

EXECUTIVE SUMMARY

Pursuant to the Executive Board decision 2008/17, an assessment of UNDP's contribution to development results in Chile was performed during 2009 to help design a new country programme, which will follow the 2007-2010 plan and will be elaborated by UNDP's office in Santiago in cooperation with its national counterparts. The assessment covers the 2001-2009 period, including the 2001-2003 programming cycle that extended through 2006, and the 2007-2010 cycle.

The objectives of the Assessment of Development Results (ADR) were:

- i) To perform an independent evaluation of the kind of progress made towards achieving the results envisaged in UNDP programming documents. Also, the assessment tried to identify unexpected results (both negative and positive) and determine the extent to which the Programme has capitalized on opportunities to generate development results.
- ii) To offer an analysis of how UNDP has positioned itself to add value in response to national needs and changes in the national development context.
- iii) To present the findings and lessons gathered from the assessment and offer relevant recommendations for UNDP's next country programme in Chile.

The assessment has two main components or dimensions: the evaluation of UNDP's contribution to development results in Chile and the Agency's strategic positioning. The criteria used in the assessment are the following: effectiveness, efficiency and sustainability to measure the contribution to development results; and relevance, adaptability or responsiveness, and quality of the strategic partnerships to evaluate UNDP's strategic positioning. The assessment was carried out using a multimethod approach and

cross-referencing (triangulating) the information garnered from diverse sources. Until 2007 the assessment of UNDP's programme in Chile was constrained due to the lack of evaluative information. On the other hand, the activities initiated during the past two years are still in their beginning stages, which limits their assessment to the application of the relevance criterion. Another limitation is that practically no outcome evaluations were performed during the period covered by the ADR. Therefore, in order to bridge these information gaps, the evaluation mission has tried, as much as possible, to complement the information available at UNDP Chile with other sources and with interviews of multiple actors and researchers.

Chapter 2 of the assessment offers a synthesis of the context in its multiple dimensions: political, socioeconomic, human development, environmental and energy. This synthesis provides a framework for the treatment in Chapter 3 of the role of the United Nations system and of UNDP Chile during the period examined. Chapter 4 deals with the contributions of UNDP to development results, and Chapter 5 reviews UNDP's strategic positioning. The findings, lessons and recommendations of the assessment are presented in Chapter 6.

GENERAL CONCLUSIONS

The development outcomes expected for the first cycle of the evaluated period were formulated without establishing a clear connection between the expected changes and the actual results. On the other hand, the activities of UNDP Chile in the areas of human development (HD) and equity contributed to the promotion of effective and efficient public policies geared towards achieving equity. Also progress was made in generating the conditions (by supporting the development of new

methodologies and capacities) that will ensure even more effective and efficient public policies in the future with a sustainable development focus, and the consolidation of Chile's democracy and the country's position in the field of international cooperation.

The UNDP Chile programme for 2001-2009 has become very visible particularly as a result of the 'Human Development Report', which has been published by the Country Office since 1996. The Report's quality, continuity and timeliness is a remarkable achievement that has brought UNDP widespread recognition in Chile from the highest level of the Administration, all across Government and civil society.

During the first years of the period under evaluation, UNDP anticipated a reduction in available funds. Given the strong demand by Government, including bilateral and multilateral cooperation agencies for support with streamlining administrative procedures involved in the management of development projects, UNDP Chile expanded its role as operations facilitator, while maintaining its regular, substantive and widely appreciated work on human development. The improvement of management systems by the Chilean Government, UNDP's new orientation in Latin America, and the need on the part of UNDP Chile to introduce additional quality-control mechanisms for its administrative procedures led UNDP to upgrade its substantive role and, in particular, to add a new dimension as provider of high-level advisory services with a focus on human development.

In 2006 the UN system agencies in Chile developed their first common strategic programme, the United Nations Development Assistance Framework (UNDAF) for 2007-2010, which also offered a blueprint for the individual programmes of each participating agency. This strategy took into account the fact that Chile is a middle-income country with sustained economic growth and effective public policies, and has achieved most of the Millennium Development Goals (MDGs). Yet, despite these successes Chile faces important

challenges, such as the need to overcome income, gender, regional, and ethnic inequalities and inequities in opportunity; to move forward in its decentralization process; and to develop South-South cooperation initiatives.

