

Assessment of Development Results
Evaluation of UNDP Contribution

Seychelles

Executive Summary

December 2009

The “Assessment of Development Results (ADR): Evaluation of UNDP Contribution – Seychelles” was led by the Evaluation Office (EO) of UNDP and was carried out by a team of independent consultants between June and November 2009. The ADR covers the UNDP programme from 2003, covering two programme cycles and its objectives were:

- To provide an independent assessment of the progress, or lack thereof, towards the expected outcomes envisaged in the UNDP programming documents. Where appropriate, the ADR was also expected to highlight unexpected outcomes (positive or negative) as well as any missed opportunities.
- To provide an analysis of how UNDP has positioned itself to add value in response to the national needs and the changes in the national development context;
- To present key findings, draw key lessons, and provide a set of clear and forward-looking options for the Regional Bureau for Africa and the country office to consider when adjusting current strategy and when preparing the next country programme (CP).

The ADR had two main components: an analysis of UNDP contributions to development results in both thematic and cross-cutting areas, and an assessment of UNDP’s strategic positioning in response to development needs. The ADR set out to: (i) document the status in Seychelles at the outset of the review period; (ii) document the development challenges faced by Seychelles and the priorities for international cooperation *during* this period; (iii) determine what and how UNDP was expected to contribute to addressing these challenges; (iv) determine the contribution made by UNDP, the impact of its programmes and activities, and the lessons learned.

The evaluation followed several stages including scoping, data collection, documentation review, stakeholder interviews and workshops, and participatory analysis. The ADR team was able to meet with almost all pertinent stakeholders and review most UNDP activities and outputs from the review period. Given the lack of a clear baseline and of measurable targets, where appropriate the evaluation used the triangulation method to validate observations and findings. Finally, the ADR followed a participatory approach, in which key stakeholders were regularly consulted at all stages.

An analytical matrix was developed to substantively guide the ADR data collection and analysis. Based on UNDP’s global mandate and country programmes in Seychelles, the matrix defined the evaluation criteria and the principal questions to be answered. It helped to ensure that the ADR focused on the effectiveness, efficiency, sustainability and relevance of UNDP’s efforts in Seychelles.

DEVELOPMENT CONTEXT IN SEYCHELLES

Seychelles is a Small Island Developing State (SIDS) in the Indian Ocean consisting of over 115 islands, mostly uninhabited. In the period from independence in 1976 to 2003, the country made remarkable social and economic progress. The economy grew consistently and all social and economic indicators demonstrated regular advances. As a result, by 2003 Seychelles differed from the majority of countries benefiting from UNDP support. The profiles of economic and social poverty were more akin to industrialized nations than to most African nations. In addition, the country had significant individual, institutional, financial and technical capacity.

However, by the turn of the century, maintaining these social achievements was becoming an increasing strain on national finances. Moreover, much of the economic growth had been based on unsustainable borrowing. By 2002, Seychelles was one of the most indebted countries, in per capita terms, on the planet. The country also faced growing environmental and governance challenges.

Seychelles' ability to address these major challenges was limited by characteristics associated with its SIDS status – i.e., distance from markets, high dependence on imports and the impossibility of generating economies of scale. The fact that the level of international cooperation was greatly reduced subsequent to Seychelles' achieving Middle Income Country status in the late 1990s also was a key limitation.

UNDP RESPONSE

UNDP interventions in Seychelles started in 1977 and until 1997 provided modest upstream technical assistance to the Government of Seychelles. The 1997-2000 country programme supported national long-term planning, private-sector rehabilitation, and social security reform and planning. However, in 1997, following Seychelles' re-classification as a Net Contributing Country, UNDP decided to stop its allocation of core funds and to close the liaison office in the country. CP 1997-2000 was not implemented and there were very few UNDP-supported activities from 1997 to 2002.

In the early 2000s, UNDP and the Government set out to rebuild the programme with non-core funds. A country programme was developed for the 2003-2006 period with an initial focus on developing activities to be supported by the GEF. This CP identified four environment-related programme areas, namely institutional and human capacity building; integrated water management; biodiversity conservation and climate change/energy efficiency. Remaining core funds from the previous cycle were used to develop GEF proposals and support efforts to address the emerging HIV/AIDS problem.

