ali Sabieh) revealed that the thriving informal economy of cross-border activities is highly lucrative and appealing to youth in various regions, disincentivizing them from enhancing their employability through upskilling or formal employment.

Programming also tended to have a narrow focus on upskilling and business development rather than an integrated approach that addresses the broader structural needs and barriers to building human capital among youth. Several crucial drivers for youth deprivation and unemployment were outlined in a survey cited in the National Policy for Youth and Culture UNDP supported.<sup>34</sup> Low transparency in recruitment processes and lack of information on job opportunities were the two most widely cited barriers to employment among youth, at 52 percent and 48 percent, respectively. Barriers to public participation were also significant. 74 percent of youth indicated limited availability of public spaces that foster participatory, cultural, sports, leisure, and play activities in their localities, and 69 percent considered that adults were not interested in the opinions of youth. Health and wellbeing are also two significant areas that affect youth empowerment: 52 percent reported having no access to information on health, 45 percent stated not having access to health services, and 59 percent reported smoking and chewing *khat* while 41 percent used other drugs. These findings reflect the magnitude of the needs of disaffected youth and the risks they pose to social cohesion if not effectively addressed.

UNDP support for financial inclusion through training MSMEs in business planning and enhancing access to the banking sector only addressed part of the problem as it was part of the emergency response to the COVID-19 pandemic. Given that this sector is nascent in Djibouti, the main challenges to effectively fostering an enabling environment that works for clients are a priority that remains largely unresolved. Most small business owners and entrepreneurs do not have bank accounts and are not familiar with complex

<sup>&</sup>lt;sup>33</sup> Commercial banks were introduced as part of the SDG investments for MSMEs as a quick follow-up to the SDG Investor Map findings as the Rising Djibouti provided an opportunity to explore commercial bank financing for loan-averse youth entrepreneurs.

Ministère de la Jeunesse et de la Culture de Djibouti; UNDP, Politique Nationale de la Jeunesse et de la Culture 2023-2027, République de Djibouti, 2023.

lending procedures.<sup>35</sup> Stringent collateral requirements by commercial banks, such as putting up land or property against a business loan, are a major deterrent for small business owners, especially in rural areas. A widespread entitlement (*assistanat*) mentality was reported, and expectations of receiving grants instead of loans are also barriers to stimulating an inclusive lending ecosystem. Limited digital infrastructure in the regions exacerbated by high costs for setting up and accessing online services are also major constraints to both financial providers and beneficiaries. Service charges on Islamic loans were reportedly much higher than those of commercial banks (reportedly 20 percent versus 8 percent, respectively).<sup>36</sup> With the support of UNDP's Istanbul International Centre for Private Sector Development (IICPSD), the country programme is currently supporting the Government of Djibouti in strengthening its inclusive finance sector, including both commercial and Islamic banking institutions. The initiative includes the formulation of a National Financial Inclusion Strategy and strengthening Islamic microfinance as a financial instrument for disadvantaged groups. Part of the work addressed plans to de-risk the sector through assessments of international best practices and of the inclusive finance sector in Djibouti and an analysis of the factors affecting affordability and scale, in addition to revitalizing the People's Savings and Loans Bank (*Caisse Populaire d'Épargne et de Crédit* – CEPEC), a microfinance institution accredited by the Central Bank of Djibouti in 2011.<sup>37</sup>

UNDP support to livelihoods generated good practices, although few have been sustained or replicated. The success of the Agri-Producers Fair did not lead to its replication in subsequent years, for unclear reasons. The job placement initiative in partnership with the Chamber of Commerce succeeded in engaging private employers and led them to recruit most trainees. However, this initiative was not taken up by national partners for further replication. Various national and international stakeholders indicated that while the ROME is a valuable document, it has not been widely disseminated for concerned parties to use in their programming, nor was it simplified and popularized among young job seekers. Similarly, cross-outcome livelihoods support (Output 1.1 and Outcome 2) suffered from limited cross-fertilization between various interventions and duplication of activities. Limitations were attributed to the fragmentation of inter-ministerial cooperation, although these could also reflect weaknesses in partnerships building capacity within UNDP. For example, activities for women's economic empowerment across livelihoods and the environment were led by different ministries, and support for youth economic empowerment did not include the Ministry of Youth, even though it has significant resources through the National Fund for Youth<sup>38</sup> and manages a network of 50 Community Development Centres that primarily cater for youth in all regions.

<sup>&</sup>lt;sup>35</sup> Interviews with rights-holders and implementing partners.

<sup>36</sup> Ibid

Nouveau Modèle Opérationnel pour CPEC en accord avec la Stratégie Nationale d'Inclusion Financière de Djibouti. Proposition Technique et Financière. September 2023; UNDP IICSPD. Islamic Microfinance in Djibouti: Summary of the Assessment Study & Strategic Recommendations Reports. February 2022; Strategic recommendations for the development of Islamic microfinance in Djibouti (undated); UNDP IICPSD. Engaging Islamic Finance Modalities in the Djibouti Partial Credit Guarantee Fund (DPCGF). June 2022.

<sup>38</sup> The National Fund for Youth is funded mainly by taxes on khat and tobacco consumption.

#### **BOX 1.** Effects of UNDP's livelihoods interventions as experienced by female and male direct beneficiaries

One of the main challenges facing Djibouti is economic inclusion. Despite recent rapid economic growth, severe gaps in skill building and employment persist, especially for youth and women. The current country progamme initiated several interventions to address these challenges. For this evaluation, the evaluation team met with beneficiaries during field visits across the country. Below are accounts of their experiences:

# Fatouma\* (not her real name), from Sagallou, participated in a training on handicrafts (MPA project). She says:

"I participated in the training in Tadjourah, they let us use sewing machines and we made handicrafts. The training was good... that was some time ago. They promised to get us sewing machines to use in this outlet (constructed by UNDP for women to sell their handicrafts), but we don't know when this is happening... There aren't any tourists here to sell my work to ... I would have loved to get a small sum instead and get some goods to sell... Here there is nothing... We have to go to Tadjourah to get groceries or essentials for our kids... I would have lots of customers from the village."

Zeinab\* (not her real name), from Obock, received business training and seed funding for her business of purchasing online fashion items and selling them in her community. She says:

"The business training was helpful, and I used the seed money to increase my activity although the amount was small."

# Amna\* (not her real name), from Ali Sabieh, young entrepreneur and participant in the MSMEs project. She says:

"My idea was to start a business to sell solar equipment... Electricity is so expensive here and people are looking for solar... it is also better for the environment... During the training, I worked really hard on the business plan and got to a cost estimation of 12 million FDJ. Then at the end I received 400 thousand FDJ only. I was shocked. They didn't explain why. The trainers were encouraging me all the way and didn't say anything was wrong. I ended up using the money to open a coffee shop by the hospital.... My dream was crushed".

# Masoud\* (not his real name), from Ali Sabieh, young entrepreneur and participant in the MSMEs project. He says:

"My idea was to get a plot of land and grow fruits and vegetables. In the business training, I worked hard on my business plan, the trainers followed up with me in every step until I got to a cost of 7 Million FDJ. Then I received 1 Million FDJ only. They said that this is the amount available for all participants. Why didn't they say this from the start? It was demoralizing but also, I gained from it. My farm is doing well and I plant around 10 varieties of fruits and vegetables".

Further testimonials published by UNDP's Rising Djibouti, the flagship programme to support for MSMEs during the Covid-19 pandemic, can be found on this <u>link</u> and on its <u>Facebook page</u>.

## b. Access to prevention and care services for HIV, tuberculosis, and malaria

Finding 5: UNDP Djibouti contributed to the achievement of significant overall results for HIV and AIDS, tuberculosis, and malaria prevention and treatment in cooperation with national partners. However, evidence of improved quality and more equitable access to health services for the three targeted diseases was difficult to find and corroborate. Operational effectiveness was hindered by scarcity of human resources and management tools.

Output 1.2 relates to strengthening capacities and systems for access to prevention and care services for HIV, tuberculosis, and malaria. In terms of budget weight, this represents 36 percent of the total budget and 43 percent of total expenditures. Programmatic performance for the three diseases was strong overall, and beneficiaries were reached as intended.<sup>39</sup> In terms of HIV and AIDS services provision, UNDP engaged in various types of activities, covering both prevention and treatment, which helped reduce the number of new infections from 1.1 per 1,000 to 0.2 per 1,000, thus reaching the stated output target of 0.2 per 1,000). Prevention efforts benefited from partnerships with civil society organizations and community-based organizations that conducted outreach and awareness-raising activities under the supervision of the UNDP-Global Fund programme, including the Autre Regards association for key or at-risk populations and women-run mobile brigades offering HIV testing and prevention services in the community. On the diagnosis and treatment side, UNDP support generated positive results, including a reduction in mother-to-child transmission of HIV from 13.17 percent to 11 percent. However, more efforts are needed as the stated output target of 8 percent has not been reached.

As regards to malaria, UNDP supported prevention and treatment through community activities and awareness-raising via social network platforms, indoor residual spraying, insecticide-treated mosquito net distributions. and the digitization of information, including the use of tablets with KOBO to monitor IRS and LLIN coverage in real time and DHIS2 platform to monitor data. However, this support was not sufficient to curb the incidence rate in the face of a new wave of malaria in the country (25 per 1,000 in 2018 versus 37 per 1,000 in 2022), even though it remained below the stated output target of 53 per 1,000. At the same time, the proportion of correctly treated malaria cases was relatively stable (98 percent in 2018 versus 97 percent in 2022 as against a 95 percent target).<sup>40</sup>

Regarding tuberculosis, UNDP supported an active search for patients who dropped out of follow-up, the development of the home visit strategy, and the multiplication of awareness-raising sessions in communities, among other initiatives. This helped reduce the incidence of tuberculosis (256 per 100,000 in 2018 versus 189 per 100,000 in 2022), just short of the stated output target of 181 per 100,000. Regarding pharmaceuticals, the management and steering tools developed by the UNDP supply team enabled the forecasting of orders for most drugs and inputs to avoid shortages that could be detrimental to dealing with the three diseases. Furthermore, during the peak periods of the COVID-19 pandemic (when supply chains were overloaded in a context of generalized containment), back-up orders were made to limit the risk of shortages of essential drugs and inputs.

With the aim of pooling resources and creating synergies, some activities were carried out jointly with partners from the United Nations systems. These included partnerships with the WHO and IOM for insecticide-treated mosquito nets (spraying campaign), UNICEF for the ordering and distribution of pediatric antiretrovirals and mosquito nets, UNFPA for lubricants, and the Kuwaiti-funded Global Drug Facility for second-line anti-tuberculosis drugs. Joint supervision was largely effective thanks to appropriate

<sup>&</sup>lt;sup>39</sup> Ibid.

<sup>&</sup>lt;sup>40</sup> Annual report of the National Malaria Control Programme, 2022.

programme design and concerted and efficient execution. However, some shortcomings were reported in relation to governance and organizational structures. Some points of tension related to the understaffing of the UNDP team in charge of supply chain management due to the scarcity of qualified human resources as well as the multiplicity of tasks assigned to the team. Similarly, the integration of all stakeholders involved in grant implementation, including civil society actors, was a weakness. In 2022, UNDP conducted a mapping of CSOs working in health, which revealed that the majority were mainly involved in social development and humanitarian work. The handful of identified CSOs specializing in health had weak structures, with scarcity of trained, capable or well-equipped staff. Hence, capacity-building initiatives with appropriate tools for CSOs working on the three diseases could have helped mitigate risks and improved their involvement in the management and implementation of interventions.

Finding 6: As Principal Recipient for the Global Fund to fight AIDS, tuberculosis, and malaria in Djibouti, UNDP effectively fulfilled a fiduciary role. In addition, UNDP was proactive in supporting the country's response to the COVID-19 pandemic and furthering the alignment of national health provision mechanisms with Global Fund requirements.

In 2013, the Global Fund to fight AIDS, Tuberculosis, and Malaria transferred grant management from Djibouti's Ministry of Public Health to UNDP. As a Principal Recipient, UNDP worked closely with the national coordinating body, the Multisectoral and Inter-partnership Coordination Committee (*Comité de Coordination Interpartenariat Multisectoriel* – CCMI), to manage the three grants. The grants were implemented by sub-recipients, namely the National Programme against HIV and AIDS and Sexual Transmitted Diseases, the National Programme against Malaria, and the National Programme against Tuberculosis, under the coordination of the Directorate of Priority Health Programmes within the Ministry of Health (MoH). Over the 2018-2022 period, of a total of \$38,848,796, nearly \$29,116,130 was disbursed to the Republic of Djibouti.<sup>41</sup>

The performance and grant ratings of New Funding Model, NFM2 (2018-2020) and NFM3 (2021-2023) allocations indicate a gradual improvement in programmatic results. The detailed data suggest that UNDP-led activities were aligned with national health priorities and responded to the country's needs as well as to the needs of those infected and affected by the three diseases as well as their families. <sup>42</sup> The evaluation showed that UNDP effectively supported the Ministry of Health through its Directorate of Priority Health Programmes. With a view to creating synergies and pooling resources, UNDP promoted the integration of activities, often adopting a portfolio approach (such as the pre-agreed flexible use of grant funds). UNDP effectively complemented the work of other partners (e.g., WHO for the distribution of insecticide-treated mosquito nets and UNICEF for pediatric antiretroviral drugs), to ensure national coverage and provision of HIV, tuberculosis, and malaria services to different community groups in Djibouti, including the furthest left behind, such as refugees and migrants.

Interviews with stakeholders indicated that UNDP demonstrated high technical expertise in supporting the implementation of health activities, including setting up health management systems, effectively managing pharmaceuticals procurement, and training national staff. In addition, UNDP proactively accompanied the country through supplementary activities linked to the COVID-19 pandemic (which were not initially planned), and the timely addition of other important and useful indicators (e.g. KPIs contributing to the measurement of results in relation to the Global Fund's strategic objectives).<sup>43</sup> The government and UNDP mobilized resources to provide support, thus mitigating the impact of the pandemic as well as maintaining

Full details of grants can be found in the Global Fund Data Explorer: <a href="https://data.theglobalfund.org/grants?locations=DJ">https://data.theglobalfund.org/grants?locations=DJ</a>.

Global Fund Data Explorer: <a href="https://data.theglobalfund.org/grants?locations=DJI">https://data.theglobalfund.org/grants?locations=DJI</a>.

<sup>&</sup>lt;sup>43</sup> Report on the IBBS HIV survey in Djibouti (May-June 2023), Global Progress Report on Fight against AIDS Program (PLSS), Health Statistics Yearbook, Report on the National Tuberculosis Control Program (PNLT) and Report on the National Malaria Control Program (PNLP).

health provision for the three diseases (HIV, tuberculosis, and malaria) with minimal disruption. These efforts contributed to both containing the pandemic in the short term and strengthening health systems in the long term with a view to facing future health threats. This testified to UNDP's ability to adapt to and cater for both the country's epidemiological context and donors' requirements. The standard operating procedures put in place between UNDP and the Ministry of Health were a major factor in enhancing efficiency. For the target period, UNDP succeeded in improving absorption capacities for HIV grants by 91.6 percent and malaria and tuberculosis grants by 100 percent. These results are confirmed by successive audits by the UNDP Office of Audit and Investigations.

Finding 7: Despite UNDP's continuing investments in capacities and structures, the transfer of the Principal Recipient role to the Ministry of Health could not be completed as originally planned. Quality concerns over health products and pharmaceuticals and remaining weaknesses in governance meant that some of UNDP's efforts to set up dependable systems were not fully effective and will likely not be sustainable.

UNDP has actively pursued the handover of funds management to national stakeholders, as agreed with Djibouti's health authorities, the national coordinating body (CCMI), and the Global Fund in 2019. To this end, UNDP greatly contributed to forging a roadmap setting out the key stages of the transition and identifying a national structure (Directorate of Priority Health Programmes) to take the lead. Under the so-called twin (or binôme) working arrangement, UNDP's Programme Management Unit provided backstopping and capacity building support to this structure. Teams from various partners and sub-entities (including the heads of the three programmes and their M&E officers, administrative and financial services and a logistician) also worked in close collaboration with UNDP experts, receiving capacity support and coaching. In line with agreed procedures, monthly meetings were held at the Ministry of Health and within the jointly supervised programmes and reviews of work plans and indicators provided an opportunity to discuss potential difficulties (both programmatic and financial) and to jointly seek solutions. Triangulated evidence shows that UNDP designed, prepared and implemented all planned activities in consultation with the national authorities and involving the national coordination body (CCMI). However, metrics designed to assess results in terms of capacity development were not found by this evaluation.

