



ASSESSMENT OF DEVELOPMENT RESULTS
EVALUATION OF UNDP CONTRIBUTIONS

ECUADOR

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ASSESSMENT OF DEVELOPMENT RESULTS: ECUADOR

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Foreword

The Evaluation Office of the United Nations Development Programme (UNDP) conducts independent evaluations of UNDP contributions to development results through its country programmes. These evaluations, titled Assessment of Development Results (ADR), evaluate the relevance and strategic positioning of UNDP support and contributions to the country's development over a period of time. The purpose of the ADR is to generate lessons for future country-level programming and to contribute to the organization's effectiveness and substantive accountability. This report presents the findings and recommendations of the ADR that was conducted in Ecuador with a scope covering the period of two country cooperation frameworks from 2000 to 2008.

The evaluation looked at the range of support provided by UNDP to Ecuador in the areas of poverty reduction, environmental sustainability and democratic governance. Ecuador is a middle income country, unique for its cultural, geographical and biological diversity. Ecuador's human development index has improved between 1996 and 2005, yet income inequality across regions and ethnic groups still constitutes a challenge. Nature conservation in the Amazon and the Galapagos archipelago, two of the major global biodiversity reserves, also constitutes an important political challenge and a national priority.

The evaluation found that, overall, during the period evaluated, UNDP in Ecuador contributed to national capacity development and to the continuity of institutional activities while the country was emerging from a deep economic crisis but still experiencing high levels of political instability and institutional fragility. The production of national and local Millennium Development Goals (MDGs) reports under the leadership of national institutions and with the support of the UN system contributed to enhanced national capacity for poverty monitoring

and development planning. UNDP also facilitated dialogue between the state and civil society on several issues of national relevance, which encouraged a national debate on human development and the MDGs. In the area of environment, UNDP contributed to a national portfolio of environmental projects and strengthened local capacities to eradicate invasive species in the Galapagos.

However, the evaluation also found that, in an effort to generate additional operational resources, and to respond to the demands of the national and local government, UNDP began expanding its role in development support services (DSS) and spread its portfolio too thinly. While DSS contributed in some instances to national capacity for transparent and efficient administration, this approach also affected the programme's relevance and strategic focus adversely.

The evaluation found that UNDP was able to maintain an image of a reliable development partner, capable of acting in a decisive manner during times of political tension. The ability to move strategically in different situations, and in light of different demands, is evidenced through the plurality of roles played by UNDP in the promotion of sustainable human development: acting as advisor to decision makers and planners, mediating in conflicts that threatened democratic governance, facilitating institutional processes through technical assistance and administrative services, and mobilizing resources for national projects.

The preparation of the evaluation benefitted from the excellent cooperation of the staff of the UNDP Country Office in Ecuador, led by Resident Representative René Mauricio Valdés and by Deputy Resident Representative Luca Renda. I would also like to thank the Regional Bureau for Latin America and the Caribbean, particularly Director Rebecca Grynspan for their engagement with this evaluation.

This report would have not been possible without the commitment and support of the Government of Ecuador. The team is also indebted to those representatives from the civil society, donor countries, international financial institutions and the United Nations Country Team, who generously gave their time and frank views.

A number of people contributed to this evaluation, particularly the evaluation team composed of the team leader Sonia Fleury, team members, Hugo

Navajas, team member, Margarita Velasco, and Sergio Lenci who served as the the Evaluation Office task manager. I would also like to thank Kutisha Ebron and Anish Pradhan for their administrative support.

I hope that the findings and recommendations of this report will assist UNDP in responding to the country's development challenges and provide broader lessons that may be of relevance to UNDP and its partners internationally.



Saraswathi Menon
Director, Evaluation Office

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Acronyms and Abbreviations

ADR	Assessment of Development Results
CO	Country Office
GEF	Global Environmental Fund
GDP	Gross Domestic Product
INECI	Ecuadorian Institute for Development Cooperation
MDG	Millennium Development Goal
OPF	Observatory for Fiscal Policy
RBLAC	Regional Bureau for Latin America and the Caribbean
SENPLADES	National Secretariat for Development Planning
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UN-HABITAT	United Nations Human Settlements Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children Fund
UNFPA	United Nations Population Fund

Executive Summary

PURPOSE OF THE EVALUATION

In line with Executive Board decision 2007/24, the Evaluation Office of the United Nations Development Programme (UNDP) has assessed UNDP contributions to development results in the Republic of Ecuador.