Implementation of CP 2003-2006 did not go according to plan. Most projects did not start as planned due to the lengthy process of obtaining non-core funds. At the same time, many unplanned projects did start. By the end of 2005, UNDP had several ongoing projects in Seychelles, financed by the EU, the Tsunami Flash Appeal funds as well as the GEF. UNDP had also re-established a small but effective office in the country.

CP 2007-2010 was, again, based entirely on non-core funds. Building on the experience during 2003-2006 and on new opportunities, the thematic scope was much broader than environmental issues. This programme had four objectives: fostering an enabling environment for State actors and civil society empowerment in delivering services to achieve the MDGs; promotion of human rights; promotion and protection of the environment, and; sustainable disaster management.

MAIN ADR CONCLUSIONS

Seychelles is very different from many countries benefiting from UNDP cooperation. It has a relatively high standard of living and relatively high capacity. These factors reduce the need for international cooperation and are conducive to successful UNDP interventions. On the other hand, its SIDS characteristics and NCC status are factors that complicate international cooperation. Moreover, certain SIDS characteristics make international cooperation essential to the country as it addresses economic, environmental, social and capacity challenges.

In 1999, the GDP per capita was over US\$6,500 in Seychelles and the Government was guaranteeing and providing free education and health care for all citizens. The comprehensive education and social system, the strong State actors, the presence of some strong non-State actors, and the large percentage of qualified personnel all facilitated effective cooperation with international partners.

Yet, Seychelles is a SIDS with a very small population and is located at a great distance from its trading and cooperation partners. It is highly dependent on imports, including food and energy. It cannot generate

economies of scale, nor meet all of its capacity needs, nor appropriately diversify its economy. Hence, in order to address the many challenges, Seychelles needed international cooperation. These weaknesses were exacerbated by inappropriate financial and economic management in the 1990s and early 2000s, which led to an inefficient public sector and huge debts.

UNDP, like all international partners, faces challenges when working in isolated small island states. These factors tend to increase the overheads on UNDP support and tend to reduce its effectiveness and efficiency. It cannot achieve economies of scale in its support to Seychelles. It is also expensive and/or inefficient to provide a broad range of technical and operational support. As a result, UNDP activities in Seychelles are guided by and managed from the UNDP office in Mauritius, over 1700 km away. Furthermore, Seychelles' graduation to Middle Income Country status (and UNDP 'net contributing country' status) in 1997 had implications for international cooperation partners, and UNDP quickly stopped its traditional form of support.

UNDP built a large programme in Seychelles during the period under review. At the beginning, UNDP's programme in Seychelles was very small and the organization had very little presence or visibility. By the end of the period, UNDP had not only contributed to development results in Seychelles, but had also established a sizeable programme. UNDP also established a reputable office and a visible presence. To achieve this, UNDP adroitly took advantage of certain unexpected opportunities to lay the foundation for future work and partnership building.

UNDP's annual delivery during in 2000-2002 was under \$20,000, and the organization had no permanent or regular presence on Seychelles. Despite this, UNDP always maintained cooperation and communication channels, and was able to exploit strategic partnership opportunities as they arose. A key strength of UNDP is to always 'be present', unlike most bilateral and multilateral development partners.

For example, initially, the World Bank was the Government's preferred agency to implement GEF projects. However, when it was no longer able to do so, the Government asked UNDP to take the lead in implementing GEF-funded projects. From that point onwards, UNDP built a strong trilateral partnership GEF-UNDP-Seychelles and used this as a basis to establish a large programme. Similarly, following the Asian Tsunami, UNDP took a lead in coordinating emergency assistance, and ably implemented a project co-financed by the EU. Based on this initial success and ongoing cooperation in Mauritius, the UNDP country office was able to build a solid collaboration with the EU in Seychelles, including further co-financing and, in turn, programme and development results.