In what appears to be a series of unexpected turns of events, the year 2023 saw serious challenges relating to the transition. In early 2023, a UNDP-supported international consultancy mission updated the transition roadmap, developed a risk management matrix and devised capacity-building and training plans. An assessment by the Global Fund secretariat of the Government's proposed implementation arrangements of systems and adequacy for effective financial and programmatic management of grant funds identified major concerns regarding the quality of pharmaceuticals and other health goods as well as health governance.<sup>44</sup> As a result, the government recently signed a Financing Agreement (FA) with the Country Office requesting UNDP to continue managing the procurement of health inputs from Global Fund financing over the two-year period of 2024 to 2025. Subsequently, the Project Portfolio Management Agency (*Organe de Gestion de Portefeuille de Projets* – OGPP) in collaboration with the Essential Medication and Equipment Purchasing Agency (*Centrale d'Achat des Médicaments et Matériels Essentiels* – CAMME) will handle health procurement via the Global Fund's WAMBO platform.

Meanwhile, organizational restructuring at the Ministry of Health saw the creation of a new entity reporting directly to the Minister of Health and tasked with managing Global Fund grants alongside other donor-funded portfolios (AFD, World Bank, Islamic Development Bank, GAVI, etc.). This not only raises questions in terms of the technical skills and experience of the team but also renders UNDP's

<sup>&</sup>lt;sup>44</sup> Évaluation de l'Unité de Gestion des Projets. Ministère de la Santé. 2023.

capacity-development efforts (of the previously designated team) essentially void. The recruitment and relocation of a number of experienced members of the UNDP team to the Ministry of Health can be expected to facilitate institutional memory and continued organizational learning. The sustainability of the investments made by UNDP over the last few years in terms of evaluation tools, steering mechanisms, and individual coaching could be at risk due to the change in the entity designated as Principal Recipient within the Ministry of Health. However, keeping certain activities within UNDP's remit (logistics and procurement of health products) and recruiting experienced members of the PMU/UNDP within OGPP are likely to contribute to mitigating the identified risks.

# 2.2 Environment, energy and climate change

Outcome 2 has an overall budget and expenditures of \$15,021,966 and \$9,006,907, respectively, around half of which combines climate adaptation and marine biodiversity. Output 2.1 targets include: 1) Four new national or subnational development and key sectoral plans with some disaster or climate risk management components; and 2) Partial access to climate finance. As regards Output 2.2, targets comprise: 1) Strengthening capacities to implement national or subnational plans for gender-responsive integrated water resource management; 2) Five restored and protected transhumance routes; and 3) Extension of erosion-protected land baseline by five km².

Finding 8: UNDP made a solid contribution to environmental sustainability and climate resilience in Djibouti. Key achievements included bringing institutional actors together and creating an enabling environment through legislative and financial frameworks as well as "proof of concept" work in the energy sector.

Over the period examined, UNDP made pertinent contributions to climate change adaptation in Djibouti as well as to protecting marine biodiversity and combating land degradation. In Djibouti, nearly 90 percent of the national territory is classified as desert, and nearly all food is imported. The country is highly vulnerable to climate change, with consequences such as increased aridity, reduced precipitation, and rising sea levels. In this context, UNDP's work was well aligned with government priorities, in particular the national adaptation plan and nationally determined contributions. UNDP also supported Djibouti's Risk and Disaster Management Secretariat in opening and equipping its five regional offices, indicating that UNDP stands ready to step up in case of crises (marine pollution, drought, etc.) and provide support to the coordination and management of such crises. UNDP programming was pertinent to population needs, particularly in rural areas, being mostly informed by international good practice and regional lessons learned.<sup>45</sup> The environment and energy thematic make up UNDP's second largest outcome area in the country programme, with an expenditure of almost \$9 million as of end 2023.

In the latter years of the CPD cycle, UNDP specifically focused on access to water and energy for economic diversification and adaptation to climate change. Closer coordination with its livelihoods programming allowed for synergies and supported the skills development and entrepreneurship of farmers, fishermen, and craftswomen. UNDP supported the creation and organization of the National Week of Environment, invested in local water governance capacities and systems in strategic sites, and rehabilitated 66 wells damaged by flooding in 2021, thus securing access to water for over 20,000 beneficiaries. UNDP also piloted the solar mini-grid system in Djibouti and electrified a model village (Moumina 1). Despite several challenges – read our story in Text Box 2 – the initiative demonstrated some social and economic benefits, including in

<sup>45</sup> Beside improving access to energy, mainstreaming of global environmental obligations and strengthening marine protected areas (MPA) stood out as examples of regional and South-South learning.

terms of gender equality. Follow-up initiatives to bring modern decentralized energy services to the rural villages of Yoboki and Khor Angar are underway. Despite the project's clear potential for scalability, the evaluation found no evidence that lessons had been learned from the Moumina 1 experience in a concerted fashion (i.e., after action review or similar) prior to replication. The CO now aims to join UNDP's regional initiative, the Africa Mini-grid Programme, to share lessons and exchange experiences.

UNDP contributed to fostering an enabling environment, mainstreaming environment, climate change, and disaster risk reduction into sector policies and across ministries, and enhancing the technical capacities of government staff. In the context of weak institutional collaboration and coordination in the environmental sustainability and climate resilience space in Djibouti, UNDP has played a significant role in facilitating inter-institutional exchange, knowledge sharing, and learning. Examples include the signing of an MoU between the Ministry of Environment and the Ministry of Energy in September 2020 facilitated by UNDP, regular multi-party steering committee meetings for all its projects, and work toward an Environmental Management Information System (EMIS), which has resulted in improved knowledge management and environmental data collection and dissemination processes as well as the availability of reliable environmental data for improved decision-making in the country. However, UNDP's positioning in the environment, climate change and disaster risk reduction field remains somewhat unclear to some stakeholders and tends to be interpreted in a project-by-project manner or equated to the priorities of its largest donor, the Global Environment Facility (GEF). UNDP's niche with regard to climate change adaptation in urban areas, which concerns four fifth of Djibouti's population, remained undefined at the time of evaluation.<sup>46</sup>

At the legislative level, the most noteworthy successes were the approval by the Council of Ministers of a UNDP-supported law regulating new Marine Protected Areas (May 2023) and the validation of UNDP-supported draft policies, laws, and incentive schemes supporting the transition to 100 percent renewable energy within the next decade as per the Government of Djibouti's Vision 2035 (November 2022). However, both processes remain incomplete, and related projects have now ended, leaving their conclusion uncertain even though the CO intends to continue advocating for them. Other UNDP-supported upstream initiatives include draft decrees for addressing existing drivers of environmental degradation which could significantly reduce the charcoal trade and sand and wood extraction, thereby curbing environmental degradation in Diibouti, as well as the promising National Environment Fund designed to capture income from national sources and disburse regular financing towards environment, climate change, and disaster risk reduction priorities, including the national system of protected areas. Both have been hampered by limited technical guidance following the publication of a study as well as limited advocacy to overcome an unfavorable political climate.<sup>47</sup> This has serious implications for the sustainability of achievements under Outcome 2. The formulation of regional roadmaps for sustainable development and support to the Intergovernmental Authority on Development (IGAD) regional strategy on the blue economy are in themselves successes, but their positive impact on populations will depend on national ownership and implementation.

<sup>&</sup>lt;sup>46</sup> Though Djibouti City Hall and Prefecture of Djibouti staff were trained in disaster management, conducting multisectoral rapid assessments and the use of geographic information systems, there appears to be no scope for building on the investment.

<sup>&</sup>lt;sup>47</sup> Terminal Evaluation report titled "Strengthening National Capacities for Improved Decision Making and Mainstreaming of Global Environmental Obligations," October 2022. Draft Terminal Evaluation report titled "Mitigating Key Sector Pressures on Marine and Coastal Biodiversity and Further Strengthening the National System of Marine Protected Areas in Djibouti," October 2023.

Finding 9: At project level, UNDP's performance was mixed in terms of effectiveness and sustainability of results. UNDP consistently designed relevant interventions and was mostly successful in ensuring monitoring, evaluation and oversight. However, intervention design and timeframes may have been over-ambitious given levels of capacities and UNDP projects across the board suffered from long delays in implementation partly due to the COVID-19 pandemic, which constrained rapport with government partners.

Despite many achievements at activity and output levels, the Ministry of Environment in Djibouti views the results of its joint work with UNDP as deficient. Independent project evaluations support a view of mixed achievements and relatively low sustainability while also pointing to the strong relevance of projects across the board. UNDP was more effective in its support of Output 2.1 than Output 2.2, particularly in terms of monitoring and evaluation (see Table 3 below).

**TABLE 3.** UNDP Djibouti Environment Project Ratings as per GEF Evaluations of Climate Change Mitigation and Disaster Risk Management Projects (2.1) and Water Resources Management, Land Conservation and Ecosystem Protection Initiatives (2.2)

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Overall project	2.1.	2.1. Promoting	2.2.	2.2.	2.2. Mitigating	2.2.
rating as per	Strengthening	better access	Supporting	Sustainable	key sector	Developing
<b>GEF</b> evaluation	national	to modern	rural	management	pressures	agro-
	capacities	energy	community	of water	on marine	pastoral
	for improved	services	adaptation	resources,	and coastal	shade
	decision	through	to climate	rangelands	biodiversity	gardens
	making and	sustainable	change in	and	and further	as an
	mainstreaming	mini-grids	mountainous	agro-pastoral	strengthening	adaptation
	global	and hybrid	regions	areas in	the national	strategy for
	environmental	technologies		the Oued	system	poor rural
	obligations			Cheikhetti	of marine	communities
				catchment area	protected	
				cateminentalea	protected	
				cutchiniciteureu	areas	
Quality of	Highly	Highly	Moderately	Unsatisfactory		Moderately
Quality of M&E system	Highly satisfactory	Highly satisfactory	Moderately satisfactory		areas	Moderately satisfactory
•			•		areas Moderately	,
•			•		areas Moderately	,
M&E system	satisfactory	satisfactory	satisfactory	Unsatisfactory	areas Moderately satisfactory	satisfactory
M&E system  Implementation and Execution	satisfactory  Highly satisfactory	Satisfactory  Satisfactory	satisfactory  Moderately satisfactory	Unsatisfactory  Moderately unsatisfactory	areas  Moderately satisfactory  Satisfactory	satisfactory Satisfactory
Implementation and Execution  Assessment	satisfactory  Highly	satisfactory	Moderately satisfactory  Moderately	Unsatisfactory  Moderately	areas  Moderately satisfactory  Satisfactory  Moderately	satisfactory
M&E system  Implementation and Execution	satisfactory  Highly satisfactory	Satisfactory  Satisfactory	satisfactory  Moderately satisfactory	Unsatisfactory  Moderately unsatisfactory	areas  Moderately satisfactory  Satisfactory	satisfactory Satisfactory
Implementation and Execution  Assessment	satisfactory  Highly satisfactory	Satisfactory  Satisfactory	Moderately satisfactory  Moderately	Unsatisfactory  Moderately unsatisfactory	areas  Moderately satisfactory  Satisfactory  Moderately	satisfactory Satisfactory
Implementation and Execution  Assessment of Outcomes	satisfactory  Highly satisfactory  Satisfactory	Satisfactory  Satisfactory  Satisfactory	Moderately satisfactory  Moderately satisfactory	Unsatisfactory  Moderately unsatisfactory  NA (mid-term)	areas Moderately satisfactory  Satisfactory  Moderately unsatisfactory	Satisfactory  Satisfactory  Satisfactory

Source: Compiled by evaluation team

The two largest projects in the portfolio were highly relevant, addressing water scarcity, land degradation and marine conservation. However, their success was hampered by implementation challenges that affected sustainability. UNDP's initiative relating to sustainable management of water resources, currently at mid-term, promotes an integrated model for ecosystem restoration and reduction of land degradation paired with improved self-sufficiency in the livelihoods of vulnerable rural communities. While most project results are still forthcoming, <sup>48</sup> project activities suffered delays from the very start, with lengthy governance structure creation, overemphasis on studies, slow integrated work plan development and limited capacity development actions. This continues – and perhaps amplifies – a pattern seen across the board in the Outcome 2 portfolio as projects manage to catch up in the final months of implementation via no-cost extensions but at the expense of provisions for sustainability.

The project to mitigate key sector pressures on marine and coastal biodiversity by establishing a more effective approach to marine conservation contributed to the expansion of Djibouti's national network of Marine Protected Areas (MPAs) from five to seven sites, now covering 8 percent of the Exclusive Economic Zone.<sup>49</sup> While absence of demarcation buoys and incomplete integration of the MPAs into nautical charts render the new MPAs somewhat abstract, many project activities have been successfully carried out.<sup>50</sup> The project was able to establish concrete partnerships involving key government institutions, such as maritime affairs, the National Tourism Agency and the Directorate of Fisheries, which are pivotal in ongoing efforts to conserve and protect the marine environment. However, sustainability was not guaranteed by the end of project activities as financial needs for the MPA system have not been established and the funding gap for their effective management remains unknown. Triangulated evidence shows that the main limitations to project achievement were administrative hurdles, the COVID-19 pandemic and slow implementation.

Projects supporting access to modern energy services through mini-grids and rural community adaptation to climate change showed non-implementation of planned activities, insufficient investment in M&E and constrained administrative processes (e.g., procurement and supervision of construction activities). As revealed by a field visit (mini-grids) and terminal evaluation (climate change adaptation), some infrastructure financed by the projects is no longer in use or was faulty from the start.

National execution is promoted in UNDP's environment and energy programming in Djibouti, as mandated by the GEF. This resonates in principle with UNDP's ethos and the organization has a strong track record in capacity development globally. One out of six projects under Outcome 2 is exclusively dedicated to national capacity development, as are several budget lines in each remaining project. Yet a 2021/2022 HACT and ORCA assessment of the Ministry of Environment still showed many lacunae, especially for financial management, which meant that UNDP's fully-fledged National Implementation Modality (NIM) could not be adopted. Instead, the Direct Payment for Cash Disbursement modality under NIM was chosen, whereby the Ministry of Environment carries out procurement processes (including consultant selection, where applicable), sends all invoices and supporting documents to UNDP and UNDP pays the vendors directly on their behalf, following quality control of the documentation.

<sup>&</sup>lt;sup>48</sup> 1. Governance framework and capacity development; 2. Aquifer replenishment and monitoring system; 3. Livelihood activities, including microfinance; and 4. Gender mainstreaming and knowledge management and replication strategy.

This compares to an ambitious national target of 30 percent coverage.

Activities such as stakeholder awareness initiatives, specialized training for eco-guards and the elaboration of management plans for four MPAs have most likely improved the protection of the marine ecosystem, even if such improved conservation still cannot be accurately monitored. These efforts pave the way for a more sustainable future for this valuable coastal region. Further, a Protected Areas Management Unit (UGAP) has been established within the Ministry of the Environment and Sustainable Development (MEDD), which is a key achievement of the project even if its functioning budget is still to be negotiated.

Continuing concerns over the fiduciary practices of the implementing partner and need to mitigate risk suggests that UNDP's capacity development strategy vis-à-vis the Ministry of Environment has been only partially effective to date. UNDP is fully aware of the issue at country, regional and headquarters levels and has taken concerted steps to ramp up capacity support. In 2022, the CO carried out a full assessment of the Ministry's capacity, supported by the BPPS NCE Oversight and Compliance team. This assessment culminated in a full-blown action plan that also considered readiness for future needs in terms of procurement, i.e., support needed to implement a larger portfolio in the near future. A second capacity-building plan is forthcoming as part of the Greening Djibouti initiative and Standard Operating Procedures have been updated in 2022/2023 to streamline the Ministry's claims and payment transactions.