This evaluation analyzes the roles and contributions of UNDP to the continuity of institutional activities, the safeguarding of the rule of law and the development of national capacities for sustainable human development against the backdrop of a dynamic and complex national and regional context, in which UNDP operates with very limited core resources.

The aspects emphasized in this Assessment of Development Results (ADR) were established in consultation with national and international counterparts during an exploratory mission to Ecuador in August 2007.

This evaluation was undertaken by an independent team of consultants between August 2007 and November 2007. It had the following objectives:

- Produce lessons on past experiences and make recommendations for the next UNDP programming cycle in the country.
- Provide UNDP counterparts an objective evaluation of UNDP contributions to the achievement of development results.
- Support the UNDP Administrator in ensuring the quality of the organization's interventions at the country level.

UNDP performance was evaluated against the expected results, as envisaged in the programme documents. However, the evaluation also aimed to identify unexpected outcomes and missed or created opportunities.

STRATEGIC POSITIONING

The ADR found that UNDP has flexibly responded to national and local demands over the period evaluated, gaining credibility among national and international partners as an effective broker in the development arena. Working under the UNDP 'umbrella' has been mentioned by some bilateral donors as instrumental in gaining legitimacy and avoiding potential political risks associated with sensitive issues. By the same token, national partners have acknowledged the importance of working with UNDP to access international knowledge networks, markets and development financing.

While UNDP interventions have been relevant to national challenges, there is need for more objective criteria in selecting thematic and territorial areas of focus. The 2006 report on development cooperation in Ecuador, published by the Ecuadorian Institute for International Cooperation, highlights a gap between the poverty map and the map of development cooperation in the country. The evaluation did not find evidence of a rational strategy determining UNDP programme implementation priorities; these have been determined by the capacity of national and local actors to formulate and channel their demands and by the availability of financial resources from third parties (either the government or bilateral donors). This may partially explain the perception within civil society that UNDP sometimes has ambivalent positions or is too focused on government issues.

UNDP administrative services have contributed to the continuity of government programmes during times of political instability and institutional fragility; yet, in some cases UNDP has engaged in infrastructure projects that fall out of its direct area of competence or has missed its mandate of international cooperation, *de facto* substituting the role

of national institutions in public administration, rather than creating conditions for and contributing to the development of national institutional capacities.

Brokerage, coordination and the ability to create synergies among different actors have proven to be the added value of UNDP, whose contribution to national development results in Ecuador is not necessarily related to resource mobilization and budget delivery volumes. The lack of a long-term development vision, a clear framework for technical cooperation and knowledge sharing, and a well defined exit strategy are critical factors that have clearly influenced the effectiveness of UNDP interventions. The lack of an effective system for monitoring and evaluation has proven to be a constraint for strategic management. In the absence of quantitative and qualitative follow up on emerging outcomes, informed decision making becomes a challenge. The quality of project implementation is uneven and dependent on the parameters of the executing agency or the personal capability of the project coordinator, with no relation to UNDP project management quality standards.

A structural constraint for UNDP operations in Ecuador has been the lack of core resources and, consequently, the need to follow the supply of funds from local, national and international actors. This situation has spread the programme too thinly across a variety of thematic and territorial areas without a consistent strategy and continuity over time. Among the key challenges that lay ahead of UNDP in Ecuador is the need to strike a balance between a flexible cooperation framework that allows UNDP to respond to national needs and demands while preventing the programme from being spread too thin. While some of the cases analyzed in this evaluation constitute good practice to follow in administrative service provision, it is

critical for UNDP Ecuador to imagine and implement new resource mobilization strategies in areas of UNDP competence and value added that are closely linked to long-term national development objectives and policies.