A major focus of UNDP's work in Seychelles has been resource mobilization. In this, the organization has been very successful. However, the focus on resource mobilisation may have reduced its ability to address other strategic objectives or concerns.

UNDP delivery has grown from under \$20,000 in 2002 to over \$1.6 million in 2008. It is predicted to increase further in 2009 and 2010. Total resources mobilized during the period are in excess of \$10.6 million.

In order to continue operations in the Seychelles, UNDP has to constantly mobilize resources. This means devoting considerable efforts to resource mobilization. Over the short term, in personnel work plans, resource mobilization probably takes precedence over achieving development results. It also means, to some extent, aligning to the strategic thinking of the concerned donor. In the past, this has made it difficult for UNDP to be as strategic and influential as it might have been had it used its own funds. This applies even in the environmental practice area, where UNDP has had a sizeable programme on paper for some time.

UNDP support has generally been well aligned to national policies and plans and has responded to priorities and needs in the environment and governance sectors, as well as to the tsunami. Moreover, the support has been closely aligned with globally agreed priorities for development.

Seychelles does not have a multi-sectoral development plan or an equivalent to a Poverty Reduction Strategy Paper. Instead, the country has had a number of sectoral plans and policies, for example the Environmental Management Plans (EMPS I and II) and the National Action Plan for the Social Development, 2005–2015.

In the environment sector, UNDP made great efforts to ensure general alignment with EMPS I and II. The conceptual linkages and references are very clear. However, things are less clear in the governance and social sectors. For a start, there was not one clear national policy or plan for UNDP to follow. Moreover, although *consistent with* national policies and plans, UNDP's support to governance and social issues did not clearly *respond to* the relevant national policies and plans. This simply means the national policies were not reference documents in the identification and formulation of UNDP activities in those sectors.

At a general level, UNDP's support was aligned with the two concerned UNDP country programmes, which, in turn, were aligned to global priorities. Hence, the Seychelles programme support was aligned to UNDP global priorities.

At a general level, UNDP activities in Seychelles were aligned with the UNDP Country Programmes for Seychelles, which, in turn, were aligned with UNDP's global priorities.

The content, approach and success of UNDP were greatly influenced by the funding sources, i.e., the GEF, the EU, the DG-TTF and the Tsunami Flash Appeal.

With the GEF, UNDP has been very successful in mobilizing large amounts of funding to national environmental priority issues. This creates a real possibility to protect the country's critical natural resources base. UNDP was greatly involved in the formulation and design of GEF-funded activities. However, the long formulation period and difficulties in institutionalizing some of this support threaten to undermine some of the capacity developed. More attention is also needed to ensure that this support appropriately builds up civil society.

With EU, most of the formulation was done prior to UNDP involvement. UNDP came on board as the implementer of activities already designed. However, in some cases, UNDP added substantive value, particularly with regard to human rights. In these cases, activities were modified, but the logframe was not updated. Overall, these projects were relatively well anchored. However, UNDP was not in a position to make major changes to the substantive or institutional design of projects.

With the DG-TTF, tight deadlines necessitated a very short formulation period and quick implementation, and the results, overall, seems impressive. The DG-TTF approach also seems conducive to good anchoring, as UNDP is able to play a role in the design of the implementation arrangements.

Overall, the *design* of interventions appropriately addresses sustainability. Although in most cases it is too early to assess the sustainability of interventions, initial indications are positive, with some exceptions.

Almost all UNDP project *designs* address sustainability in a clear and appropriate way. In most cases, financial sustainability is to be assured through the government budget. Technical sustainability is to be assured through training and individual capacity building. Institutional sustainability is to be facilitated as most support is with and through existing institutions, and contributes to their strengthening.

However, in some cases – as discussed at many points in the report – UNDP support has not been properly based on a thorough assessment of the institutional framework or of capacity needs. In some instances, UNDP support was not adequately institutionalized. These factors tend to undermine the sustainability of some actions. Furthermore, the ongoing restructuring process jeopardizes the sustainability of project activities. For example, trained officers have been retrenched or moved to other positions where they cannot readily apply their knowledge or abilities. Capacity retrenchment is a challenge in Seychelles that goes far beyond the UNDP programme.