Delays in implementation are linked to partner capacity but also to other factors. A notable constraint, amply evidenced through triangulated sources, consists of the challenges UNDP faces to process payments and procure goods and services in line with corporate standards and the standard operating procedures agreed with the Ministry of Environment in a timely manner. In the words of UNDP partners, delays have been so grave that they have impacted the credibility of partners vis-à-vis their own networks of suppliers and contractors. The negative consequences for UNDP's reputation in Djibouti were evident in the sites visited, interviews conducted and progress reports examined for this evaluation. The evaluation acknowledges ongoing efforts by both parties to speed up payments by ensuring that all supporting documentation is correct, fast-tracking quality assurance, and forwarding information immediately to UNDP's financial services hub, etc. To date, however, recent improvements still have only limited visibility for partners and references to UNDP's internal change processes (introduction of Quantum, clustering of financial services, etc.) can only temporarily excuse UNDP. All in all, the situation gravely detracts from the actual results achieved by UNDP Djibouti in the environmental realm.

Finding 10: UNDP's environment, climate and energy interventions were well designed and often contained features of integrated programming. In terms of their contribution to gender equality, both upstream and downstream initiatives were found to be adequately targeted but did not fully meet the ambition of gender transformation and responsiveness intended in the CPD. Private sector engagement results also fell short of objectives.

UNDP's work as regards Outcome 2 set out to be integrated and mainstreamed across sectors as well as gender-responsive. While strides have been made in integrating nature-based solutions with livelihoods programming (e.g., through IGAs), truly gender-responsive and transformative results are less visible. At the design stage, initiatives under Outcome 2 usually included gender analysis as part of the GEF Project Preparation Grant, which subsequently informed gender mainstreaming actions across all project components. Similarly, most results frameworks feature gender-disaggregated indicators. UNDP also invested in a number of studies examining the intersection of environment and energy programming and gender. Potentially transformative results included training female climate negotiators within the Ministry and offering specialized training to climate-related decision-making bodies, such as the National Climate Change Committee in the country.

All initiatives made efforts to involve and benefit historically marginalized populations and women. To this end, dedicated resource persons were included within project teams to champion gender-related initiatives and ensure gender mainstreaming. However, the emphasis was on achieving gender parity and including women as beneficiaries rather than on equitable distribution of status, rights and resources or even challenging social norms and addressing structural discrimination. According to UNDP's Gender Results

<sup>&</sup>lt;sup>51</sup> This applies most notably for mini-grids and MPA2 projects.

Effectiveness Scale (GRES), this would amount to gender-targeted rather than gender-responsive results.<sup>52</sup> Targeting was effective as women were typically well-targeted in specific training and capacity-building initiatives to ensure their inclusion in and benefit from project activities. For example, a total of 239 women upgraded their skills in cutting, sewing, catering, fishmonger training and ecotourism and are carrying out IGAs to improve their livelihoods over the period assessed.

In some cases, overall numbers remained low. In the MPA2 Project, only 8 women directly benefited from training of trainers in IGAs in sewing and crafts, and no multiplication of trainings in their communities has taken place due to unavailability of hardware.<sup>53</sup> UNDP hopes that the NGO in charge (*Union des Femmes Djiboutiennes*) will draw on the trainers in the future even despite the project being closed, though there is no guarantee that this will be the case. This means that value-for-money in women's empowerment activities to date was low and the interventions inefficient, given transaction costs. Consultations on natural resource governance (e.g., validation of management plans, NDC workshops) were also inclusive as they invited representatives of populations most likely to be left behind. Gender parity was usually not achieved, and minutes indicate that speaking time was lower for women than that for men. In terms of gender equality results, the contribution of Outcome 2 remained below expectations despite important investments and results at output level. Over the period assessed, projects tried to address differential needs between men and women and to equitably distribute benefits, but the root causes of inequalities were not tackled.

The environment work of UNDP Djibouti is well designed, as witnessed by its ability to attract funding. Across the board, the evaluation found coherent programmatic thinking with a systems focus. Operationalization seeks to account for the operating environment and implementation issues (regulatory frameworks, capacities, procurement, oversight). The work stream is moving towards portfolio approaches, especially in its pipeline projects.

Design is sometimes overly ambitious or not fully adapted to country constraints. For example, the ambition to include private sector development, inclusive growth and livelihoods (see Findings 2-4 of this report) as well as gender angles in many interventions is commendable. Though an objective in several projects, private sector partnerships were not effectively forged through any project. For instance, the Mini-grid Project had as a primary objective of enabling private sector actors to enter the market for electricity production. This was pertinent given recent privatization efforts in Djibouti<sup>54</sup> to help the country rapidly build its technical and regulatory capacity for off-grid technologies and delivery models. While the Moumina 1 Village has been partially electrified, no results are discernible regarding private sector development objectives. Similarly, strengthened MPA management was supposed to include engagement with those economic sectors that have adverse impacts on marine and coastal biodiversity, such as port developments and maritime traffic (Outcome 1.2 of MPA2 Project). However, collaboration with the private sector has not materialized (even if a PPP with a hotel is under negotiation after project finalization) and there is no multi-sector committee in place. Reasons for these shortcomings were unclear.

http://web.undp.org/evaluation/documents/guidance/gender/GRES\_English.pdf.

For example, for the MPA2 project, which received a field visit for this ICPE, four tailoring workshops were rehabilitated in four communities and equipped with solar-powered lamps but no other form of access to electricity (i.e., no fans or air-conditioning). The four communities were still hoping to receive a total of 20 sewing machines and tailoring or handicraft fabrics several months after the end of project activities.

The transmission and distribution of electricity remains under the monopoly of Electricité de Djibouti (EdD).

Through the Small Grants Program (SGP), UNDP provided financial and technical support to local civil society organizations to develop and implement local actions that benefit the environment. In Djibouti, the 6th and 7th phases of the Programme funded 25 projects in the fields of biodiversity protection, climate change mitigation or adaptation, the fight against land degradation and building the capacity of community-based organizations. These projects are expected to directly impact 2,500 beneficiaries by the end of the Programme cycle. 55 Several other environment projects also included work with civil society and some results were achieved. 56 All in all, given the nascent nature of civil society in Djibouti, engagement in Outcome 2 was adequate even if further work is needed to enhance the enabling environment for civil society actors. The evaluation noted several operational issues around beneficiary selection, <sup>57</sup> CSO selection, delays in project activities,<sup>58</sup> low participant numbers and non-realization of activities.<sup>59</sup> Further, project evaluations documented that some outcomes were not sustained; that is, the community structures set up through a project largely had ceased to function by the time of final evaluation. These shortcomings are indicative of supply-driven approaches. The narrative example below shows how a focus on delivery may have hampered the consideration of alternatives (wind, hydraulics, etc.) and failed to set up structures to sustainably manage the solar energy site after construction. The CO is aware of these issues and is actively addressing them in new and upcoming programmes.<sup>60</sup>

<sup>55</sup> https://www.sgp.undp.org/component/countrypages/?view=countrypage&country=138&Itemid=.

For example, through the Supporting Rural Community Adaptation to Climate Change in Mountainous Regions of Djibouti initiative, which ended in 2019, 21 CSOs received micro-grants to support adaptation among vulnerable populations, ten women's CSOs participated in IGAs and 17 cooperatives of farmers and fishermen received skills development and donations of equipment and materials.

For instance, in the Moumina 1 Mini-grid Project, existing cleavages were deepened by providing access to electricity only to those who have fixed housing and not providing anything to those who live in more precarious dwellings despite solar kits consisting of one panel plus fan and lamp being readily available. In the Marine Protected Areas (MPA2) Project, one eco-guard noted that he had also received professional training from two other international agencies at about the same time. It is unclear why one man benefits from three income-generating opportunities while others are entirely left out or what UNDP criteria were applied in selecting specific individuals.

<sup>58</sup> Some of these delays were due to external factors such as late delivery of equipment by contractors due to post-COVID maritime constraints.

<sup>&</sup>lt;sup>59</sup> For instance, for the MPA2 Project, the project document envisioned the establishment of a small grant mechanism (see Annex R). Some of the women the team met during the field visit noted that their dream was to engage in local businesses and that access to small grants or direct cash transfers would have been impactful.

<sup>&</sup>lt;sup>60</sup> One example consists of exploring technologies according to context, such as wind turbines for Obock.

#### **BOX 2.** Effects of the mini-grid project as experienced by a local woman in Moumina 1

With no proven oil reserves and no refining capacity, Djibouti relies entirely on imported fossil fuels and electricity to meet its energy needs. The electrification rate is about 10% in rural areas. This lack of electricity translates into lack of access to pumped water, unsafe conditions in public spaces for women, a hindrance for school children doing their homework in the evening, and a serious constraint on small business development.

Yet Djibouti has abundant geothermal, wind, and solar energy resources. On the shores of Lake Assal lies the village Moumina 1. Moumina 1 is a model village built by the Al Rahmah Foundation in 2016. 100 houses were built, each with two rooms, kitchen, and WC, surrounded by the traditional dwellings of sedentary or semi-sedentary nomads and pastoralists (traditional tents, corrugated iron huts or a mixture of both). This larger agglomeration, called Leyta, also has a mosque, an elementary school, and a health centre, all of them fitted with solar panels on the roof and built by aid agencies. The population mostly lives off aid.

## Naima\* (not her real name) is a member of the women's committee that accompanied the UNDP mini-grid project in Leyta. She says:

"I am happy because now we sometimes have light, and that changes a lot of things. My children can study at night. We turn on the power at 6 pm and it automatically cuts off during the night (by 4.30 am or earlier). There isn't enough electricity for the rest of the day. Nobody uses the fans because they use up too much power. We don't want them – it's hot, but we can manage. We need more power so we can use refrigerators. Almost everybody in the village bought one. In the beginning, mine worked but now there are always problems. For three months over the summer, nothing worked at all.

I'm not satisfied that we got solar power because we have many problems with the batteries. Electricity comes and goes every time there's a cloud. I'd prefer having wind energy like the village next door. We asked some officials who visited us about this but we haven't had a response yet.

It also bothers me that they installed the power outlet in my kitchen. They told me I can't cook there anymore because the electricity would get damaged, and it would be dangerous. Now I cook in the open again. It was better when I could use the kitchen. Now I cook like the women in the tents again – only I have a house. Those families couldn't get energy because there's nowhere to put a power outlet.

In our women's group, we have a lot of questions. We asked for electrification and got it. One week ago, we even got an air-conditioner for the battery room. But now, the company that built the solar centre left and it is not clear who's in charge. Nobody is coming to check on the equipment. Nobody in our village has been trained to clean and repair the solar cells and battery room. Mohamed, the overseer has never been paid, and it's been 9 months.

I hope you'll help us get a wind turbine"

#### 2.3 Democratic governance

**CPD Outcome:** National and local government institutions and actors ensure the effective, efficient, and transparent management of public resources for inclusive and equitable development.

#### **Related outputs**

**Output 3.1.** National capacities for inclusive and evidence-based governance and development planning, programming and aid coordination are strengthened for sustainable development.

**Output 3.2.** The national mechanism and institutional capacities for monitoring and reporting on the status of human rights and the Convention on the Elimination of All Forms of Discrimination against Women are strengthened.

Outcome 3 has the smallest share of the country programme portfolio, with budget and expenditure figures of \$12,955,220 and \$7,918,200, respectively, amounting to 17 percent and 15 percent, respectively, of the total portfolio. Almost half the budget is devoted to the flagship project, the *Access to Justice* Programme (Output 3.2).

Output 3.1 has the following seven targets: 1) Formulation of the next National Development Strategy (SCAPE); 2) Improving the national statistical capacity index (from 53.3 to 56; 3) A harmonized sustainable development policy framework for SDG mainstreaming and acceleration in the national development framework; 4) Partial strengthening of national capacity to use updated and disaggregated data to monitor and report progress on national development goals aligned with the 2030 Agenda; 5) Partial operational effectiveness of the mechanism for aid coordination; 6) four annual reports on development cooperation; 6) Partial strengthening of capacity of the regional councils for planning, budgeting, or monitoring basic services delivery; and 7) National development plans to include refugee and migrant responses (no specific target).

Output 3.2 has the following three targets: 1) Accreditation of the National Commission on Human Rights (NCHR) by the Global Alliance of National Commissions on Human Rights; 2) Two yearly training sessions organized for departmental and civil society representatives on the universal periodic review for the production of information and its follow-up; and 3) The mechanism for following up on the implementation of the recommendations of international human rights conventions and the Convention on the Elimination of All Forms of Discrimination against Women, including female genital mutilation, is operational.

Finding 11: Governance was UNDP's smallest programme area despite its importance to the context, and UNDP's contribution was uneven. Efforts to support public transparency and the fight against corruption were hindered by institutional challenges on the national side and were mitigated through an adaptive approach by the Country Office.

Funding for governance had the smallest share of the country programme. Governance support typically requires less funding than areas that include the procuring of goods and equipment. However, there was little indication that governance was made a priority by UNDP Djibouti as recommended by the 2012 ADR. Governance programming was stretched too thin across too many areas, as reflected in the target indicators

for Output 3.1. The governance portfolio included several small interventions with no clear effect beyond the achievement of immediate targets. The one exception is the flagship Access to Justice project (PAJ), funded by the EU with a €4 million budget and launched two years after the development of the CPD. However, alignment with UN/UNDP goals was not evident as some priority areas such as advancing human rights and public accountability were hindered due to institutional challenges within the context. Moreover, intra-outcome programming and implementation were limited, with a siloed approach that did not sufficiently leverage institutional linkages, especially between national and sub-national development planning and between the areas of access to justice, public accountability, and human rights, which all fall under the remit of the Ministry of Justice.

Although a universal priority goal for the UN and UNDP, efforts to enhance public accountability and the fight against corruption faced strong institutional constraints on the national side. The country programme initially aimed to strengthen the capacities of five oversight and accountability agencies and to support the Ministry of Health in developing a corruption risk management plan as a pilot. However, implementation faced challenges relating to limited inter-ministerial cooperation as well as the limited institutional readiness of the National Anti-Corruption Commission, whose internal mechanisms were mostly inactive. At the request of the Government of Djibouti, adjustments were made to appoint the Inspectorate General of Finance (Inspection Générale des Finances – IGF) as the coordinating institution for anti-corruption since it is the key entity involved in transparent public accounting. Adjustments also included promoting digitization as leverage for good governance and transparency of public institutions as well as strengthening the capacity of CSOs.

UNDP adjusted to this request by supporting the IGF in the elaboration of its strategic plan, the adoption of IGF reforms by the Council of Ministers in June 2022, and the launch of the new website of the Ministry of Finance to enhance transparency and citizen engagement through information dissemination platforms. <sup>62</sup> Eight verification guides to inform and sensitize enterprises about rules and procedures were designed and disseminated, and 22 IGF staff were trained to implement the strategy. In addition, the Executive Secretariat in charge of the State Portfolio was set up to promote transparency in all state investments in public and private enterprises in June 2022. <sup>63</sup> The capacities of the National Commission for Anti-Corruption are currently being enhanced by updating its internal governance infrastructure (still ongoing at time of writing). Other broader activities under the project included support for the development of the digital transformation roadmap in Djibouti <sup>64</sup> and the formulation of the National Strategy for Youth and Culture, which includes the enhancement of youth participation in public life and political processes.

While these achievements are milestones in the institutionalization of transparency and accountability in Djibouti, their potential for amplification and sustainability is unclear if they are not accompanied by implementation plans that outline clear mechanisms to effectively reinforce and track public accountability and penalize non-transparent practices.

This support was part of the Rising Djibouti portfolio and was funded by Danish Aid and UNDP's Funding Windows. The stated four institutions are: 1) The Court of Accounts and Budgetary Discipline (Cour des Comptes et de Discipline Budgétaire – CCDB); 2) The General State Inspectorate (Inspection Générale d'État – IGE); 3) The General Finance Inspectorate (Service de Renseignements Financiers); and 4) The Independent National Commission for the Fight against Corruption (Commission Nationale Indépendante pour la Prévention et la Lutte contre la Corruption).