CONTRIBUTION TO OUTCOMES BY PRACTICE AREA

UNDP contribution to national development results was assessed against the results matrix of the Country Programme Action Plan. The key references for the evaluation of UNDP performance are the UNDP Multi-Year Funding Framework strategic objectives and expected outcomes. Where appropriate, some of the expected outcomes have been aggregated or rephrased in a way that better reflects the actual focus of the programme.

DEMOCRATIC GOVERNANCE

The evaluation found good practices in the area of democratic governance, such as the role played in the restoration of the Supreme Court of Justice. This was widely recognized as an example of how UNDP and the United Nations can best use their reputation of neutrality to mediate among conflicting institutions—helping the country avoid a constitutional crisis and preserve the rule of law.

UNDP support to state and civil society dialogues and to the political participation of marginalized groups were also important initiatives in democratic governance. Civil society representatives indicated that the dialogues and consultation processes supported by UNDP indirectly influenced the design of social policies, such as the 10 Years Education Plan. Failure to implement agreements reached in state and civil society dialogues was attributed to institutional and politi-

cal instability and was not seen as a failure in the dialogue processes *per se*, which are perceived as effective in strengthening social movements and recognizing new social actors. Yet, most of government and civil society actors highlighted the need for clearer strategic focus and greater continuity in implementing UNDP programmes. There is a general perception that UNDP strategy and action were not always consistent on issues such as social participation, dialogue processes, human rights and minority groups such as the indigenous and Afro-descendant peoples.

The evaluation found mixed results in the areas of decentralization and local participatory governance. UNDP support to the city of Guayaquil to develop local capacity for urban development management was a good practice. Yet, the rationale for selecting thematic and territorial priorities in the overall implementation of the UNDP programme was not always clear or articulated in programming documents. The relevance and sustainability of some UNDP interventions was also questionable. In addition, there is room for improvement in medium to long-term strategic vision and continuity of activities. Synergies on the ground with other development agencies, within and outside the UN system, were sometimes less than optimal. The different lines of intervention dealing with local governance—namely, strengthening institutional management capacities and developing methodologies and legal frameworks for citizen’s participation—were dispersed and not articulated in an integrated approach in given territories.

ACHIEVING THE MILLENNIUM DEVELOPMENT GOALS AND REDUCING HUMAN POVERTY

The major UNDP contributions to national development results in this area relate to the positioning of the MDGs in the public agenda and the strengthening of institutional capacities for systematic poverty monitoring and development planning.

The methodology developed and disseminated in preparation of the MDG report is now used as the basis for national and local diagnostic and

planning efforts and has generated a reliable database. The reports produced have been used by universities and the media and have increased awareness of issues related to democracy and human development in the public agenda. Some of the government officials who now play key roles in the National Secretariat for Development Planning have been part of the MDG report team.

Efforts to increase fiscal transparency were also relevant and effective, though they still need to be consolidated. Support for small and medium enterprises in integrated local development projects is an emerging area of intervention and, as such, its effectiveness cannot yet be evaluated, though its thematic relevance for the country is widely recognized.

ENERGY AND ENVIRONMENT FOR SUSTAINABLE DEVELOPMENT

The most tangible outcome of UNDP environmental activities is the reduction of threats to the biodiversity of the Galapagos Islands through the eradication and control of invasive species. Outcomes from the Galapagos Islands project are still emerging. These include: the creation of the first permanent global fund for the control of invasive species; and the installation of renewable energy networks, which have the potential to significantly reduce the consumption of fossil fuels, limit carbon dioxide emissions, and reduce environmental threats from oil spills.

Overall, the effectiveness of UNDP initiatives in energy and environment and the sustainability of results are uneven. Influencing factors include coordination problems between donors and counterparts, efficiency and flexibility in project implementation, and external factors such as tourism and fishery, which work against conservation in the Galapagos Islands. In the immediate future, the challenge for UNDP is to expand its vision and activities to focus on Ecuador as a whole and address the linkages between economic growth, poverty reduction and environmental conservation at the national level.