In the Environmental Protection and Sustainable Energy practice area, UNDP has been very successful in mobilizing resources. Achievements have been made in raising awareness, increasing understanding and developing individual capacity. However, major delays in the approval of funds and the start-up of interventions have limited the contribution to development results. More could have been done in terms of anchoring interventions into organizations and into government plans, and linking capacity development support into national capacity development and related public-sector reform. Specifically, UNDP's record in assisting the DoE appears mixed.

Seychelles' famous natural environment and natural resource base is the *raison d'être* of its tourism industry and, therefore, a cornerstone of economic development. However, there are threats and some clear challenges to environmental-management capacity. In the late 1990s, EMPS II was formulated to cover the period 2000-2010. UNDP established a very large programme to support the EMPS, formulating 15 interventions under five outcomes, almost entirely financed by the GEF. UNDP also played a key role in ensuring that the global funds responded to the priorities and specific needs of Seychelles.

UNDP has not been able to achieve the aims set out in the two country programmes. This mostly reflects the over-ambitious nature of the programmes rather than a lack of achievement. Moreover, very significant start-up delays, mostly caused by factors beyond UNDP Seychelles' control, have undermined results.

Although it is still too early to assess UNDP's work in this practice area, some contributions can be seen. UNDP has contributed to enhancing technical capacities at the individual level by providing training, exposure to new tools, and on-the-job learning. Ongoing projects and activities are providing knowledge, policy and technical support. These could be complemented with greater advocacy and more effective strategic support to the environmental sector. One innovative initiative taken by Government and UNDP has been the establishment of a single PCU for all UNDP-implemented GEF projects in the environmental practice area. This is thought to be the only example worldwide of such a coordinated approach and is probably a best practice.

However, many stakeholders felt that overall management capacity in the environment sector, particularly in government agencies and the DoE, has *declined* during the period under review. This is supported by anecdotal evidence. Several factors – mostly beyond UNDP's control – may have contributed to such a decline. However, some findings suggest that some aspects of the UNDP programme may also have contributed, or at least missed opportunities to reverse this trend. These include an inadequate anchoring into institutions and government plans. They also include the basing of project designs on substantive issues rather than on a proper assessment, partly because international forces drove the design. Finally, UNDP interventions were not linked to ongoing public-sector reform, for example, to the Macro Economic Reform Programme (MERP) running since 2004.

In Democratic Governance, interventions covered many areas: supporting and raising awareness on human rights, strengthening the Parliament and the judiciary, supporting national capacity to develop human resources and strengthening civil society and its ability to support vulnerable

groups. Overall, the contribution to development results seems reasonable, particularly given the time and resources available. Interventions have generally been well institutionalized and sustainable. There are some exceptions, from which lessons may be learned.

UNDP's support to the Parliament and the judiciary has been strategic and focused. It was designed to respond to well-defined needs, and was well institutionalized into the pertinent institutions. The interventions made significant contributions to the Parliamentarians considering the relatively small expenditures. They promise to do the same for the judiciary.

Through a series of catalytic and well-planned interventions, UNDP contributed to making human rights issues visible and more recognized as legitimate concerns by stakeholders, including the Government. It also contributed to training many key actors and to raising awareness. Overall, this complemented work by the Government and other partners. However, on issues related to human rights, poverty alleviation and social welfare, sustainability and impact would probably have been strengthened by better coordination and institutionalization of activities with, for example, the Gender and Population Unit in the Social Development Department.

UNDP also supported three national agencies – the SIM, the SQA and the NHRDC – to reduce capacity constraints. In each case, the support responded to a well-defined need and was well institutionalized. Overall contributions to the SIM and the SQA were strategic and made a difference. The work with the NHRDC, suffered from some limitations, achieved less. Notably, UNDP did not link its overall capacity-development interventions into ongoing national policies and processes. This contributed to a missed opportunity.