Décret n° 2022-195/PR/MEFI portant organisation et fonctionnement du SEPE. https://www.journalofficiel.dj/texte-juridique/decret-n2022-195-pr-mefi-portant-organisation-et-fonctionnement-du-sepe/. https://www.journalofficiel.dj/texte-juridique/decret-n2022-195-pr-mefi-portant-organisation-et-fonctionnement-du-sepe. The updated website of the Ministry of Economy and Finance is: https://economie.gouv.dj.

https://www.presidence.dj/conseil-des-ministres/2022-06-21.

La Nation, "Le ministère délégué à l'économie numérique et à l'innovation présente la feuille de route de transformation numérique." https://www.lanation.dj/le-ministere-delegue-a-leconomie-numerique-et-a-linnovation-presente-la-feuille-de-route-de-transformation-numerique./ https://www.lanation.dj/le-ministere-delegue-a-leconomie-numerique-et-a-linnovation-presente-la-feuille-de-route-de-transformation-numerique.

Finding 12: UNDP support to strengthen national mechanisms for human rights and gender equality monitoring yielded the strongest results within the justice system. Advances in gender mainstreaming and disability inclusion were made over the period assessed thanks to strong national commitment. UNDP and national partners found useful entry points to promote human rights principles even if synergies with access to justice interventions were underexplored.

UNDP support for access to justice is one main area of success in terms of improving the operation of the justice system. The EU-funded flagship Accès à la Justice Programme (PAJ) is run in partnership with the Ministry of Justice and amounts to half the entire governance portfolio. The ongoing intervention (2020-2024) saw significant achievements at policy level by supporting the development of a criminal policy roadmap and a prison policy. It also contributed to improving the management of the prison system through the development of a prison control manual for monitoring and evaluation and a gender-disaggregated reporting system. Efforts were made to improve prison conditions for women and children by separating them from men and offering structured professional training. The project also contributed to strengthening the coverage and access to the justice system through mobile tribunals (audiences foraines) in the five regions, covering both family and penal law and complemented by training junior staff (trainee justice auditors, junior lawyers, bailiffs, notaries, and clerks). The intervention also improved the digital infrastructure and data generation capacities by setting up a home-grown Case Management System (CMS) and conducting training on data generation and communications for the Ministry of Justice and the National Human Rights Commission (CNDH). While PAJ did not directly support the demand side of access to justice such as through legal aid and pre-trial procedures, it provided the Ministry with a detailed analysis and set of recommendations on strengthening the legal aid system, resulting in an increase in the national budget for legal aid from DJF 11 million to 100 million, which constitutes the first increase in the budget in at least seven years.

Among particular success areas, the mobile tribunal system is highly valuable especially as regards family law, which constitutes the majority of cases. The programme significantly contributed to reducing the backlog of cases, supported the costs associated with the travel of judges from the capital to the regions, and simplified procedures for clerks by sparing them weekly travel to the capital to file their documents. It also removed significant barriers for women litigants, who previously had to attend hearings in the capital, incurring significant costs for travel and accommodation for long periods. However, some delays in setting up the CMS were noted. Initially, UNDP sought to import Mizan II, the flagship CMS system developed by the Programme of Assistance for the Palestinian People (PAPP) with the support of RBAS and the Amman Hub. However, licensing issues and limited compatibility interrupted the collaboration. The Country Office is currently developing its own home-grown CMS system, to be tailored to the Djiboutian legal system. The sustainability of this system after the end of the project is being addressed through plans to build the capacities of the IT staff of the Ministry of Justice and recruiting national programmers and suppliers to the degree possible for design and implementation.

Success factors for UNDP Djibouti's Access to Justice Programme include the trusted partnership between UNDP and the Ministry of Justice, which has been a strong advocate for dynamic judicial reforms. By embedding UNDP technical expertise within the Ministry and providing capacity development alongside programmatic interventions, the Programme is enhancing its chances of sustainability. In terms of opportunities, the Ministry of Justice is planning to reinstate the customary mediation structures that were discontinued in 2018. This is an important development towards a people-centred approach to justice given that customary mediation is an integral part of community relations across the country and could contribute

to further integration of work on access to justice with that on SDG acceleration and decentralization. <sup>65</sup> Furthermore, in 2024, UNDP will be supporting the Ministry of Justice in developing the first national Justice Sector Strategy, identifying and planning reforms for the period 2025-2029 in alignment with the SDGs and national development plans.

UNDP made significant strides in gender mainstreaming, an area that enjoys strong national interest and is endorsed by the First Lady of Djibouti, who is the patron of the gender and women's empowerment agenda, including addressing female genital mutilation (FGM). The country programme supported the formulation of the National Gender Strategy (NGS) and its operational plan for 2023-2027 and the activities of the National Gender Observatory. This enabled the conduct of several studies and surveys using age and geographic disaggregation of data on gender. Reporting mechanisms on gender have been strengthened despite some delays in the periodic reporting to CEDAW. As with other countries applying Islamic jurisprudence, challenges remain in Djibouti in relation to harmonization with CEDAW in the area of personal status and family law, especially regarding polygamy and inheritance. However, UNDP and partners are finding useful entry points through work with the Ministry of Religious Affairs, especially in relation to FGM. Despite its strategic positioning, UNDP has not played a significant role in high-level sensitization or advocacy for gender mainstreaming across various ministries to date. Greater funding will be required to expand this area.

UNDP contributed to disability inclusion in Djibouti through its partnership with the National Agency for Persons with Disabilities (*Agence Nationale des Personnes Handicapées* – ANPH) since its establishment in 2018. Several concrete results have been achieved, including the formulation of a National Strategy for Disability 2021-2025 and its action plan, <sup>66</sup> as well as the integration of disability rights in the labor force by imposing a tiered quota for Persons with Disabilities (PwDs) across private enterprises. The success behind PwD support was attributed to the high prioritization of this area by the Government of Djibouti as well as alignment between UNDP and ANPH's missions. One of the challenges relates to the cost for implementing the National Strategy's action plan, which amounts to \$30 Million, most of which remains unfunded. It is unclear if and how the Country Office has plans to support the ANPH in mobilizing these resources.

UNDP support for strengthening Djibouti's oversight and reporting mechanisms for human rights face serious challenges. The National Commission for Human Rights has yet to secure international accreditation from the Global Alliance of National Human Rights Institutions (GANHRI). A PAJ analysis found that CNDH's internal governance structures were closely linked to governmental institutions and that their internal by-laws needed to be reformulated to ensure independent reporting in line with the Paris Principles. Currently, UNDP is providing the National Commission with technical expertise to complete the application process for accreditation by October 2024.<sup>67</sup> Meanwhile, UNDP and the National Commission for Human Rights are finding useful entry points to promote human rights in business by partnering with the Chamber of Commerce and the National Commission for the Integration of Public Markets, the entity responsible for government contracts, to integrate workers' rights.

<sup>&</sup>lt;sup>65</sup> Customary mediation tends to be preferred to formal justice globally because of trust, community participation, efficiency, cost, accessibility, etc. In addition, the customary system addresses civil issues, which constitutes the bulk of legal issues in communities. In many ways, the field of justice considers that the absence of linkages and leverage of alternative dispute resolution mechanisms presents a gap in mainstreaming a people-centred focus in justice support, which focuses on understanding people's needs and providing flexible and accessible solutions compared to a rigid, state centric and offer-driven approach.

ANPH, Stratégie Nationale du Handicap 2021-2025, Republic of Djibouti. <a href="https://www.anph.dj/wp-content/uploads/2021/10/SNH2021-2025Version-Finale30092021.pdf">https://www.anph.dj/wp-content/uploads/2021/10/SNH2021-2025Version-Finale30092021.pdf</a>

The main national partner, the Ministry of Justice (MoJ), is in favor of enhancing NCHR's independence and monitoring role, including the inspection of prisons and detention centres and applying quasi-jurisdictional mechanisms for grievances.

Finding 13: In the areas of SDG acceleration and development planning and financing, the country programme made important, albeit partial, achievements. It supported the formulation of various national and regional development planning and financing frameworks, including the INFF and Regional Development Plans but did not sufficiently follow on with action plans to accelerate their implementation.

In addition to supporting the Government of Djibouti in formulating Djibouti ICI, the second five-year National Development Plan of 2020-2024,68 UNDP work on SDG acceleration provided instrumental support to strengthen decentralized governance structures in the country. This support was provided in partnership with the five Regional Councils established by law in 2002.69 It included assistance in formulating the five Regional Development Plans (RDPs), which identified priority SDGs and related targets and in developing an SDG acceleration plan for two regions (one in the North and one in the South). A participatory approach was adopted, with more than 1,250 members of communities attending consultation meetings. Furthermore, 76 CSOs were trained on project management and community engagement and provided with resources to implement 21 community projects on civic engagement on various areas such as sanitation, reforestation, strengthening resilience and access to drinking water in the five regions.

While these results are significant for SDG localization, several challenges were identified. The RDPs did not account for development challenges linked to geopolitical dynamics, such as the impact of mass migration and the related informal cross-border economy. Furthermore, capacity strengthening of the Regional Councils tended to involve the presidents of the Regional Councils rather than Council members, who still require capacity strengthening in areas of coordination, data generation, budgeting, monitoring and follow up of performance and accountability. Most importantly, the decentralization of administrative functions to the Regional Councils has been delayed by the central government and currently only includes one of the nine areas of competencies stated in the decree stipulating the status of Regional Councils in 2007.70 To accelerate these processes, UNDP recently formulated the Governance and Local Development Support Program (PAGDEL), a \$3 million project for local development and decentralization, following an elaborate participatory process involving several stakeholders. UNDP has appealed to the Government and donors to mobilize the necessary funds to finance this project.

UNDP significantly contributed to strengthening the national operational mechanisms for aid coordination and fund mobilization by conducting a financial needs and gap assessment (Development Financial Assessment) and producing an Integrated National Financing Framework (INFF), including costing of the NDP results framework, as well as a cross-ministerial M&E framework. Based on the INFF, an SDG Investor Map was formulated and launched as a digital platform, identifying key investment sectors for private investors. Following the success of the INFF, the Government of Djibouti requested UNDP to conduct a deep-dive analysis into the tourism sector, one of the three prime sectors for diversification (along with the green and blue economies) identified by the INFF process (ongoing). The country programme has also been proactive in mobilizing resources to support these efforts by contributing to financing flows and supporting the allocation of one third of the planned NDP budget for disaster risk reduction, including preventative and mitigating measures and securing additional funding (\$85,000) through the SDG Fund as seed funding to support the financing of climate-related interventions.

These results closely respond to the government of Djibouti's national priorities of attracting development-focused investments and preventing and mitigating the effects of environmental degradation and climate change. They are all the more significant given the challenges faced during implementation.

<sup>&</sup>lt;sup>68</sup> Republic of Djibouti, Djibouti ICI: Inclusion, Connectivité, Institutions (Republic of Djibouti, 2020).

<sup>&</sup>lt;sup>69</sup> Loi No. 174/AN/02/4ème L du 7 juillet 2002 portant décentralisation et statut des régions.

Decree No. 2007 – 0099 – PR – MID, cited in "Plan de Développement Régional Obock 2021-2025." Republic of Djibouti. Undated.

<sup>&</sup>lt;sup>71</sup> In partnership with UNDP's Istanbul International Centre for Private Sector in Development (IICPSD) and national partners.

Challenges included delays in launching the NDP due to the COVID-19 pandemic, the complexity of coordination between ministries and the scarcity of micro- and macro-economic data (and sources) needed to produce frequent, high-quality, sector-specific data. Furthermore, UNDP/ INFF support has yet to include clear action plans and continuous advocacy for operationalization to ensure sustainability of efforts. Initial discussions took place between UNDP and ANPI to manage INFF operationalization in early 2023, although there is no evidence of concrete action plans or a timeline for operationalization.

# 2.4 Cross-cutting issues: Gender mainstreaming, LNOB, COVID-19 and other crises

Finding 14 – UNDP Djibouti's programme portfolio was largely gender-responsive, adequately considering the differential needs and priorities of women and men. Over the period assessed, the Country Office achieved the Bronze Gender Seal and formulated its Gender Equality Strategy and Action Plan 2023-2025. However, little attention was given to intersectionality, masculinities and changes in social norms, which would be needed if gender-transformative results are to be achieved.

At the planning stage, 68 percent of UNDP Djibouti's portfolio (2018 to 2023) was tagged as GEN2, meaning that gender is a significant project objective, followed by 21 percent as GEN1 (some contribution to gender equality), and 11 percent as GEN3 (gender as principal objective). No expenditure was allocated to GEN0 (no contribution to gender equality), as was the case in the previous cycle. Comparatively, UNDP spent over \$1 billion on GEN0 over the same period, 20 percent of it in RBAS. At outcome level, 86 percent of projects under Outcome 1 are marked as GEN2, 12 percent as GEN3 and a minimal 2 percent as GEN1. Outcome 3 is almost evenly spread across GEN1 (50 percent) and GEN2 (41 percent), with 9 percent as GEN3. Conversely, Outcome 2 has 91 percent of its projects marked as GEN1 and 10 percent as GEN2, with no projects under GEN3. The figures for Outcome 2 are far removed from the two corresponding output statements, which that clearly mention: 1) Strengthening institutional and policy frameworks for mainstreaming of gender-responsive climate change and disaster risk management across sectors; and 2) enhancing national and subnational capacities for integrated gender-responsive water resources management, land conservation and ecosystem protection. The mismatch between output statements and gender markers under Outcome 2 indicates incoherent planning, which may be indicative of a gender-targeted rather than gender-responsive approach.

The GRES analysis of flagship programmes under Outcome 1 indicates that health programmes (Output 1.2) targeting individuals affected by HIV and AIDs were largely gender-responsive as they addressed the differential needs of men and women and offer tailored services through civil society organizations. Results for livelihoods (Output 1.1) indicated that while most interventions were marked as gender-responsive (GEN2), reporting focused on gender-targeted metrics that track parity between male and female beneficiaries (i.e., numbers of male and female beneficiaries), with limited insights on intersectional or disaggregated results within beneficiary groups, for example on the basis of age, income, disability, household status or remoteness). Interventions adopting gender-transformative approaches (GEN3) were scarce, including only FEMFI, the flagship programme for women's economic empowerment. While the Programme made significant gender-responsive contributions through its literacy for business activities and the support of the National Gender Observatory, there was limited evidence of results leading to transforming gendered norms, especially in women's employment (upskilling and male-dominated occupations) or of high-level

<sup>&</sup>lt;sup>72</sup> Two corresponding indicators are set as: 1) IRRF indicator (a stated in the Programme Tree), which relates to the number of people who benefitted from services providing clean, affordable and sustainable energy; and 2) country-level indicators relating to the capacities to implement national or subnational plans for gender-responsive integrated water resource management.

ministerial buy-in (discussed under Finding 2). In Outcome 3, integrated activities of the PAJ Programme were gender-transformative, attending to the harmful separation of women and children prisoners, formulating prison manuals and training a wide range of court employees on family law court procedures.

At an institutional level, the Country Office showed strong commitment to gender equality by devising its first Gender Equality Strategy and Action Plan of 2023-2025. The strategy was formulated through a consultative process with a dual focus on gender mainstreaming in programming and achieving internal institutional transformation. The objectives of the Gender Strategy were closely harmonized with the CPD's thematic priorities and adopted an overall outcome-based approach. In terms of content and approach, the strategy is solid and includes Leaving No One Behind (LNOB) both as a guiding principle and a practical prism to identify various sub-groups of women affected by intersectional discrimination and exclusion. <sup>73</sup> However, this thinking was not integrated in the Gender Strategy's action plan, which remained largely framed within the usual gender marker analysis and thus fell short of laying out a holistic gender-transformative approach. Going forward, to optimize the approach, it will be necessary to address the root causes of inequality and tackle the differentiated cultural practices and social norms of men and women that require a targeted response to priority issues. <sup>74</sup>

The Country Office was recently awarded the Bronze Gender Seal. This accreditation is important for the internal institutionalization and sustainability of a gender equality lens and can also be used to incentivize national institutions. The Office established internal mechanisms for gender mainstreaming, including setting up a gender accreditation committee headed by the DRR as well as a series of internal policies to support transformation. It also benefited from the appointment of a committed Gender Focal Point (GFP) through the African Young Women Leaders Programme between March 2022 and September 2023. The vacant GFP position was again filled recently.

