INTRODUCTION

This Assessment of Development Results (ADR) examines the contribution made by the United Nations Development Programme (UNDP) to achieving development results in Paraguay from 2002 through June 2010. These years are divided into two UNDP planning periods, since Paraguay has had two United Nations Development Assistance Frameworks (a joint planning instrument for the United Nations system). The first ran from 2002 to 2006, and the second from 2007 to 2011, which was extended until 2012. There has also been a Country Cooperation Framework (CCF), which ran from 2002 to 2006 and a Country Programme Document (CPD) for 2007 to 2011.

According to the methodological guidelines of the UNDP Evaluation Office, this assessment has applied the criteria of relevance, effectiveness, efficiency and sustainability of outcomes to assess the contribution of UNDP’s project portfolio towards development results. The strategic positioning of this organization in Paraguay was assessed using the criteria of relevance, responsiveness to the needs and changes in context, alliances forged to increase the impact of UNDP interventions and the promotion of United Nations values from a human development perspective.

In 1989, a coup d’état and new elections ended the 35-year dictatorship of General Alfredo Stroessner, who ruled using a tightly woven network consisting of the Armed Forces, the Colorado Party of Paraguay and the Government. A series of reforms have been launched since the 1990s, including the development of a new constitution, which laid the foundation for the modernization of the country.

The major development challenges of the last decade include a high level of socio-economic inequality, weak public and private institutions, lack of transparency and access to information in both sectors, with a prevailing atmosphere of mistrust between them, economic growth with little capacity to create jobs leading to a failure to reduce poverty in the country and blatant environmental degradation.

UNDP-PARAGUAY

The analysis of the management of the UNDP Office in Paraguay during the period under review has resulted in the following findings:

- **Strategy.** In the last decade progress has been made towards defining a strategic framework that is more relevant in terms of

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**Table 1. Evaluation Criteria**

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<th>Project portfolio</th>
<th>UNDP as an institution, at the strategic level</th>
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<td>Relevance</td>
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<td>Effectiveness/Efficacy</td>
<td>Responsiveness to the needs and changes in context</td>
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<td>Efficiency</td>
<td>Alliances</td>
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<td>Sustainability of outcomes</td>
<td>Promotion of UN values</td>
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development, and a strategic shift towards a more ‘substantive’ programme has been initiated (advisory services and technical assistance). There has been a move away from the preponderance of ‘management services’ offered to the Government, but the same thematic focus has continued. There is significant agreement between the mandate expressed in UNDP strategic documents and strategic-political statements made by the Government and other partners in the period under review.

**Organization.** UNDP has undergone major changes in its organization and its finances during the period under review, including structural reorganizations (such as staff reductions and changes in recruiting methods as a result of two corporate audits requested by the country office). Other changes include the introduction of the Atlas system, together with a set of corporate rules and administrative processes, and in programme management. At the beginning of the period under review, UNDP administered a programme more than 90 percent financed by government funds and classified as modernization of the State. In the second planning cycle (2007-2011), management project services were greatly reduced in favour of smaller-sized technical assistance projects, many executed directly by UNDP. This change substantially reduced UNDP’s financial income, partially offset by higher contributions from third parties and corporate funds.

**Coordination of United Nations System (UNS).** Paraguay’s two United Nations Development Assistance Frameworks (UNDAF) were assessed; these frameworks helped create a common vision of United Nations support to the country. With shared headquarters (the Casa de las Naciones Unidas) since 2001, high-impact joint projects (Investing in People and others) and a culture of regular coordination meetings with joint responses to new challenges have improved joint activities and reduced duplication. However, systematic joint monitoring of the UNDAF is a pending topic for the United Nations Representative Office.

**FINDINGS AT THE PROGRAMMATIC LEVEL**

At the programmatic level, the results of UNDP interventions can be summarized as follows:

- **Relevance.** UNDP interventions have responded to the country’s major needs and government priorities; however, these are so broad in the three thematic areas of UNDP-Paraguay (governance, poverty, environment) that within them we must define criteria and strategies that allow for better focusing of efforts.

- **Effectiveness.** Due to the concentration of support for entities within the executive branch, characterized by institutional weakness and limited policy stability (except in macroeconomics), UNDP support for the achievement of development goals has only been modestly effective.

- **Efficiency.** Given the limitations of its governmental counterparts, the country’s limited institutional alternatives (civil society, private sector, academia) and a complicated context for politics and decision-making, UNDP operational and programmatic services have been relatively efficient in terms of resource management, completion times and programmatic responses. Financial constraints within the country office and the demands of corporate systems that have been implemented have affected its efficiency.

- **Sustainability.** In the period under review, policies for improving human development have been established, but this has taken place in an environment characterized by instability and lack of measured results. Contributions towards capacity development processes tend to erode. The evaluation indicates that

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1 The Atlas system is the software currently used for corporate planning and financial management.
UNDP interventions have lacked broader institutional anchoring negotiated with the Government – including outside the public sphere – as well as adequate monitoring and evaluation systems.

**FINDINGS AT THE STRATEGIC LEVEL**

At the strategic level, the evaluation found the following:

- **Positioning.** UNDP-Paraguay has been repositioned in the last decade as a recognized development partner due to its neutrality and capacity, and it has intensified its advisory services, technical assistance, facilitation of dialogue and provision of information in response to demands from both government agencies and institutions, as well as needs for human development in the country.