Work under this practice area also set out to raise the capacity of LUNGOS, and civil society in general, to support vulnerable populations, as defined by EU project documentation. However, the design of this support was not based on an adequate initial assessment of the existing institutional context. The MHSD already had a mechanism for supporting vulnerable populations via NGOs and civil society, which seemed to be functioning rather well. The UNDP project seems to have supported a parallel mechanism, without seeking coordination or complementarity, both in design and during implementation. Although support to LUNGOS may be justified – and the organization has gained strength – the intervention does not seem to have been carefully developed. In addition, this work suffered considerable delays.

In the Disaster Response and Preparedness practice area, UNDP has built capacity to respond to disasters, especially helping the Government to respond effectively to the Asian Tsunami.

Seychelles is vulnerable to natural disasters and needs to improve the domestic capacity to prevent and manage them. As a main international partner on this issue, UNDP played a key role in developing this capacity. UNDP support seems highly effective and reasonably efficient. The country now has far more capacity in this sector. The support was provided directly to the mandated government department – the DRDM – and therefore should be sustainable. Although it is not possible to measure the specific attribution, it is clear that UNDP support has made an important difference.

In the immediate response to the Asian Tsunami, UNDP played a key role in the coordination of resource mobilization. In project implementation, although UNDP support was mostly administrative, it was timely and in direct response to identified needs. UNDP was present and made a difference at a critical moment.

UNDP addressed certain cross-cutting issues, such as human rights and environment and HIV/AIDs, through project interventions. However, these and other issues, including adapting to

climate change, were not well mainstreamed throughout projects, notably in the environmental sector.

There were projects focusing on HIV/AIDS, gender, human rights, and environment. However, gender and HIV/AIDS do not seem to be mainstreamed into other components, notably into the environmental projects. Likewise, the support to the Parliamentarians and the judiciary does not address gender or HIV/AIDS issues. There is no evidence of climate change being mainstreamed into the UNDP programme. Nor does support in the Governance practice area address environmental issues, apart from some micro-grants.

UNDP has missed opportunities to build linkages across the practice areas.

The EU- and DG-TTF-funded interventions complement each other and allow UNDP to provide holistic and comprehensive support to the democratic governance sector. However, GEF interventions are separate from EU/DG-TTF projects, both substantively and operationally. There is little evidence of any synergies between these. This separation may also have been a source of some missed opportunities. For example, support provided to the NHRDC by the EU-funded projects could have helped address capacity development in the environment sector by linking it into the public-sector reform and restructuring processes.

A weakness affecting the entire programme seems to have been an incomplete understanding of capacity development. Notably, the ongoing public-sector reform presented unique capacity challenges and opportunities that were not fully understood or exploited.

Although Seychelles has many capable individual experts, its small population means that there will always be a shortage of some expertise, and there will always be a need for individuals to multi-task. Likewise, in the public sector, although there are many capable officers implementing policies and delivering services, they have faced many challenges in recent years. As Seychelles continues moving towards a market-led economy, the Government, facing further downsizing and budgetary pressures, is expected to play more of a facilitating role. Thus the capacity needs of the country are different from those in other countries, requiring a tailor-made approach.

The ADR found several examples where UNDP provided capacity development solutions that may have been more appropriate to other countries. One was the strengthening and channelling of support through LUNGOS without first assessing the existing public-sector system, which was well advanced in comparison with other countries in the region. It would have been prudent to determine support after an analysis of the strengths and weaknesses of the existing mechanism. Other such inappropriate approaches include the establishment of separate project management offices and some of the training under the GEF.

Capacity development has to be based on a solid analysis of the institutions – governmental and non-governmental – involved in addressing the concerned development challenge, and of their mandates, roles and responsibilities. Only then can interventions be designed appropriately. However, in too many cases, notably in the environment practice area, capacity development activities were designed around a substantive issue or end-point, not in response to an identified need. In all areas, as a result, much of the capacity built is ad hoc or incomplete. Likewise, the training was not adequately linked to the ongoing public-sector reform or to specific manpower development plans/departmental work plans. In effect, much of the training became general awareness-raising exercises on relevant issues. This also may be why many stakeholders felt that UNDP interventions produce too many documents and workshops.