During the first cycle (2001-2003), the financial resources disbursed by the Chile UNDP Office increased and so did the risks. During this period, UNDP showed a high degree of responsiveness to the Chilean Government's requests to implement projects in several areas. At the same time, the Government kept improving its management processes, especially in the public procurement area, through the implementation of the *Chile Compra* programme. As a result, the margin for operational projects was reduced.

During 2006-2009 the Country Office kept producing the 'Human Development Report', which started in 1996. This period also brought a shift in focus with an increased emphasis on the provision of top-level technical advisory services, particularly in the areas of equity and social policy, and on facilitating a multiparty political dialogue. To that end, UNDP Chile underwent a restructuring process that resulted in the renovation of almost the entire staff and the hiring of a significant number of highly-qualified experts.

From a financial perspective, UNDP activities in Chile were marked by an increase in resources up until 2005 (US \$42.8 million) followed by a sharp decline, which forced a change in strategy. At the end of 2008, resources were estimated at US \$18.5 million.

The activities of UNDP in Chile are mainly financed by the central Government, with scant participation by the regional governments. During the period under assessment, the use of Government resources declined in relative terms. At the same time other financing avenues, such as those coming from United Nations global thematic funds (i.e. the United Nations Democracy Fund, UNDEF), became more prominent. This strategy was made possible by the new hiring of highly skilled human resources.

UNDP's financial management of its technical cooperation showed deficiencies due to the limited or inappropriate use of the corporate management systems designed by the Organization. The need to strengthen the capacities of the Country Office in order to achieve an optimal utilization of UNDP's corporate administrative systems has been acknowledged and progress has been made in that direction.

In the **environment and energy area**, the interventions by UNDP Chile have been, and continue to be, relevant in responding to challenges identified by the Government as well as by UNDP, and in line with the country's energy agenda and sustainable development environmental policy. Those interventions generated sustainable results within the established strategic frameworks. UNDP Chile's operational role (facilitating processes) stands out among those performed in this area; for reasons detailed in this report, this is a role that offers little room for maneuver at the moment. Another significant role played by UNDP was that of technical advisor, an activity that can be substantially enhanced with the new personnel recently hired.

In the **equity area**, UNDP has developed activities in collaboration with public officials from the Ministries of planning, education and labor, especially in the design and evaluation of social policies. UNDP involvement in education, social and labor policy has been relevant, effective, efficient and sustainable. In addition it is very likely that in the near and medium term these issues will remain a development challenge.

Most of the equity issues in which UNDP was involved saw changes inspired by a human development approach, both in focus and in specific policies. UNDP has helped to improve their design even though, in some cases, there is no direct evidence that the studies and recommendations issued were in fact applied.

UNDP's professional counterparts in different ministries have been reinforced by the Programme's support and have adopted new

UNDP-sponsored practices and methodologies, although no special emphasis was put into enhancing institutional capabilities. The participation of UNDP experts in presidential advisory commissions proved valuable in facilitating technical discussions of complex issues within a consultative and participatory framework that brought together technicians from across the political spectrum, fostering dialogue and expediting the formation of political consensus. The visibility of this valuable work is very limited.

The contribution of UNDP in the **human development area** has been highly relevant. UNDP promotes a human development approach that transcends the regular publication of the HDR, and is complemented as well through studies and advisory services. Such an approach is taking deep root in Chilean society and being mainstreamed into all public policies. Moreover, HD has become UNDP Chile's "brand," which is especially recognized through the HDR. Despite the limited use of low-cost, high-credibility, and widely-accessible media resources in Chile such as radio, the experience producing and disseminating the Chile HDR can be considered as one of the best practices in this area. On the other hand, brief notes were elaborated to facilitate the distribution of the report both in Chile and other countries in the region.

In the area of **democratic governance** both of the objectives established for the last programming cycle have been, and still are, relevant, but the degree of success in each case has been quite different. As for the first objective (consolidation of democracy), the projects that were implemented provided a substantive drive towards that goal, and there is evidence—as with the Consortium for Political Reform initiative—that this effort is indeed sustainable. Furthermore, it provides a valuable example of a "good practice" that can be transferred to other countries all around the world, not only in Latin America. On the other hand, the activities centered on the second objective, that is, advancing the decentralization process, are yet to yield significant results, remaining as "unfinished business." However, by means of

different social cohesion projects, UNDP has been instrumental in adding new issues, which are crucial for democratic governance, to the agenda such as the involvement of the young in the political process, democracy audits, increased transparency and access to information, as well as gender equity in political representation.