Finding 15: UNDP's country programme in Djibouti integrated the principles of Leaving No One Behind in an intrinsic but rarely explicit, data-driven fashion. Equity and equality considerations guided interventions supporting health and justice systems strengthening, while non-discrimination was rarely addressed. This echoed UNDP's weaker positioning in advocacy and its fragmented governance programme.

The United Nations' 2030 Agenda for Sustainable Development set a new standard in development by committing to the Leave No One Behind (LNOB) strategy. LNOB represents the political commitment of all UN Member States to eradicate discrimination and exclusion and reduce the inequalities that undermine the potential of individuals and of humanity as a whole. In 2017, the UN Chief Executives Board for Coordination devised a "whole-of-system" Shared Framework for Action,<sup>75</sup> mandating UN entities to focus on three interrelated elements to address LNOB: Equality, Non-discrimination and Equity. UNDP's strategic plan for 2022-2025 now includes Leaving No One Behind as one of three corporate objectives (or "directions of change"). <sup>76</sup> However, the current UNDP Djibouti CPD was formulated prior to this move at a time when LNOB was still being conceptualized. Instead, programming developed later in the cycle, including current pipeline projects such as PAGDEL also only mention LNOB sparsely and with limited practical

UNDP, Gender Equality Strategy and Action Plan 2023-2025, UNDP Djibouti.

For instance, malaria in Djibouti was found to affect men 2.6 times more often than women. These high rates are largely attributed to daily gatherings among male members of the community that are dedicated to chewing khat, since these settings are often in enclosed spaces with high temperatures and poor ventilation, all of which are optimal conditions for the breeding and propagation of the Anopheles Stephens vectors. UNDP's programme with the Global Fund and Ministry of Health is entirely silent on this issue.

United Nations System Chief Executives Board for Coordination, Sustainable Development Goals and Leaving No One Behind: Equality and Non-Discrimination at the Heart of Sustainable Development, A Shared United Nations System Framework for Action, United Nations, 2017.

UNDP, "United Nations Development Programme Strategic Plan 2022-2025," 2021.

operationalization. This shortcoming can be attributed to limited attention given to the issue as well as the specific development challenges in Djibouti where most of the population are at risk of being left behind on at least one dimension.

Assessing the results achieved over the current country programme period against UNDP's 5-factor framework for LNOB, 77 we note that the programme did in fact reach the furthest behind in at least four factors: 1) Socio-economic differentials were addressed through developing a multidimensional poverty index and programming on women and youth economic empowerment; 2) Discrimination based on legal or social status was addressed through programming on gender equality, key HIV and TB populations and disability rights, with notable results achieved (discussed above under Finding 12) and the inclusion of migrants and refugees in the national development plan; 3) Geography through a focus on decentralization; and 4) Vulnerability to shocks through support for agri-pastoral communities at risk of climate-affected displacement and social cohesion. Access to all basic health services for HIV and AIDS, TB and malaria is granted to migrants and refugees and other floating populations irrespective of their residence status. Limited evidence was found of results achieved with regard to the LNOB dimension of governance, in particular as it relates to creating civic space to foster participation and voice by the most marginalized populations. In terms of the whole system Shared Framework for Action cited above, this indicates that UNDP Djibouti addressed equality and to some degree equity but invested little in fostering non-discrimination in Djibouti.

Disaggregated data is necessary for nuanced and targeted intersectional programming, addressing specifically those that are furthest left behind. This is an important growth area for UNDP Djibouti and having an economist in place in the Country Office would be a key asset going forward. To date, triangulated evidence shows that the Office has rarely moved beyond addressing two intersections in its programming (e.g., gender and rural/urban) and still tends to address populations in a group-by-group fashion, with little attention paid to heterogeneity within groups (with FEMFI being a notable exception). For example, support for rural populations was largely undifferentiated by income, age, gender, disability and geography and vulnerability to shocks (those living in the vicinity of regional centres such as Tadjourah and Ali Sabieh vs. those in remote and hard-to-reach areas). The absence of disaggregated data and an evidence-informed strategic approach brings about uneven support that largely depends on donor interest. For example, grants from the Global Fund and the EU enabled reaching key HIV/TB populations and illiterate women, but UNDP's own analyses may also have allowed for expanding the focus. Another example is that funding for youth employment and job creation was limited to small and short-term grants even though 70 percent of youth in Djibouti are unemployed.

<sup>&</sup>lt;sup>77</sup> UNDP, "What Does It Mean to Leave No One Behind? UNDP discussion paper and framework for implementation," 2018.

# **BOX 3.** Effects of the community-based approach on supporting key HIV and TB populations as experienced by affected individuals

Djibouti is affected by a number of intrinsic risk factors for communicable diseases. Other contextual factors increase its exposure to certain categories of transmissible diseases (maritime port flows, floating populations with migrants and refugees, etc.). Furthermore, due to gendered norms and practices, the heavy burden of sexually transmitted diseases such as HIV/AIDS is borne more by women than by men. Through community-based organizations such as Autre Regard, women and men living with HIV assist other affected individuals. In a focus group discussion, members of Autre Regard (including former and current sex workers and representatives of men who have sex with men) shared this account:

Access to HIV services has been extremely challenging for us, Female Sex Workers (FSW) and Men who have Sex with Men (MSM) in Djibouti. Our organization actively advocates for referrals to screening (rapid tests) and care facilities (STI/STD treatment and care). We also identify "hot spots" and intervene as peer educators to promote prevention and help individuals access lifesaving HIV services. Unfortunately, there is still no community-based testing programme in Djibouti. All testing must be conducted at a health centre or hospital. However, we are often discriminated against at these public and private health facilities. As a result, most members of our community do not want to go there to receive HIV/AIDS services.

Our organization provides assistance and support to mobile brigades, led by women whose main mission is to go into communities to offer HIV screening and prevention services. Our peer educators, who are trained periodically, significantly contribute to reducing the stigma within and outside of the FSW/MSM community. Through our psycho-social assistants in each community centre, we also offer distribution of prevention kits to vulnerable people.

Our planned activities are reviewed during the monthly meeting with UNDP and the budget is allocated based on the performance framework and indicators and targets. Our peer educators and psycho-social assistants receive the same lump-sum payment from the Global Fund and UNDP. However, the budget does not cover all our expenses (e.g., staff, rent, electricity, some peer educators' salaries), and the monthly transfers are unsuited to our operations, leading to late payments and consequently delays in providing crucial support. Quarterly payments would be preferable.

Finding 16 – UNDP's response to the COVID-19 pandemic in Djibouti was effective, rapid and holistic and had some positive effects such as increased work with civil society and inter-sectoral programming. UNDP support to responses to other crises in Djibouti was more limited. Sustainability of results was limited and wider questions of recovery planning and preparedness remain.

UNDP Djibouti can be commended on its swift and adaptive response to the COVID-19 pandemic. While COVID-19 had a limited epidemiological impact in Djibouti, with fewer cases and deaths than in neighboring countries, the socio-economic impact was significant. UNDP effectively and efficiently adapted to the health and economic effects of the pandemic. On the health side, UNDP and Global Fund teams worked closely with the Ministry of Health to ensure the continuity of essential health services. For example, Global Fund grants<sup>78</sup> could be reallocated to context-appropriate activities (e.g., psychosocial support for the follow-up of

Global Fund financing for C19RM in 2021 (\$4.3 million) initially focused on COVID-19 diagnostics (\$1.3 million), personal protective equipment (PPE), drugs and oxygenation equipment, the m-Supply pilot project and Genexpert machines. With the agreement of the Global Fund, some strategic adjustments were authorized.

people living with HIV and AIDS (PLWHA), awareness-raising, screening with mobile trucks targeting mobile populations) and to purchasing screening equipment, consumables, personal protective equipment and other supplies (e.g., equipment for HIV viral load, reagents for CD4 measurement). UNDP also supported the Ministry of Health in adapting the national health information system (DHIS2) to provide real-time tracking and management of key supplies and medical equipment and ensured daily reporting between concerned government departments. This contributed to optimizing supply and the interoperability of inventory systems.

The COVID-19 health response also provided an opportunity for UNDP to achieve results in its long-standing priority areas of community-based and e-health care: In agreement with the national health authorities, volunteers from the PLWHA Network were called upon to provide antiretroviral drugs to people who were unable to leave their homes due to stigma, COVID lockdowns or disruptions to public transport. In addition, UNDP provided the PLWHA network with computer equipment and legal support (including a lawyer to help affected people denounce human rights violations). UNDP also effectively supported the Ministry of Health in setting up online patient monitoring systems for these diseases as well as support for health practitioners involved in online monitoring and contributed to automating orders for tuberculosis, HIV and malaria drugs.

UNDP offered a rapid and highly adaptive response to the COVID-19 crisis through the economic components of its flagship Rising Djibouti programme (discussed under Finding 2). The Programme offered comprehensive support to mitigate the economic effects of the pandemic, including the disbursement of stimulus packages, supporting MSMEs with business planning and access to financial services, simplifying the registration procedures of private enterprises and cooperatives through the One-Stop Window (GU) and enhancing market access for agri-producers (e.g., holding the first Agri-Producers Fair in Djibouti Ville. The model also promoted livelihoods through strengthening citizen-led organizations such as agri-production and fishing cooperatives and women-led tech start-ups. While the cross-outcome design was successful, the effectiveness and sustainability of interventions were uneven (see Finding 2). Nonetheless, this adapted response highlighted the merits of cross-outcome programming and formed a strategic shift towards integrated development of high relevance to the next CPD cycle.

UNDP also contributed significantly to the response to environmental and climate-induced crises, with more substantial support for rapid emergency response than for post-disaster recovery. In the aftermath of the 2019 floods, UNDP's rapid emergency response measures included supplying the Executive Secretariat for Risk and Disaster Management (SEGRC) with four large pumps, the only ones in the country with high capacity to extract water from flooded neighborhoods. As part of the coordination committee for disaster response, UNDP helped populations displaced for the climate crisis through short-term emergency assistance, such as youth-led cleaning campaigns in camps hosting internally displaced persons (IDP) in the vicinity of the capital. In addition, UNDP supported upstream activities such as a review of the National Strategy for the Reduction of Risks and Catastrophes and capacity building for the management staff of the National Meteorological Agency, as well as a series of workshops with UNDRR on establishing a national DRR platform and updating the National DRR Strategy in accordance with international frameworks. In terms of post-disaster recovery efforts, UNDP successfully conducted a participatory and gender-responsive Post-Disaster Needs Assessment (PDNA) following the 2019 floods. However, large-scale funding did not materialize to sustain the implementation plan for recovery due to the advent of the COVID-19 pandemic shortly after. UNDP's own support for post-disaster recovery subsequently focused

<sup>79</sup> UNDP offered long-standing DRM support in previous cycles, notably supporting the establishment of the SEGRC.

on rehabilitating infrastructure, such as building wells and underground water tanks to retain rainwater. Stakeholders consider that UNDP could better lead on post-disaster recovery by consolidating its efforts into an integrated and area-based approach.

Support to avert the potential risks of migration to social cohesion has been limited compared to the scale and breadth of the migration dynamics in the country. Few and small interventions were implemented towards the start of the current cycle. These included youth economic empowerment with the aim of reducing inter-community tensions between host and displaced communities and of preventing violent extremism (PVE) in the refugee camps surrounding Obock. However, this line of support was not subsequently sustained, a missed opportunity given UNDP's international strength in championing the triple Humanitarian-Development-Peace nexus that focuses on long term development in disaster or fragile contexts. Limiting factors were low donor interest and the view that specialized agencies such as IOM and UNHCR should lead in this area. To date, UNDP Djibouti has not been able to fully leverage its significant international expertise in development-focused support to crisis settings, which is aimed at enhancing social cohesion between host and displaced communities.<sup>80</sup>

While UNDP's response to the COVID-19 and other crises was successful, there is limited evidence of the sustainability, scaling, replication and mainstreaming of such approaches. For instance, the community-focused health approach that mobilized communities to reach key HIV and TB populations was not sustained. Similarly, the Agri-Producers Fair was discontinued despite clearly positive results for beneficiaries and institutions (discussed under Finding 3). While good practices from the Rising Djibouti successes were documented, it is also important to generate lessons learned that can inform replication and scaling.

#### 2.5 Institutional effectiveness

Finding 17: The country programme progressed towards a more synergistic style of work and successfully tested integrated approaches to programming. While programme M&E improved markedly, evaluation coverage remained uneven and the culture of knowledge sharing and learning is weak. This hampered programme adjustment and replication of successful approaches.

Programme implementation under UNDP's Djibouti country programme has become more synergistic over the period assessed, progressively building on the strengths of different UNDP programme teams, government, UN and other partners to more holistically contribute to development objectives. Through the success of Rising Djibouti, the flagship COVID-19 emergency response programme, UNDP demonstrated its strong ability to adapt, innovate and move towards an integrated programming (or portfolio) approach in line with new corporate guidance. However, cross-thematic or cross-pillar learning within the Rising Djibouti programmes remains limited, echoing a general shortcoming of UNDP Djibouti's mode of work. Historically, there has been little documentation and knowledge repositories were incomplete. The Office is aware of the issue and is working towards a culture change, including through the creation of a SharePoint repository for the Office. There are still few after-action reviews or attempts to learn from past experience before replicating projects in other locations, as seen in the environment outcome (the energy project). The absence of knowledge-sharing limits organizational learning, negatively impacts staff morale and reduces impacts as good practices may not be replicated or scaled when they should be. Further, the current implementation of the country programme has been spread across different regions and has not

<sup>&</sup>lt;sup>80</sup> Examples include UNDP's Lebanon Host Communities Support (LHCS) Programme, which aims to address inter-community tensions in response to the Syrian refugee crisis and the Programme for Supporting Resilient Livelihoods, Food Security and Climate Adaptation in Yemen (ERRY).

used an area-based approach. This is understandable in such a small country as Djibouti, but structuring implementation around evidence-based geographic priorities could have enhanced synergies among partners and beneficiary communities, especially if closely aligned with Regional Development Plans.

Project design was usually strong, with appropriate and well-defined targets and indicators despite some exceptions, as mentioned earlier. One salient shortcoming is the broken results chain between projects and expected outcome level results. Projects did not always add up to the higher-level result and theories of change explaining the portfolio logic did not always exist. The "programme tree" now available from Quantum+ through the Regional Bureau is a step in the right direction. A potential threat is overly ambitious programming. While horizontal learning from successful projects in other countries is a good thing, these have to be fully adapted to the Djibouti context, including the level of capacities of national partners. The evaluation found this not to always be the case, especially in the environment outcome. Finally, as noted elsewhere (see Finding 15), data on who is left behind in a given area is not always available. Many projects found proxies to deal with this situation, including commissioning studies at the beginning of a project cycle. While often useful, some of these have been exceedingly time-consuming and delayed programme starts.

Monitoring of the country programme's achievements and progress towards targets was adequate, with an upward trend over the period assessed. Timely reporting against corporate indicators and scorecards (ROAR, etc.) was a strength. A weakness, much lamented by some national partners, was the scarcity of field-level monitoring visits by UNDP staff. In some cases, this led to a sense by implementing partners and beneficiaries of UNDP not being in touch with realities on the ground. Overall, M&E data was duly collected and documented through project progress and final reports, albeit of varying quality. Corporate social and environmental standards<sup>81</sup> were largely adhered to, but emphasis on negative externalities of programming (e.g., with regard to climate) was limited. Internal capacities have been strengthened in order to establish and use an easily accessible repository system for M&E documentation. Evaluation coverage of the country programme is hugely uneven, with six out of eight evaluations undertaken over the period under review being mandatory GEF evaluations. No evaluations have covered Outcome 3.