In governance and disaster response, the process was generally adequate to ensure that UNDP interventions were institutionalized, and that capacity building, including training, could contribute directly to the country's needs.

However, throughout the period under review, the government had been considering and/or enacting public-sector reform (starting with the MERP). It was inevitable that this would have a major influence on the way the government functions, and, consequently, on UNDP's partner agencies. UNDP did not properly align itself with or understand the public-sector reform situation. There is no evidence of UNDP's capacity development interventions being modified as a result of this reform. Consequently, the impact of some support was lessened. UNDP was not able to assist its partners – in particular the DoE – to better manage this reform. This is even more of a missed opportunity because UNDP was at one point working with the NHRDC, a key player in national capacity development.

The UNDP programme made great efforts to work with and to strengthen NGOs, in both the governance and environmental sectors. However, this was not based on a full understanding of NGOs and ways of developing their role and capacity. The interventions were well intended but could have benefited from greater clarity or vision.

UNDP made successful efforts to work with NGOs in the environment and governance practice areas. It has also supported interventions that aimed to strengthen NGOs and civil society in all sectors. It is currently supporting LUNGOS to assess the legal context of LUNGOS as an umbrella organization, and of all NGOs in Seychelles, as well as developing a strategy. These efforts are both needed and appreciated.

NGOs play a vital role in any democracy and therefore merit support from the international community. There have been many active and dynamic NGOs in Seychelles, notably in the environment sector, and these have grown in recent years. However, the NGO sector has been confused by the formation of many so-called 'governmental NGOs' (GONGOs) and the lack of distinction between charitable organizations and enterprise-oriented non-governmental micro-associations. Moreover, it seems that many NGOs and GONGOs grew as a response to the possible availability of international funds – including from UNDP – instead of evolving to address a development challenge.

UNDP's work with NGOs needed to negotiate this complex NGO architecture. This is best achieved by developing interventions based on a proper institutional assessment. However, it seems that, on too many occasions, the need to work with NGOs was the starting point in designing an activity, rather than being logically justified through an assessment.

During the period under review, the UNDP Programme Management has been adequate to manage the size and complexity of the programme and responding to the expectations placed on UNDP. However, certain weaknesses in programme management are now starting to show.

The UNDP programme appears well managed. All UNDP personnel based in Seychelles were found to be professional, highly respected and appreciated throughout the country. The personnel of the Seychelles office are multi-tasking and managing a large number of activities over many thematic areas. The inputs of the Environment and Energy Unit Manager from Mauritius have been effective and generally strategic. After only a few years, UNDP has established a presence in the country and is comfortably managing a large portfolio.

However, as the programme has grown in scope and complexity, challenges have appeared. First, the Seychelles office is over-stretched and struggling to meet all demands. Notably, it does not seem to have the time/people to play a strategic advocating role, nor to provide substantive guidance on institutional or

capacity development. At another level, it is not able to provide adequate operational support to the environmental projects, relying too much on the Mauritius office.

Second, there are concerns about results-based and adaptive management. The system of setting targets and indicators, monitoring performance, reporting on performance, and using monitoring reports to guide management decisions is very incomplete.

Finally, the Country Programme Document seems to have been of little use. The two country programmes bear little resemblance to the activities subsequently implemented. They were not used as a planning or monitoring document. The country programme format was designed for countries with considerable core funds and, moreover, to meet UNDP HQ requirements, rather than being conceived as a planning or management tool at the country level.

Finally, the UNDP office played a role in promoting joint UN activities to increase synergies and development results. The office has facilitated the work and involvement of other UN agencies in Seychelles, generally on an ad-hoc basis and in response to specific issues. Being the biggest UN office in Seychelles, it provides logistical support to many UN agencies.

7.2 Recommendations

Programme Strategy

UNDP should develop a new approach to country programming in the Seychelles. The country programme should respond more directly to national targets, should be fully embedded and owned, and should balance more equitably the forces driving UNDP interventions. As part of an overhaul of planning and programming, UNDP should also strengthen project planning and management.