South-South Cooperation is another area where the United Nations country team has been a critical partner to Chile's Government, helping to achieve Goal 8 of the MDGs. This was done through horizontal cooperation and capitalizing on UNDP's neutrality, global presence, and the knowledge and expertise accumulated through international cooperation, particularly South-South. Despite the valuable contribution that such cooperation could offer to Chile in addressing some of the challenges the country faces (i.e. decentralization), the established objective for this programme area has had limited relevance since it left out the potential benefits of South-South Cooperation for Chile. The objectives were only partially achieved, although there was some important progress. To make it sustainable, however, it will be necessary to launch additional efforts to consolidate capacities and systems.

Finally, the assessment came to the following conclusions in terms of the **strategic positioning of UNDP Chile**:

The 'Human Development Report' is UNDP's most visible product in Chile and chiefly responsible for the Organization's strategic position in the country. It has contributed to knowledge generation, identifying the demands of Chilean society from the human development perspective.

UNDP Chile is undergoing a transition. In response to changes introduced by UNDP's Regional Bureau for Latin America, it is progressively reducing its role of supporting the implementation of projects, thus shrinking its role as operations facilitator (a high priority during the first cycle covered by this assessment),

and raising its profile as dialogue facilitator and advisor on the evaluation and formulation of public policies. This expanded role as dialogue facilitator in complex issues has produced some positive (Consortium for Political Reform) and mixed (municipal reform) results.

UNDP Chile has established new and positive partnerships with civil society and broadened the spectrum of actors beyond the Government, underscoring its political neutrality. However, there is still room for a better relationship with other stakeholders, for example in the environment and energy area and, eventually, with the Chilean Congress. These partnerships can be crucial in strengthening the role UNDP plays in promoting social dialogue.

The strategic repositioning of UNDP was critically aided by its capacity to provide high-level technical advice, which made it possible to increase its responsiveness to the Government's requests for support. Yet, despite being crucially important for middle-income countries, this role is not well known by most stakeholders.

LESSONS AND RECOMMENDATIONS

i) Facilitating access to the knowledge generated by UNDP

UNDP Chile could make better use of the knowledge accumulated by the programme in Latin America and other regions, placing it at the disposal of the Government and Chilean society. This could be done in the context of projects already being implemented and in the design of new projects. The active search for, and the use and dissemination of, UNDP's global knowledge should be an integral part of the responsibilities of UNDP Chile staff.

ii) Complementarities between thematic areas

Focusing the work on thematic or practice areas improves specialization and helps programming and implementation. Yet, due to reasons both of efficiency and effectiveness,

it is recommended to seek synergies and complementarities among those thematic areas. Furthermore, it may be difficult to address issues like decentralization head on, so a more indirect approach may be required to carve out a different “point of entry.” (For example, in addition to the work on decentralization supported by UNDP Chile as part of the governance area, that issue could also be addressed laterally through environmental or indigenous people projects, which will require capacity development at the local government level.)

iii) Closing information gaps

Going forward it would be important for UNDP Chile’s Office to develop a simple information system capable of providing access to project data, including costs and final outcomes (explicitly including among them capacity development). The information gap on the activities sponsored by UNDP must be closed. Therefore it is necessary to ensure that every project generates a final report, which would provide information on costs and results achieved, as well as on capacities developed. In addition, the Office should make outcome evaluations an integral part of its annual programming activities.

RECOMMENDATIONS ON THE STRATEGIC POSITIONING OF UNDP

In order to ensure that UNDP’s strategic position remains relevant, it is important to be aware of the possibility that demand for support from highly-skilled, national consultants will progressively diminish as the Chilean State becomes further modernized. In the future this would require a redefinition of UNDP activities in Chile, emphasizing other roles the Programme could play, such as facilitator of knowledge and experiences from other countries, both regional and extra-regional (in the natural disaster, climate change and decentralization areas).

RECOMMENDATIONS FOR EACH THEMATIC AREA

This section reviews the recommendations by thematic areas based on the analysis in Chapter 4 and the summary provided at the end of Chapter 6.

Environment and Energy

As knowledge facilitator UNDP Chile could make significant contributions in this area in a relatively short time and at low cost by embracing the knowledge and expertise gained from UNDP’s global experience in the environment and energy areas. For instance, actively utilizing all the body of work accumulated during the preparation of the ‘Human Development Report’ on climate change.