Finding 18: Following restructuring, the Country Office was clearly organized and functional with adequate, if somewhat strained, capacities in place to deliver the country programme. Support by the Regional Bureau and Hub was a crucial enabler. Some risks persisted due to limited segregation of duties and capacity constraints in procurement and financial management.

At the time of writing, UNDP's Country Office in Djibouti is divided into four programme teams, the directorate and the operations team. Three of the four programme teams include donor-funded P4 positions, some of them working under NOC-level portfolio leads while reporting administratively to the Deputy Resident Representative. <sup>82</sup> This arrangement is unusual but responds to requests of a recent audit lamenting a sub-optimal office structure and staffing, with lack of segregation of duties and independent oversight. <sup>83</sup> The current structure has parceled out pipeline development and resource mobilization as well as core operational functions, including procurement and corporate reporting, leaving programme staff a greater bandwidth to focus on programme delivery. That said, given low donor appetite to fund posts in Djibouti, the programme section remains small, with few senior staff

UNDP, "Social and Environmental Standards," 2021. <a href="https://www.undp.org/publications/undp-social-and-environmental-standards">https://www.undp.org/publications/undp-social-and-environmental-standards</a>.

<sup>82</sup> UNDP Diibouti Country Office Organigram, dated 31 August 2023.

<sup>&</sup>lt;sup>83</sup> Audit of the UNDP Country Office in Djibouti (Report No. 2477 of 29 August 2022, p. 6).

and heavily reliant on transient appointments (IPSA, UNV, etc.). This means that UNDP Djibouti has a lower than ideal capacity for playing an integrator role, convening and knowledge brokering and developing partner capacity, roles typically played by senior advisors.

Given the above, UNDP Djibouti has made good use of advanced technical capacity available at the RBAS Regional Bureau and Hub through relatively frequent technical assistance missions given the size of the country programme. Support for the Human Resource function was also received from the regional level, following the abolition of the HR analyst post, for a total of six recruitments over the last biennium 2022/2023. The regional clustering exercise may have contributed to some of the delays observed. For example, the livelihood portfolio lead was vacant between January 2022 and August 2023, and delays in internally assigning key roles were experienced, such as at the timing of the field mission. Similarly, the gender focal point role was vacant, and the CO's economist oversaw implementation of environment projects in addition to being the M&E focal point. This led to loss of institutional memory, confusion over responsibilities and unequal workloads. Interviews with national stakeholders suggest that UNDP has not been fully successful in presenting itself as an employer of choice, with top-down management practices, a taxing bureaucracy prone to delays, limited team spirit and poor work-life balance being cited as reasons.

UNDP Djibouti does well on standard management indicators, including gender balance, with 80 percent of international positions in the Office occupied by women, including 50 percent at senior management level (P5 and above). The management efficiency ratio (management costs over programme expenditures) stood at 22 percent in 2020 and 20.8 percent in 2021 and has since decreased to 16 percent, which is in an adequate range for a small Office (the RBAS average is 7 percent, and the target figure for smaller offices is 12.5 percent). Internal communication in the Office is one area requiring continued attention. With three large, vertically-funded programme areas (health, environment and access to justice), there is a tendency at UNDP Djibouti to work in silos, with low information sharing and patchy knowledge management. However, over the past two to three years, improvements have been noted due to pilot integrated programmes and the recruitment of a coordination and partnerships analyst. Continuous training on policies and procedures and M&E also remains a priority.

A key capacity gap in the UNDP Djibouti office remains procurement. For example, past audits have linked procurement irregularities with lowered value for money, delays in implementing GEF projects and overall low delivery. In response, in mid-2021, the Office instituted a short-term action plan, including the recruitment of international staff for procurement and operations functions and the establishment of long- term agreements (yet to be finalized at the time of writing). Other notable actions included the establishment of standard operating procedures, the recruitment of an international UNV to help reduce the gap in capacities in the procurement unit and the creation of tracking tools. As an encouraging sign, the Global Fund audit dated 14 August 2023 was fully satisfactory, with no recommendation on procurement.

However, the same audit (2635/2023) recommends that the office improve financial and asset management. Specifically, it notes: "The delays in payment processing were due to long and inefficient quality assurance processes over the supporting documentation of the suppliers, which was also exacerbated by staff movement with the Procurement and Supply Management Unit" (2023, p. 2). While the scope of the audit included Global Fund activities only, this evaluation observed the same issue in other work areas, most notably Objective 2. In view of the volume of pipeline projects coming onstream in 2024 as well as the

Other contributing factors outside the CO's control include the UNDP-wide migration to Quantum and the centralization of the Global Shared Services Centre.

<sup>85</sup> UNDP Djibouti Executive Snapshot (UNDP Intranet, last accessed 21 November 2023).

<sup>&</sup>lt;sup>86</sup> Audit of UNDP Country Office in Djibouti (Report No. 2294 of 7 April 2021), p. 4.

ending of funding for the P4 Operations and Global Fund manager, the Office is hiring an NOC operations manager who will oversee procurement and financial management. At the time of writing, it is unclear what lessons have been learned by the CO from the experience of the short-term action plan on procurement and how they will be used to improve financial management. The advent of the Quantum enterprise management system, relocation of corporate financial services to Kuala Lumpur and of the management of IPSA contracts to GSSU are external factors that have affected UNDP Djibouti's performance, adding to delays in payments, procurement and other operations, including HR.

Finding 19: Given capacity gaps within both UNDP and partners and the pressure for national implementation (or assisted national implementation) modalities, the country programme may not be fully prepared to absorb and successfully implement some of the large pipeline projects expected for the next cycle.

UNDP's country programme in Diibouti largely (i.e., 81 percent) uses the Direct Implementation Modality (DIM), whereby UNDP assumes overall management responsibility and accountability for project implementation. Under Outcome 2 (environmental sustainability and climate resilience), it nominally uses the National Implementation Modality (NIM), whereby the implementing partner assumes full responsibility for the effective use of UNDP resources and the delivery of outputs in the signed project document and must report fairly and accurately on project progress. However, given concerns over the capacities and fiduciary practices of the national counterpart (see Finding 9) and to mitigate risk, the Direct Payment for Cash Disbursement modality is used, whereby UNDP pays vendors directly. For one project, the assisted National Implementation Modality (also known as NIM Support) is used, whereby UNDP undertakes the procurement or commitment action as well as disbursement of funds while the implementing partner has full programmatic control. However, Direct Payment for Cash Disbursement is strongly disliked by partners as while they retain full accountability for results, no cash is being transferred to them. It is also not well understood, especially given that other UN entities work with the same partners using full NIM. The prevalence of DIM and assisted NIM in Djibouti is an indication of gaps in national capacities in turn associated with financial and reputational risk for UNDP. In cases where the Harmonized Approach to Cash Transfers or related assessments were not passed by national counterparts, UNDP is correctly implementing hybrid models.

It is also noteworthy that defaulting to direct payment for cash disbursement has had serious implications for the volume of payment- and procurement-related work in the UNDP Djibouti Country Office, requiring a large team to implement operations processes. As documented in past audit reports, procurement and financial management have represented a major area of weakness for the country programme for some time. This is also exacerbated by limited partner understanding of invoicing requirements. These hurdles resulted in months-long delays in payments and procurement across various projects. Stakeholders have raised concerns and frustration over the severe delays in hiring processes and payments to large suppliers and staff. These obstacles were particularly noted in the environment portfolio. Here, an additional complication was that sustaining project results often fell on ministries that had not been leading on project implementation. For example, one community-based guard who was appointed at the end of the project in February 2023 by the national counterpart to ensure maintenance of the solar-grid system and battery room had not been paid for the 10 months preceding the field visit by this evaluation.

UNDP Djibouti and partners appear ill-prepared to successfully implement the large pipeline projects funded by the Global Environment Facility (GEF), Green Climate Fund (GCF) and others, some of which require accountability to rest squarely with the government (full NIM). While projects across different outcomes have engaged in intensive strengthening of national capacities and some have embedded

technical units within national partners' structures, training cadres and upgrading the existing planning, delivery and M&E institutional mechanisms and processes, available evidence does not demonstrate a marked shift in national partner capacities, particularly with regard to procurement and financial and risk management. There was limited evidence on the extent to which capacity development efforts have been systematic or have specifically enabled national implementation. Following UNDP procedures, the implementing partner's technical, managerial, administrative and financial capacities should be reassessed throughout the life of the project, preferably annually. Efforts are ongoing in this direction as UNDP issued an assessment report on the needs and requirements to implement large portfolios, including capacity development plans for national counterparts.

Finding 20: UNDP was a trusted partner and a leader in UNCT and development circles in Djibouti. Its work has been largely complementary to that of other development partners, but has not yet optimized partnerships with non-traditional donors, civil society, private sector actors or South-South learning, though efforts are ongoing. The country programme's resource mobilization relies heavily on vertical funds, which could limit its ability to set priorities.

UNDP is widely considered by national and international actors as a longstanding and trusted partner whose role in convening and offering technical expertise is highly valued (see Finding 1). Its legacy of coordination as well as its broad mandate are a strong asset to key governmental partners. UNDP Djibouti succeeded in forging partnerships with central and regional institutional actors, as well as citizen-led organizations, such as agri-production and fisheries cooperatives and community-based organizations active in the health field. All in all, however, partnerships with civil society organizations remain limited given weak technical capacities, combined with a sparse civic space and institutional constraints.

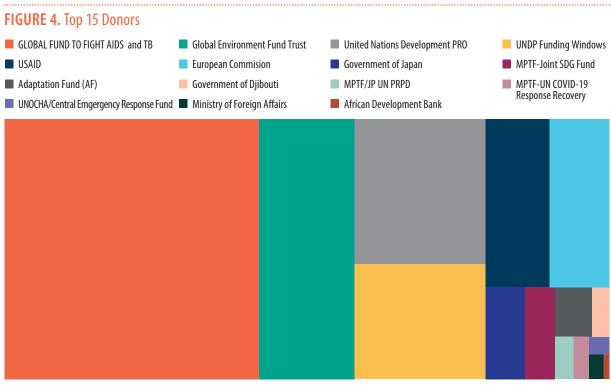
UNDP stands out to many in Djibouti as the partner of choice and leader within the UN Country Team thanks to its long-standing country presence, its former coordination role, which gave UNDP heightened visibility and its role as an integrator able to mobilize expertise across many thematic areas. Support for livelihoods and health system strengthening were found to be highly complementary to those of other agencies. Challenges include inter-agency competition for green funding and the perception among some sister agencies that UNDP could at times dominate partnerships and attempt to change the terms of engagement in its favor. On the other hand, non-resident UN agencies appreciated UNDP's leadership role due to its stronger capacity and network within the national government. UNDP's information sharing and dissemination of deliverables was found to be usually limited to the UNCT but minimal and insufficient beyond this forum, as with the example of ROME (discussed in Finding 3).

UNDP has a limited track record of partnering with the private sector despite ambitious plans, specifically in the environment portfolio. Despite donor interest in the energy sector, partnerships with private sector enterprises in the field of renewable energy remains largely untapped. UNDP's key partners to date are the Chamber of Commerce and actors in the hospitality sector engaged in women's economic empowerment projects. Concrete collaboration with ANPI, responsible for promoting the UNDP-supported INFF and corresponding Investor Map, has been limited to date.

Over the period assessed, UNDP Djibouti received limited regular resources (\$5 million, or 12 percent of the total \$42.3 million budget) from the corporate budget. This means that the Office relied heavily on donor funding. An analysis of the top 15 donors (Figure 4) indicates that major sources of funding include around 58 percent from vertical funds (Global Fund and GEF) and 10 percent from two key donors (EU and USAID). Funding from international financial institutions, notably the African Development Bank (AfDB) and non-traditional donors such as Islamic institutions, has been fractional in comparison. The CO is aware of the potential of this line of funding and put forward three project proposals in late 2023 to the AfDB's Transition

Support Facility relating to environment, climate change and inclusive growth, including a regional UNDP collaboration under the AfDB's Climate Action Window.<sup>87</sup> Funding from Islamic institutions could also significantly grow in the future, given Djibouti's geopolitical strategic position in the Horn of Africa.

Government co-funding varied across institutions, with substantial funding from the Ministry of Environment, which is mostly in-kind. Critically, funding for governance (Outcome 3) still represents only 15 percent of programme funding, although the ADR 2012 found limited effectiveness in results for governance and recommended focusing resource mobilization here.



Source: UNDP financial system (Atlas) as of December 202288

Heavy reliance on two vertical funds, while generating valuable revenue in overheads, can be problematic as it limits UNDP's ability to set its own priorities outside of donor imperatives. While vertical funds dominate the current portfolio and dictate funding allocation to the areas of health and environment, the country programme implemented an adaptive approach by including budget lines to support good governance for those sectors, building on UNDP's mandate and added value. Further, there was budget allocation within the environment portfolio to supporting livelihoods activities within beneficiary communities. This flexible approach served to support under-funded areas and enabled the country programme to break silos and initiate portfolio-type programming. To diversify the donor base beyond vertical funds, the Country Office

The three project proposals submitted to the AfDB are as follows: 1) Integrated climate investments for inclusive Sustainable Development in Djibouti, with a budget of \$26 million and in partnership between IOM, UNDP, and UNICEF; 2) Integrated project for gender equality, socio-economic empowerment of women and girls and youth employment in Djibouti; and 3) AfDB's Africa Mini-Grid Market Acceleration Programme (AMAP) by UNDP Djibouti, Somalia, Mauritania and the UNDP regional team.

Due to a change in UNDP corporate management systems, donor-disaggregated data for 2023 was not yet available at the time of publication.

has recently approached the Korea International Development Agency (KOICA) as well as Italy, following a trip to donor missions in Addis Ababa, and is now exploring funding opportunities with OPEC and the African Development Bank.<sup>89</sup>

In terms of South-South cooperation, UNDP has facilitated the access of national partners to international opportunities for knowledge sharing. Since Djibouti is part of the RBAS/Amman Hub, several activities included collaboration with other country offices in the Arab States region. The evaluation identified one main example of cooperation in the Governance pillar, where UNDP Djibouti sought to import MIZAN II, the case management system developed with UNDP's support for the Programme of Assistance to the Palestinian People (PAPP). However, this cooperation faced important challenges as MIZAN II was deemed not to be applicable to the Djiboutian legal system. The Office had to dissolve the cooperation and resorted to developing its own home-grown case management system. In addition, given Djibouti's dual positioning as an Arab and African country, UNDP also supported knowledge-exchange visits for government counterparts to African countries. Some limitations were raised, pertaining primarily to language barriers. Communication by RBAS tended to be in Arabic or English, a double hindrance, especially for small partner CSOs, whose members tend not to be fluent in either language.

In 2023, the office submitted project proposals to AfDB under the Transition Facility, amounting to nearly \$20 million. It is working on a second proposal to AfDB on climate action and energy, with linkages to GEF and GCF resources, particularly GEF Africa Mini-Grids.

# CONCLUSIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSE

This chapter presents the evaluation's conclusions on UNDP's performance and contributions to development results in Djibouti, recommendations and the management response.

#### 3.1 Conclusions

Conclusion 1.90 UNDP's main value-add in Djibouti lies in its ability to support the formulation of national policies and strategies given its standing as a long-term trusted partner of the government. It has also achieved some solid results in strengthening institutions and mechanisms at national and sub-national levels. Some of UNDP's most successful interventions have been non-project policy advisory work.

The country programme demonstrated strength in identifying the priority areas that could accelerate the bridging of the gap between rapid economic growth and the acute deficit in human capital. It was also adept at carefully balancing national priorities and UN goals while maneuvering the contextual and institutional imperatives of the country.

The country programme provided significant technical advice to key government agencies in formulating national and sectoral policies and strengthening institutional mechanisms at national and sub-national levels. Support in the formulation of Djibouti's second National Development Plan (Djibouti ICI), the national strategies for financial inclusion, youth, gender and disability, and the Regional Development Plans are examples of these achievements. Mechanisms for institutionalizing the policies remain to be strengthened in some instances.

UNDP support was instrumental in setting up national structures and mechanisms, such as ANPH in 2018, the Djibouti SDG Investor Platform and public accountability reforms through IGF, ANPI's decentralized registration for cooperatives and MSMEs through One-Stop Windows (GU) regional branches and identification of priority investment areas for the country, among others.