The three forces driving UNDP interventions are (i) UNDP's global practice areas; (ii) potential sources of co-financing, and; (iii) government and national priority needs. The process to prepare the country programme should ensure these forces are equitably respected and accounted for. The country programme process should also be results-based and adaptive.

The starting point for preparing the country programme would be to list national priorities and then identify desired UNDP interventions areas, both in conjunction with the Government. Following discussions with potential co-financers and other stakeholders, a range of interventions could then be mapped out, along with targets and assumptions. Finally, an adaptive management mechanism should be established, involving the Government and UNDP, in order to follow the organization's progress and adapt its programme on a regular basis to emerging needs and opportunities. This may be based around an annual CP implementation plan. The country programme can then evolve in line with available funding. This approach may also help achieve programmatic and operational coherence across the many UNDP interventions, and, therefore, possibly economies of scale. It is recognized that this is challenging and any success would be ground-breaking.

Building on past efforts towards results-based-management at the project level, UNDP should further strengthen its project-level system of monitoring, indicators and reporting. These could play a greater role, and could serve to support improved project decision making, rather than merely completing formalities for headquarters or funding agencies. Indicators at the project level should link up to indicators at the programme level.

With respect to the ongoing public-sector reform process, UNDP has a role to play through its forthcoming country programme. UNDP should clearly define this role. This includes determining gaps and weaknesses in the reform process and then strategically positioning UNDP based on its comparative strengths.

Seychelles has been implementing public-sector reform for many years, starting with the MERP in the early 2000s. In recent times, the government has worked closely with the World Bank, the IMF and the African Development Bank to secure their support for a comprehensive public sector reform process and economic reform. It is unlikely that it is possible or even necessary for UNDP to provide direct support on these issues.

However, given the overall economic and social changes reform may lead to, and the opportunities it may create, a clear complementary role for UNDP is emerging. The UNDP should review the situation and opportunities, and, based on its comparative advantage, define its role.

UNDP involvement may focus on ensuring that the poor and the vulnerable population do not become victims of the reform and that inequalities do not rise. This would involve, to some extent, ensuring that the planned UNDP involvement in 10th EDF responds with synergies and complementarities to the ongoing restructuring processes. An alternative role for UNDP would be to develop capacity in its partner organizations in the social and environmental sectors to implement the reform. Specifically, this may mean developing their capacity to plan, budget and allocate resources. A third possible role for UNDP would be in ensuring enhanced accountability and transparency throughout the reform process.

In order to better align with the public-sector reform, UNDP may have to develop new partnerships, including with the World Bank and the IMF. UNDP should position itself at the 'table' of public-sector reform, giving voice to social sectors, environment and the poor. In turn, this will require some strengthening of UNDP's substantive capacity (see recommendation below).

Specifically, UNDP may wish to strengthen links with the Vice President's Office, the NHRDC, the Department of Public Administration as well as with the human resource units in its partner ministries. This will help ensure that training under UNDP's programme is linked into the public-sector reform and to national plans and policies.

UNDP should support an institutional analysis and capacity assessment of the DoE. This can be done as an integral part of the process of developing the third Environmental Management Plan of the Seychelles, with finances from ongoing projects. This would include establishing indicators of capacity and capacity development.

Seychelles is developing the EMPS III at a time that UNDP has a large environmental programme and strong working relations in the sector. This is a perfect opportunity for UNDP to reverse some of the weaknesses in its previous cooperation.

UNDP could use these interventions, working with the Department of Public Administration and the Vice-President's office, to undertake a comprehensive institutional analysis and capacity assessment of this sector, or of the DoE. This analysis will identify roles and responsibilities, linkages and mandates, strengths and weaknesses. This will also identify capacity development targets and indicators. UNDP would have to bring expertise on capacity development and organizational change to this process, standard environmental management expertise being insufficient.

This can help ensure that subsequent UNDP support contributes sustainably to DoE capacity development. This work should cover both government and non-government organizations, and help reduce some of the existing tensions.

As part of the forthcoming country programme, UNDP should develop a clear strategy to guide its work with and its support to NGOs. This may be based on a transparent analysis of the justification of supporting/creating NGOs to implement government policy or to address national priorities.