More specifically, according to the analysis and the evidence provided in Chapter 4, the ADR recommends:

- i) To promote the active participation of interested parties and beneficiaries at each step of project development in order to achieve a consensus on priorities and objectives, enhancing project ownership.
- ii) To take into account that the processes of change and the correction of certain environmental problems usually take longer than the duration of projects, especially in the case of local communities. Therefore, it is advisable that projects be developed in stages, helping to develop the management capabilities of the communities and their ability to administer their projects, both technically and financially.
- iii) Strengthening those weaknesses identified in the national capacity self-assessment for biological diversity, climate change and desertification and drought areas.
- iv) Supporting an expansion of the scope of those projects that have demonstrated positive results—as was the case with the

non-conventional renewable energies (NCRE)—generating synergies between the Global Environment Facility (GEF), UNDP and other cooperation agencies working in Chile.

- v) To consider the need to develop projects aimed at offering incentives for the private protection of ecosystems of global importance, including the possibility of replicating other success stories such as the biodiversity conservation and sustainable management Salar del Huasco project.
- vi) To back the development of the country's energy security plan (PSE) in order to diversify the energy matrix, to achieve greater independence/autonomy and to promote efficient and intelligent energy use. This support can be provided in synergy with the Energy Efficiency Country Programme (EECP) and the NCRE programme.
- vii) To emphasize UNDP's role as "knowledge facilitator," bringing to Chile the knowledge and expertise acquired globally by UNDP and the GEF, including "good practices" and lessons learned through the promotion of non-conventional renewable energies and the protection of biologically rich and diverse ecosystems.

Equity

Based on the assessment presented in Chapter 4, the ADR recommends:

- i) To link the issue of jobs with those that affect the young population, further developing the work already performed in partnership with the Ministry of Labor.
- ii) To take advantage of South-South Cooperation initiatives and enable Chile to profit from the successful and relevant experiences carried out in other countries; for instance, the institutional mechanisms for the assessment of social policies in Mexico set up through its National Council for the Evaluation of Social Policy (CONEVAL).

This kind of activity would be useful in helping develop institutional capacities in the assessment area that could complement those of the Ministry of Finance.

- iii) To prepare brief notes describing the advisory experiences on equity for their dissemination in Chile and other countries, thus increasing their visibility, expanding their scope and contributing to UNDP's global knowledge. During a workshop organized at the end of the ADR, a clear link was highlighted between such visibility and a greater impact of the actions implemented in this area, a visibility which eventually could also contribute to fund raising.

Human Development

Given the remarkable results achieved in this area, any recommendations might seem redundant. However, there is still room to broaden the HDR's reach, especially among the low-income population. This can be done at a low cost and through a high-credibility mass medium such as radio.

Democratic Governance

Despite the limited progress made in the decentralization area, there are several new themes that can be included in the future agenda for this area:

- i) Supporting the reform of central Government structures and management on pace with the decentralization process.
- ii) The design of decentralization policies from a diversity perspective with regard to the institutional framework, financial resources and the types of relationships between regional and municipal authorities—between them but also vis à vis the central government and social actors—aimed at formulating and implementing local development policies.
- iii) The creation of new institutional and organizational structures that take into account the interconnected and cross-sectional or transversal nature of sectoral

policies. (For instance, policy planning methods requiring the participation of diverse government actors in order to offer a comprehensive and valid response; or the development of viable schemes capable of creating synergies among all agencies implementing similar programmes.)

- iv) Chile could profit from other decentralization experiences at the international level by adapting good practices already developed and evaluated in other countries. In fact this could be one of the pillars of future South-South Cooperation between Chile and other nations.

South-South Cooperation

The following three recommendations would enhance the value of South-South Cooperation :

- i) **From Chile towards other countries:** to promote solidarity through youth initiatives (for example, A Roof for My Country and *America Solidaria*), to facilitate the social co-production of public services and social programmes, and to promote an intercultural approach in social policies.

- ii) **From other countries towards Chile:** to facilitate knowledge sharing of grassroots mechanisms for the monitoring and evaluation of policies, programmes and public services (Colombian, Brazilian and Mexican experiences); to spread the knowledge of successful experiences, such as the development of an evaluation system for social policies (CONEVAL) in Mexico; and to encourage information exchanges, transparency and accountability from NGOs devoted to providing public services (for example, the cases of Mexico and Peru).

- iii) **Conversations and exchanges between Chile and other countries:** to facilitate a policy debate (decentralization policies with a gender or indigenous peoples perspective); and to promote the exchange of experiences among social networks on issues that are key for democratic and social governance (for instance, social networks specialized in social audits or in social networks geared towards the participation of women in politics, among others).