Some policy areas are yet to be fully attended to. More sensitive areas of national harmonization with international human rights and gender equality conventions and intergovernmental coordination, e.g., to set up a National Environment Fund, remain stalled or in progress. Other entry points that could significantly accelerate human development are yet to be fully prioritized. These include youth employment, an enabling ecosystem for digitization and digital financial inclusion, private sector market dynamics and value chains and sanitation and public health in urban areas, including waste management.

Conclusion 2.<sup>91</sup> Programme delivery on the ground showed mixed results with demonstrated strengths in some areas (health, access to justice) and weaknesses in others (economic empowerment, environment, human rights). Overambitious planning, delays in delivery, limited sustainability and weak conceptual and practical linkages between policy support and projects on the ground were limiting factors.

UNDP's ambition to cater for the breadth and depth of Djibouti's development challenges is coming at the expense of more sustainable and transformative results. Lessons and recommendations from the last ADR (2012) for the country programme to consolidate its work into fewer strategic axes of intervention have not been observed. The country programme continues to include a plethora of small projects and initiatives, especially in the livelihoods and governance areas. Fragmentation was also observed in policy work, spreading UNDP thin in terms of supporting effective ratification and implementation (e.g. law regulating

<sup>&</sup>lt;sup>90</sup> Linked to findings 1, 2, 3, 5, 6, 8, 10, 11 and 13.

<sup>&</sup>lt;sup>91</sup> Linked to findings 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13.

new Marine Protected Areas, Regional Council Plans, INFF, ROME, etc.). At the time of writing, UNDP Djibouti struggles to find useful entry points to overcome some of the contextual challenges it faces, including with regard to human capital and civic space.

Key programmatic achievements under the 2018-2024 country programme include health provision to tackle HIV and AIDS, malaria and tuberculosis amidst the COVID-19 pandemic, gender-focused and decentralized access to justice, and, with mixed results, piloting a renewable energy initiative to electrify a rural community, support for women's literacy in business and training for cooperatives and MSMEs. UNDP demonstrated strength in finding rapid solutions and rallying inter-governmental support during the COVID-19 pandemic and in involving community-based structures for inclusive local economic development (cooperatives) and health care provision (community-based HIV and AIDS support). It also found promising entry points to sensitive issues, as with the human rights for business initiative, which could be built on in the future.

Regarding programme delivery for disaster risk management (DRM), ecosystem protection initiatives and governance (human rights in general as well as gender), results were not fully achieved or were achieved too late and with insufficient exit strategies, incurring gaps in the sustainability of initiatives. Factors restricting programme effectiveness included limited national capacities, unrealistic operationalization of programme objectives, a lack of inter-sectoral synergies and communication and strained or insufficiently inclusive partnerships. For instance, the validation of UNDP-supported draft policies, laws and incentive schemes supporting the transition to 100 percent renewable energy remains unfinished after the end of related projects. Support for the promotion of human rights was largely disconnected from closely related efforts on access to justice. Inter-sectoral initiatives in the areas of women and youth economic empowerment did not include all relevant partners.

Crucial linkages between policy making and programme delivery work were not always evident. The absence of theories of change or outcome level strategy notes beyond the CPD meant that these two levels were not always conceptually linked. In practical terms, UNDP struggled to identify and strengthen the role of meso-level structures such as regional councils, which could serve as connectors across various interventions and were sufficiently supported by national authorities. UNDP's strategic positioning and value adding were identified in its broad mandate and the unique strengths of convening partners, multi-actor and multi-level partnership building and technical expertise. However, progress in fostering strategic and programmatic synergies across various areas and national actors has been uneven, which risks weakening UNDP's reputation as an integrator.

Conclusion 3.92 The country programme prioritized support for strengthening national capacities in view of a shift towards national implementation modalities. Yet, measurable change in capacities is yet to be achieved. The key hindering factors were limited partner buy-in and a systemic tendency for capacity substitution (e.g., through assisted NIM) exacerbated by the lack of agreed targets and indicators for demonstrating capacities built.

The country programme placed high priority on strengthening national capacities across all its outcomes and often efficiently channeled its technical expertise, both in-country and across corporate units (RB, HQ), to this effect. For two flagship programmes, Programme Management Units (PMUs) were set up in the facilities of the Ministry of Health and the Ministry of Justice. However, this was not the case for the Ministry of Environment, which operated under NIM and created its own PMUs supervised by directors appointed by the Government) Individual experts were embedded in relevant governmental institutions to support smaller interventions. These teams provided valuable support in project planning and implementation,

<sup>&</sup>lt;sup>92</sup> Linked to findings 6, 7, 8, 9, 10, 13, 14, 19 and 20.

data generation, M&E and reporting. UNDP also appointed UNV staff across regions to support community mobilization, implementation and outreach. However, commitment to building partner capacity was often overtaken by day-to-day priorities, and staff turnover affected results.

Despite the momentous efforts exerted and the sums spent, the readiness of national capacities to take over programme management is unachieved as per HACT and other assessments. UNDP faces challenges related to the mismatch between the national ambition to graduate to full National Implementation Modality (NIM), actual capacities in procurement, finance and M&E and the complexities of administrative processes within governmental institutions. As regards the largest and longest running health programmes supported by the Global Fund, the transfer of the Principal Recipient role to the Ministry of Health initiated in 2019 has been delayed and is expected to be completed in 2024 during the current CPD period. However, aspects relating to the logistical and procurement management of health supplies and inputs continue to be managed by UNDP. In the environment area, the national implementation modality requested by GEF can still not be fully executed given capacity limitations in the Ministry of Environment and Sustainable Development. Yet, UNDP has been supporting the Ministry (and its predecessor) with capacity-building initiatives for over two decades. With a pipeline of about \$70 million in environment-related programming on the horizon, this is a serious concern. To date, UNDP's capacity strengthening initiatives have not succeeded as expected.

These challenges are preventing effective institutionalization and sustainability of efforts and are hindering the generation and acceleration of a strong and lasting development of human capital. For instance, UNDP support for the formulation of Regional Development Plans is redundant if the planned administrative decentralization of government functions remains pending on the national side. The main challenge for UNDP is to identify the barriers that prevent the actualization of these policies and proactively seek to address them with national partners.

A related shortcoming is that capacity-strengthening initiatives were only measured by UNDP in terms of programmatic outputs (e.g., formulation of policies) rather than organizational development targets and indicators (e.g., process-focused KPIs and milestones, involvement of national staff in developing policies, implementing and monitoring results, handling procurement and finance). Current capacity strengthening modalities veer towards capacity substitution as they rely mainly on embedding teams of technical experts within national institutions without clear measurements of knowledge transfer to national staff or operational mechanisms beyond the life cycle of interventions. Specifically measuring capacity gains is crucial given Djibouti's unique development challenge (i.e., a mismatch between per capita GDP, which is relatively high and human development, which is low), and the upcoming transition into the lower middle-income country category, with the implications this holds for funding and implementation modalities.

Conclusion 4.93 UNDP Djibouti proved its ability for resource mobilization, securing seven eights of its budget through non-core resources. However, overreliance on vertical funds and a small number of donors posed risks to the country programme's financial sustainability. Partnerships with non-traditional actors, such as the private sector and community-based actors, were limited.

UNDP capitalized on its positioning as a trusted partner and engaged in strategic and lasting partnerships for resource mobilization. These efforts yielded positive results, mobilizing around two thirds of its portfolio through four leading donors and vertical funds. Funding went to priority areas of health, environment and climate change and to a smaller degree, women's empowerment and access to justice.

<sup>93</sup> Linked to findings 5, 6, 7, 8, 9, 10, 18, 19 and 20.

While significant, this resource mobilization strategy comes with a risk of funding dependency and limited room for agenda setting. Shifting donor priorities and fund diversion have been acknowledged to impact development planning across contexts due to global recession and other emergency and development priorities such as the Ukraine war and the COVID-19 pandemic. The country programme's strategy to mitigate the risks of potential funding shortages from traditional donors are yet unclear as the pipeline has focused so far on major GEF and EU funding for nature-based solutions and climate change mitigation, women's economic empowerment and local governance.

Negotiating donor requirements and national requests to channel vertical funds through specific national partners (e.g. MoH and MEDD) sometimes hindered UNDP's ability to steer its programming towards more strategic or contextually relevant directions. Funding for priority areas such as good governance and human rights, youth economic empowerment, support for MSMEs and inclusive financial services and post-emergency recovery remains under-funded, with short-term and sporadic projects. The implications for the country's prospects for inclusive growth, social cohesion and development of human capital are too significant to ignore.

Apart from a few initiatives, partnerships with non-traditional actors remained limited for most of the current cycle as funding from international financial institutions has been largely untapped. Collaboration with South-based donors, especially Gulf countries and African and Islamic Development Banks appears to have been minimal despite their high relevance given Djibouti's geostrategic position in the Red Sea region. The Country Office is aware of this potential line of funding and has recently submitted project proposals to the AfDB on environment, climate change and sustainable development. However, the country programme was not able to secure strong partnerships with the private sector even though these are of key importance in advancing the two national priorities of local economic development and just green transition. Partnerships in the renewable energy sector, identified as a key objective under the Environment Outcome, have been unfulfilled. Lessons from partnerships with commercial financial providers on youth and women-led MSMEs were not leveraged with a view to fostering an inclusive financial ecosystem. Contextual challenges to the provision of digital financial products, both in terms of coverage and setup and access costs remain an unresolved challenge for disadvantaged youth and women entrepreneurs, especially in rural and remote areas.

While multi-actor partnerships are a main asset for UNDP, these were more concentrated on governmental institutions and UN sister agencies than on non-governmental actors. Successful collaborations with CSOs and CBOs in the areas of economic empowerment, SDG acceleration and startups have been limited to one-off initiatives even though they hold a comparative advantage in relation to local implementation and reach of historically marginalized groups. UNDP's work to support the enabling environment for civil society has been limited.

Conclusion 5.94 Internally, UNDP Djibouti intensified its efforts in gender mainstreaming, as manifested in its Bronze Gender Seal recognition and first Gender Equality Strategy. At programmatic level, it provided valuable support for key institutions working on gender mainstreaming, although more outspoken high-level advocacy is still needed.

At an internal level, the country programme made progress in gender mainstreaming. It achieved the Bronze Gender Seal and formulated its first Gender Equality strategy, which enhanced its credibility as a champion of gender equality among international and national partners and led to furthering the institutionalization and sustainability of gender equality within its Office. Internal mechanisms for knowledge exchange

<sup>&</sup>lt;sup>94</sup> Linked to findings 2, 3, 8, 10, 12, 14, 15 and 16.

were promoted by management and engaged staff at various levels. The temporary appointment of a Gender Focal Point in 2022-2023 was highly beneficial in stimulating gender mainstreaming both internally and programmatically. However, this momentum risks subsiding as the post has been vacant since September 2023.

At programmatic level, the majority of projects in the UNDP portfolio paid significant attention to gender, including the Environment Outcome, which included gender objectives in both output statements. However, gender-transformative programming to more directly address root causes and power relations was concentrated within key institutions such as the Ministry of Women and the Family and the Gender Observatory, which is supported by UNDP. Efforts for gender mainstreaming across other national institutions generated fewer tangible results, especially with regard to gender-informed budgeting. UNDP and partners were not able to effectively advocate for buy-in among institutional stakeholders at a high level.

Conclusion 6.95 There was some evidence of LNOB-responsive programming in the health systems strengthening and access to justice initiatives. Critically, disaggregated data generation and targeting of priority populations were not systematic, which contributed to delays in achieving the national priority of accelerating the development of human capital.

UNDP's country programme in Djibouti integrated the principles of Leaving No One Behind (LNOB)in an intrinsic but rarely explicit and data-driven fashion. Grants from the Global Fund and the EU enabled reaching key HIV/TB populations and illiterate women. However, limited evidence was found of results achieved regarding the LNOB dimension of governance, in particular as it relates to creating civic space to foster participation and voice by the most marginalized populations. A major gap is the absence of data that would allow an intentional LNOB-focused programming approach. Given the massive human development needs, programming targeted broad categories of disadvantaged populations identified in the national priorities. However, the intersectional factors that combine to exacerbate inequality, including overlaps between gender, age, disability, geographic isolation, digital access or migration status, have received less attention. The generic categories of beneficiary groups used in planning interventions (such as rural populations, women, youth), prevented UNDP from identifying differentiated objectives and targets crucial to accelerating the development of human capital.

<sup>&</sup>lt;sup>95</sup> Linked to findings 2, 3, 4, 5, 6, 7, 10, 11, 12, 13, 14, 15, 16 and 17.

UNDP support for data generation included an emphasis on gender and disability, even though it is not yet achieving systematic results. Gender and LNOB-focused data generation was sporadic and has yet to be integrated within institutional M&E or Results-based Management (RBM) mechanisms to ensure the application of the corporate human rights-based approach to development. UNDP's strong support in generating a wealth of studies across interventions has not been consolidated and is largely publicly unavailable for evidence-based programming.

Conclusion 7.96 While UNDP's operational capacity in Djibouti was adequate, areas for improvement included procurement and financial management, a key concern given UNDP's fiduciary responsibilities under vertical funds. In the second half of the cycle, the Country Office was effective in pipeline planning for the next country programme and efforts were underway to proactively adopt integrated approaches.

The Country Office has significantly progressed towards improving its operational capacity over the past two to three years. Recent clean audits and programmatic results testify to significant improvements in this regard as well as in oversight more generally. Distinct efforts were exerted to enhance human resources through the recruitment of senior staff across most of its programmatic areas. Challenges remain as some appointments rely on short-term contracts or are tied to vertical funds. Some key positions are currently vacant, including the Deputy Resident Representative. Programmatic capacity has been bolstered but tends to prioritize programme delivery, sometimes including fulfilling operations tasks, over the equally important roles of UNDP as an integrator and catalyst for development results. Evidence shows that the directorate in place since 2021 has been effectively fulfilling its coalition building and partnership roles, which has been appreciated by national partners. At the sectoral level, engagement by senior programme leads in terms of policy influencing and advocating for rights-based approaches to attain the SDGs was uneven.

The need for DIM, direct payment for cash disbursement (under the NIM modality) and assisted NIM, especially for vertical funds, put a significant strain on UNDP's procurement capacity. Given capacity limitations, both the Global Fund and Global Environment Facility have entrusted UNDP with the handling of funds destined to the Government of Djibouti. However, this arrangement paired with significant delays (at UNDP level) in the fulfillment of payment and procurement requirements led to serious partner discontent in the past, with implications for UNDP's reputation for effective delivery and collaboration with national partners. Though unresolved procurement issues have been partially addressed through a short-term action plan, a lasting solution has yet to be developed.

After being cautioned by the 2021 audit for its depleted pipeline, the Country Office was able to course-correct and has in recent years demonstrated a more adaptive planning approach and strong commitment to adopting the latest corporate guidance on portfolio approaches. It is currently preparing for the next cycle and prioritizing an integrated approach to carry forward national priorities of climate change adaptation and decentralization as well as the transition process of Global Fund management to the MoH.

<sup>&</sup>lt;sup>96</sup> Linked to findings 5, 7, 9, 18 and 19.

#### 3.2 Recommendations

### RECOMMENDATION 1.97

UNDP should consolidate its programme of work into more integrated strategic areas and emphasize systems governance throughout, in particular with regard to health systems and climate governance. UNDP should strengthen integrated programming with connected policy and provision components.

UNDP should dedicate a substantial part of its CPD planning for the next cycle to prioritizing its offer and clearly delineating its value proposition. The Office should continue to focus on promoting a compounded effect through integrated programming (as seen with Rising Djibouti) and reducing fragmentation of efforts and results internally and externally. Strengthening governance systems across the board stands out as one strategic area that optimizes UNDP's strategic positioning in Djibouti in relation to national priorities, the needs of the populations furthest left behind and other development actors. Area-based programming could be considered an operational option, using UNDP-supported Regional Development Plans as entry points. Area-based approaches could also be tested in a post-disaster recovery context, where the organization is a global recognized leader and could bring expertise to Djibouti.