As mentioned many times, NGOs are critical in Seychelles and UNDP should support their development. This should be based on a more thorough understanding of the complex NGO architecture in the country. All actions should draw from a single strategy. The aim of supporting NGOs should be either (i) to strengthen authentic NGOs as an effective complement to governmental organizations or (ii) to increase the impact of the UNDP programme through partnership with NGOs.

UNDP should clearly define what is meant by ‘NGOs’ as well as the nature of international support that can best help them in the Seychelles. This may be linked to the environment sector analysis (previous recommendation), or may be a separate process. Key aspects could be:

- clarify the differences between NGOs, private sector, government think tanks and associations;
- determine the potential contribution of NGOs to development;
- determine the value NGOs can add in the environment sector;
- determine the added value, if any, of using LUNGOS as a parallel and/or complementary mechanism to deliver support to vulnerable people, compared with support to addressing efficiency issues in the existing system;
- determine the needs of NGOs.

The ongoing support provided through LUNGOS to study the legal context for NGOs can be a starting point.

Programme Operations

In order to effectively implement the forthcoming country programme, UNDP should determine ways of strengthening its Seychelles Office.

If UNDP is to be more effective in socio-economics, public-sector development and/or organizational change, it requires stronger capacity in Seychelles related to these issues as well as in advocacy. One possibility would be to strengthen the office with an expert on these substantive issues, or to ensure the office has reliable and regular access to such expertise through web-based mechanisms or the UNDP regional offices. The office may also be clearly mandated and enhanced to advocate and act more strategically. The Seychelles Office may also be strengthened in terms of project financial management and managing information/documents. Finally, a specific ToR should be developed for the office in consultation with the government and other partners.

As part of the preparation of the next country programme, UNDP should explore a broader range of international development partnerships.

Present and previous UNDP partners – the GEF, the EU, the DG-TTF, the French government, among others – remain important. However, there are many other international actors in Seychelles, and too little is known of their aims, criteria and approaches. There may be many opportunities for strategic or

operational partnerships for UNDP. To start, UNDP should initiate discussions with potential international partners such as the United Arab Emirates, China and India.

7.3 Lessons Learned

The following lessons pertain to UNDP globally.

UNDP's global corporate value is greatly enhanced by its presence in all developing countries. Moreover, this presence is appreciated at the country level, even if understood to be costly. UNDP made great efforts to keep communication channels open with Seychelles and to keep functioning through the 1998-2003 period, when other international partners were departing and permanently stopping operations. This meant that UNDP was available to help in Seychelles with the Tsunami crisis (2004) and in other moments of need. This was greatly appreciated by the government. In turn, this led to a platform for increased cooperation.

UNDP's cooperation with SIDS is complicated and expensive. Moreover, the threshold whereby a country becomes an NCC does not fully account for the difficulties faced by SIDS and their vulnerability to capacity weaknesses and external shocks.

Despite the above challenges, it is essential to keep programmes running. Strategic positioning and dedication can make this successful and cost-effective. The Seychelles programme has demonstrated that country programmes in NCCs can be largely self-financing. However, in order to maintain quality control and independence, and avoid the office being fully focussed on resource mobilization, the UNDP global core budget may provide seed funding. This could be discussed with UNDP senior management in New York, and possibly a proposal submitted to the Executive Board.

Long project formulation processes, combined with externally driven criteria – even when strongly aligned to national priorities and well intentioned – have a tendency to undermine institutionalization and capacity development. The resulting projects may be less effective, and may even contribute to weakening capacity. Great care must be taken to avoid this through proper checks and balances.

The most successful projects: (i) had a clearly defined responsible government department that was actively seeking UNDP cooperation; (ii) were aligned to a clear objective or work plan of the concerned government department, and; (iii) benefited from a short design and approval process.

The approach of having a single project management office for several similar projects – the PCU – seems successful. It cuts costs and facilitates communications and processing. This may be replicated in other countries. Care must be taken that this does not 'pull' capacity away from the concerned government agency. The office possibly could be located within the government.