- **Responsiveness.** Responsiveness to requests from the executive branch has been high; the consistency of responses – reflected in the composition of its project portfolio and activities – was affected by changes in the legislative and executive branches. Also, the broad manner in which strategic planning was proposed did little to focus efforts.

- **Alliances.** Cooperation with non-governmental sectors (civil society, academia, the private sector) has been modest, and it is critical that this be strengthened in order to fulfil UNDP’s mandate.

- **Millennium Development Goals (MDGs).** Together with the Government, UNDP has pushed for the inclusion of the MDGs on the political agenda. It has supported the executive branch in monitoring progress towards achieving them and it has coordinated the inter-institutional round table on these matters.

- **Cross-cutting themes.** The topic of gender, which has been a cross-cutting issue for the last 15 years, has gained momentum since 2007 through the establishment of a working group. The topic of youth is also addressed through specific projects.

- **Focusing.** Focusing on the poor and marginalized sectors has been largely indirect, but this focus is increasing with the strategic shift towards substantive direct-execution projects and the strengthening of decentralized actions. It would be advisable to conduct a cross-sectional study of the extent to which UNDP services reach the poor and marginalized.

- **Coordination.** International cooperation agencies are faced with a complex governmental picture. UNDP played a role in donor coordination.

**CONCLUSIONS**

The evaluation has reached the following conclusions:

1. In view of the profound changes taking place in the political history of Paraguay, in the past decade UNDP has participated in areas that are crucial to establishing the basis for further human development. Its portfolio of activities is less spread out, but more explicit strategic policy instruments are needed to ensure adequate focus.

2. The reduction of project management services and strengthening of advisory services and so-called ‘substantive’ technical assistance has created additional challenges for the financing of its structure and new projects. This has implications for the definition of its strategy.

3. As a result of the strategic shift since 2008, UNDP has worked to strengthen its analytical capacity. The presence of a forum for analysis and proposals, known for its capacity and impartiality, has enriched the development debate in the country, during a critical time of change. This has been a hallmark of UNDP during the period under review.

4. UNDP has mainly supported the executive branch during the period under review. There has been limited participation in the planning efforts of other key players, both public and private.
5. Most UNDP projects do not have indicators to measure their results at the outcome level or the sustainability of their results, nor do they have exit strategies incorporated in their design.

**RECOMMENDATIONS**

**STRATEGY**

UNDP’s overall strategy is formulated in the UNDAF, CPD and CPAP. However, it is recommended that UNDP formulate a national strategic document that concisely determines:

- The basic guidelines that will ensure the greatest leveraging of scarce UNDP resources in terms of human development results. Today, two guidelines take precedence: supporting public policies and support for spaces for dialogue. There is no reference to establishing broad plans of policy implementation capacities, both of which are needed to achieve real improvement in the provision of public services to the disadvantaged segments of the country’s population.

- The different lines that UNDP carries out (topical and cross-sectional areas, research and dissemination of knowledge, project management, activities not related to projects) and those implemented by mandate from headquarters (e.g., administration for other agencies) with cost implications.

- The allocation of resources (staff, time, funds) between the defined lines, each with its own funding plan, updated periodically.

In the three main areas of intervention, it is similarly suggested that internal brief documents be drawn up that define the strategy by topical area, with sufficient specificity to facilitate transparent selection of activities to support. In terms of overall strategy or topical strategies, it is recommended that UNDP specify which MDGs it intends to focus its support on.

Greater precision in defining the focus of activities that target priority groups for UNDP is needed, indicating how those activities intend to reach them.

**COORDINATION MODALITIES**

The strategic shift towards more ‘substantive’ activities presents UNDP with the challenge of developing a working format that allows it to carry out a longer-term programme, thinking of new forms of shared implementation (with the private sector, UNDP, the public sector and actors from neighbouring countries). UNDP is encouraged to explore modalities, including the design of joint projects and activities with national stakeholders and other United Nations agencies. For such projects, longer-term financing should be sought via different channels (global funding, development banks, foundations, etc.).

UNDP has had an impact on the debate about the country’s context and its needs for more equitable human development, serving as a source of proposals and activities for the organization itself. It is recommended to actively seek funding to maintain the space created and further extend the debate on poverty, inequality and human rights, including dissemination of analysis and proposals on these matters within the country.

**STRATEGIC ALLIANCES**

Improving the effectiveness of social programmes requires processes of strengthening initiatives in more than just the public sector. It is suggested that UNDP use its defined thematic strategies to explore possibilities for establishing further alliances with networks that include NGOs, businesses and other stakeholders. The goal is to strengthen capacity in the non-profit sector, particularly in projects targeted at disadvantaged groups and young people, with due regard to gender equity.

Paraguay is exposed to the economic and ecological shifts and changes of neighbouring countries, particularly Brazil and Argentina; this affects the development prospects of disadvantaged segments of the population. It is recommend that the UNDP regional network (Southern Cone) and other actors from neighbouring countries engage in a process of reflection in order to
identify joint projects with direct relevance for the improvement of key aspects of human development in Paraguay.

MONITORING AND EVALUATION

UNDP should mobilize external support or corporate networks to strengthen the continuous monitoring of finances, administration and substantive activities. Structured monitoring and evaluation (M&E) should become a management tool. With regard to institutions and government projects, it is recommended that more attention be paid to the issue of M&E in order to support proper tools for more efficient public management.