Programme integration with a cross-cutting governance focus should enhance UNDP's overall value proposition and business model to develop well-researched solutions that would yield the highest strategic compounding effect. The focus should be on leveraging new opportunities that would capitalize on Djibouti's geostrategic role in fostering regional stability within a complex and evolving regional context. UNDP should integrate the broad definition of governance identified in the current UNDP Strategic Plan as the foundation for the functioning of systems and institutions as an underpinning principle and modality of work for all its programming. It should also systematically integrate the areas of human rights, public accountability, civil society engagement, gender and LNOB mainstreaming into all programming, particularly in the well-funded health and environment and climate arenas, and upgrade its focus on strengthening capacities for effective measurement.

During the prioritization exercise, UNDP Djibouti should consider this niche in governance systems vis-à-vis the major programmatic push to advance the four objectives identified in the strategic plan, i.e., poverty reduction, access to affordable and clean energy, promoting investments for SDGs and positioning UNDP as a broker and multiplier (as opposed to a doer). A phase-out of heavy direct implementation and move towards further strengthening effective national and sub-national delivery mechanisms that are fully accountable, if so decided, should be carefully planned for. This would require the country programme to balance its technical and programme implementation expertise with effective advocacy and partnership skills, leveraging UNDP strength in forging multi-actor partnerships. Given the small size of the country programme, the strategic importance of the country and its significant development needs, the Country Office should seek greater and formal support from UNDP's Regional Bureau for Arab States (RBAS) with the aim of filling any gaps in technical expertise, resource mobilization and operational expertise.

<sup>&</sup>lt;sup>97</sup> Linked to findings 2, 3, 4, 8, 9, 11, 12, 13, 17 and 20.

#### **RECOMMENDATION 2.98**



UNDP should carefully assess its national capacity strengthening work and design solid mechanisms to measure effective knowledge transfer and the readiness of national institutions and delivery structures.

Djibouti is considered a low middle-income country based on income criteria but remains a least developed country in terms of human development (ranking 171st out of 191 countries worldwide on the HDI). Against this backdrop, UNDP should proactively engage in open and constructive discussions with national partners on the human capital needed to accompany full graduation to middle income status along with its implications for implementation modalities when working with UNDP. Collaborative processes should be developed at a more overarching level to foster agile and forward-looking ways to bridge the gap between the country's rapid economic growth and slow development of human capital.

Following UNDP procedures, the implementing partner's technical, managerial, administrative and financial capacities should be reassessed throughout the life of the project, preferably annually. UNDP should make use of this provision with its key partners in order to document progression and facilitate dialogue. UNDP should also conduct a comprehensive and targeted review of its models for national capacity strengthening across different programmatic areas, including health and environment. Systematic approaches should be applied to document experiences across projects and institutions, good practices and lessons learned for sustainability, replication and scale.

To effectively measure national capacity strengthening, the country programme should upgrade its M&E processes from a programmatic focus and adopt organizational development and learning models of measurement. Setting concrete process-focused objectives, targets, indicators and milestones through a consultative process with concerned national and sub-national actors is a must to ensure buy-in and institutional commitment for capacity development.

#### **RECOMMENDATION 3.99**



To balance its dependence on vertical funds, UNDP should enhance its offer for partnerships with new and non-traditional funders, including Islamic and South-based institutions. UNDP should intensify partnerships with UN sister agencies, the private sector and community-based organizations, particularly to boost its work in the inclusive growth and governance areas.

UNDP should continue to prioritize and rethink resource mobilization, including in light of a potential reduction of core resources in line with middle income country status. Early planning and

<sup>98</sup> Linked to findings 2, 4, 5, 6, 7, 9, 11, 12, 13, 15, 17 and 19.

<sup>&</sup>lt;sup>99</sup> Linked to findings 1, 2, 3, 4, 6, 7, 8, 10, 11, 12, 13, 19 and 20.

UNDP should build on its legacy and standing as a convenor of strategic alliances and integrator to strengthen inter-agency harmonization of development objectives and enhance external cohesion for compounded effects. This should include consolidating inter-agency and donor coordination to demonstrate the usefulness of including community- based organizations in development programming given the comparative advantage they bring as local service providers across localities and regions in areas from health and environmental conservation to economic empowerment and citizen participation.

In line with corporate guidance, UNDP should strengthen its ability to devise appropriate incentives for engaging the private sector and international financial institutions. A specific targeted strategy should be set up for this purpose, focusing on the areas of renewable energy, financial inclusion services and digitization. This should include careful planning of private partnership models that work best to benefit the furthest behind populations, harnessing upstream support to foster enabling environments that promote fair and equitable access to services provided by private sector actors and the adoption of good practices and business ethics from comparable contexts.

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#### **RECOMMENDATION 4.**<sup>100</sup>



The Office should build on its revised Gender Strategy to integrate Leave No One Behind (LNOB) considerations into its programming. UNDP should bolster advocacy to fight discrimination, support inclusive governance systems and achieve transformative impact for the populations left furthest behind.

UNDP should prioritize the adoption and use of overarching Leave No One Behind (LNOB) programmatic frameworks both internally and with partners. These frameworks should be built into the Gender Strategy of the Djibouti CO, which already mentions LNOB and rely on the latest best practices in intersectionality and gender-transformative approaches adopted by the UN system. The frameworks should be cascaded across various areas of programming, with a focus on disaggregated data generation, needs assessments and reporting.

To achieve impact at programme level, UNDP must become a strong advocate for LNOB with its partners, ensuring high -level and broad inter-governmental buy-in, budget integration and capacity strengthening. UNDP needs to be more proactive in adopting rights-based language (duty bearers, rights holders, LNOB, etc.) in order to gradually stimulate a favorable environment for change. UNDP should be more daring in nudging the government towards inclusive governance systems (including transparency, anti-corruption, HR, youth participation, etc.) while maintaining stability. A holistic integration of LNOB parameters into the DNA of the Country Office itself should start with the integrated design of interventions and the development of harmonized theories of change that cascade from the impact level (Leaving No One Behind and reaching the furthest behind first in each programme area) to outcomes and outputs, with evidence-based assumptions and clear pathways of change.

<sup>&</sup>lt;sup>100</sup> Linked to findings 2, 3, 4, 5, 9, 10, 11, 12, 13, 14 and 15.

Comprehensive programmatic targets and indicators that are well connected should be broken down into immediate, intermediate and transformative targets benefiting rights-holders and should be systematically monitored and evaluated.

#### **RECOMMENDATION 5.**<sup>101</sup>



UNDP should conduct an office-wide comprehensive assessment of its procurement and financial management capacities in line with changing needs and devise a solid mid- and long-term plan for restructuring its operational capacity. The office should continue to increase investment in documentation, internal communication and lesson learning.

The Country Office should dedicate concerted efforts to assess, address and effectively solve the weaknesses in its procurement and financial management mechanisms and processes. A review of its previous short-term action plans is needed to assess the current status and remaining bottlenecks affecting the Office on the whole. This is crucial as UNDP's ability to restructure its operational capacity will depend on a concurrent shift towards NIM, which on one hand will relieve the CO of part of the operational burden of its interventions and on the other is also likely to reduce the availability of a project budget to finance staffing. Systematic solutions should be put in place through a carefully designed plan that prioritizes needed staffing changes in light of pipeline projects, UNDP's continued role in procuring pharmaceuticals (health product management, m-supply) and the expected continuation of NIM and assisted NIM in the Ministry of Environment. The plan should also consider longer-term implications, such as a potential drop in core funding given the country's income status as well as a prospective shift towards a full national implementation modality covering more programme areas. At the same time, the merits of remedying operational issues could be promoted as a demonstration of value for money that opens avenues for funding.

UNDP Djibouti should work ever more closely with the UN Resident Coordinator to foster inter-agency coordination and planning through pooling documentation and exchange of good practices and lessons learned as well as data generated on various topics and beneficiary groups. For example, it could ramp synthesis and dissemination of lessons learned from Rising Djibouti and Moumina 1 (mini-grids) with current and future donors, UNDP communities of practice and other stakeholders to foster cooperation and inform future programming in terms of both replication and scale. The Office is on track to adopt integrated portfolio approaches in planning its next country programme cycle and could capitalize on UNDP-wide expertise and best practices in comparable settings as well as on the support of both RBAS and RBA to adapt and replicate portfolio planning models and M&E processes.

Relatedly, UNDP could capitalize on its support for disaggregated data generation and compile the studies commissioned across various interventions into a publicly accessible repository shared with development actors, stakeholders and researchers. This is crucial to accelerating evidence-based programming and reducing duplication of data generation across national institutions. UNDP could learn from good practices within Djibouti such as the Fisheries Documentation Centre (*Centre de Documentation sur la Pêche*), which was set up by the Ministry of Agriculture with support from IFAD and provides a public repository of studies on fisheries.

<sup>&</sup>lt;sup>101</sup> Linked to findings 2, 3, 4, 6, 7, 8, 9, 17, 18 and 19.

#### 3.3 Management response

## RECOMMENDATION 1.

UNDP should consolidate its programme of work into more integrated strategic areas and emphasize systems governance throughout, in particular with regard to health systems and climate governance. UNDP should strengthen integrated programming with connected policy and provision components.

Key action(s)	Time frame	Responsible	Tracking*	
		unit(s)	Comments	Status
1.1 Ensure that the formulation and implementation of the CPD 2025-2030 take into consideration strategic and integrated portfolio approaches related to health systems and climate governance.	January 2025			Initiated
1.2 Leverage UNDP's niche in governance systems vis-à-vis the programmatic push to advance four moonshots identified in the Strategic Plan and ensure they are operationalized during CPD implementation to promote a cross-cutting governance focus to facilitate seamless integration. Interlinkages and cross-fertilization between the pillars and among the outputs is at the crux of the new CPD document. The new CPD will integrate output on governance with clear indicators in the livelihood and climate resilience pillars to ensure that this action is followed through adequately.	January 2025	Programme Specialists		Initiated
1.3 Strengthening programme system governance and oversight, including through the recruitment of a dedicated M&E officer. The Programme will develop an annual M&E framework based on the one developed for the entire CPD period with SMART indicators. The CO will allocate the M&E budget and ensure that Programme staff conduct spot checks on a quarterly basis, which will be documented as the mandatory Back-to-Office-Report for each spot check mission.	December 2025	Programme Specialists Deputy Resident Representative		

 $<sup>{}^*\,\</sup>mathsf{Status}\,\mathsf{of}\,\mathsf{implementation}\,\mathsf{is}\,\mathsf{tracked}\,\mathsf{electronically}\,\mathsf{in}\,\mathsf{the}\,\mathsf{Evaluation}\,\mathsf{Resource}\,\mathsf{Centre}\,\mathsf{database}.$ 

UNDP should carefully assess its national capacity strengthening work and design solid mechanisms to measure effective knowledge transfer and readiness of national institutions and delivery structures.



Key action(s)	Time frame	Responsible unit(s)
2.1 Systematize capacity-building workshops on UNDP procedures at the start of each project under the NIM modality involving more than US\$ 1 million	One each year	Programme Specialists
2.2 Support the implementation of the capacity building plan, which was developed based on the partner capacity assessment tool (PCAT) of the Ministry of Environment given the upcoming GEF-GCF resources pipeline	June 2025	Resident Representative
2.3 Consolidate and integrate capacity strengthening work through greater synergies of portfolio approaches and strategies in the 2025-2030 CPD. During project formulation, extensive consultations will be conducted with partners. The situational analysis component of the project along with the Theory of Change, where barriers and assumptions will be described, will provide readiness assessments for each project and identify areas of synergies with existing and/or upcoming portfolios. More importantly, in the new CPD cycle, the CO will organize annual CPD review meetings with the partners.		Deputy Resident Representative Programme Specialists
2.4 A Knowledge Management and Communication Plan will be developed for the entire CPD period along with a concrete annual monitoring plan to ensure that each project adheres to the systematic approach to record and disseminate lessons learned with peers and partners. Knowledge-sharing platforms will be organized twice a year to enable sharing and documenting good practices and lessons learned for sustainability, replication, and scale.	January 2025	Communication and Partnership Specialist
2.5 In the new CPD cycle, the Exit Strategy of the projects will be adjusted through the Monitoring, Evaluation, and Learning (MEL) approach to ensure that the government at the national, regional, and local levels has appropriate hosting capacity and adequately owns the Exit Strategy.	Throughout the CPD period	Programme Specialists M&E Officer
2.6 The CO already has a Communications Plan, which will be continued in the new programming cycle. Lessons learned from the implementation of the 2024 Communications Plan will be integrated into the subsequent Communication Plans for continuous improvement and for maintaining agility in the changing context.	Throughout the CPD period	Communication and Partnership Specialist

## RECOMMENDATION 3.

To balance its dependency on vertical funds, UNDP should enhance its offer for partnerships with new and non-traditional funders, including Islamic and South-based institutions. UNDP should intensify partnerships with UN sister agencies, the private sector, and community-based organizations, particularly to boost its work in the inclusive growth and governance areas.

#### **Management response: Partially Accepted**



Key action(s)	Time frame	Responsible unit(s)
3.1 The Office will develop a Partnership and Communication Action Plan (PCAP) to diversify its donor base and explore new partnerships, including with non-traditional partners and through South-South and triangular cooperation.	September 2024	Programme, Communication and Partnership Specialist
3.2 The Office will explore joint project development with UN sister agencies on inclusive growth and governance areas, building on current good practices and lessons learned.	December 2025	Programme Specialists
3.3 Develop a comprehensive stakeholder engagement plan	March 2025	Programme, Communication and Partnership Specialist

#### RECOMMENDATION 4.



The Office should build on its revised Gender Strategy to integrate Leave No One Behind (LNOB) considerations into its programming. UNDP should bolster advocacy to fight discrimination, support inclusive governance systems, and achieve transformative impact for the populations left furthest behind.



Key action(s)	Time frame	Responsible	Tracking*	
		unit(s)	Comments	Status
4.1 UNDP will mainstream LNOB considerations into all strategic policy and project documents.	During the CPD cycle	Programme		
4.2 CO will initiate a GEN 3 Project.		Programme		Initiated

#### ■ Recommendation 4 (cont'd)

Key action(s)	Time frame	Responsible unit(s)	Tracking*	
			Comments	Status
4.3 Reinforce monitoring and reporting on LNOB in line with the implementation of the new CPD (for example by making new PWD data available).				
4.4 Ensure that UNDP projects actively identify, include, and benefit the most vulnerable and marginalized groups.  This identification will build upon on data sources from other UN agencies or national institutions, MICS by UNICEF, ILO household surveys, and MPIs, to the extent possible.	Throughout the CPD period	Programme		

#### **RECOMMENDATION 5.**



UNDP should conduct an Office-wide comprehensive assessment of its procurement and financial management capacities in line with changing needs and devise a solid mid- and long-term plan for restructuring its operational capacity. The Office should continue to increase investment in documentation, internal communication, and lesson learning.



Key action(s)	Time frame	Responsible	Tracking*	
		unit(s)	Comments	Status
5.1 Conduct a "fit for purpose" or "realignment" process to align its internal capacities to the strategic priorities and needs of the new CPD	December 2025			
5.2 Develop a knowledge-sharing strategy and action plan for the Office in line with the implementation of the new CPD on gender, Youth, and resilience to climate change.	June 2025			
5.3 Enhance the tools for knowledge management and ensure that dedicated capacity is available by developing SOPs and guidelines and conducting experience-sharing dialogues among project staff and partners.	December 2025			

 $<sup>\</sup>hbox{$^*$ Status of implementation is tracked electronically in the Evaluation Resource Centre database}.$ 

## **ANNEXES**

Annexes to the report (listed below) are available on the website of the Independent Evaluation Office at: <a href="https://erc.undp.org/evaluation/documents/download/23474">https://erc.undp.org/evaluation/documents/download/23474</a>

**Annex 1.** Terms of reference

Annex 2. Evaluation framework

Annex 3. Project List

Annex 4. Documents consulted

Annex 5. Status of Country Programme outcome and output indicators

**Annex 6.** Performance Rating

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