



50  
YEARS

*Empowered lives. Resilient nations.*



**TOGETHER FOR A SUSTAINABLE  
FUTURE: ACHIEVING THE SDGs  
IN ASIA AND THE PACIFIC THROUGH  
GOVERNMENT CO-FINANCING**

**PARTNERSHIP—SERIES 1**

# TABLE OF CONTENTS

PHILIPPINES: Strengthening Public Service Delivery in Education .....	3
INDIA: Accelerating Achievement of National Development Priorities .....	6
MALAYSIA: Providing Policy Advisory Services .....	9
NEPAL: Mobilizing People to Adapt to a Changing Climate .....	12
PAKISTAN: Close Collaboration to Localize the SDGs .....	15
PALAU: Developing Local Governance—on National Terms .....	18
TIMOR-LESTE: Diversifying the Economy, Improving Services .....	21

# PREFACE



Several decades of dynamic development have meant many countries in Asia and the Pacific are now transitioning into middle-income nations. Higher growth rates, broader prosperity and more efficient tax collection have been among the factors boosting domestic resources for investment in continued progress. More robust financing goes towards health, education, job creation, gender equality and other areas essential to high national aspirations.

All countries want resources to make the greatest possible contributions to development. But having the right knowledge, capacities and systems in place to make the best choices can be a complex undertaking, even in middle-income nations. UNDP helps countries in Asia and the Pacific region secure expertise and build needed capabilities, increasingly through co-financing. These partnerships combine and leverage domestic and international funds. They achieve powerful results, as demonstrated by the seven country case studies profiled in this publication.

## A BRIDGE TO THE FUTURE

UNDP has long relationships with countries in Asia and the Pacific, having accompanied many on a journey of steady advances over five decades. Today, as countries evolve, we are evolving too, but our commitment to the best interests of nations and peoples remains the same. We are a trusted partner because of the consistent quality of our development advice, drawn from experience in the region and 170 countries and territories around the world. Countries know that they can turn to UNDP for impartial support that is both founded in internationally agreed standards and guided by nationally defined prerogatives.

A growing number of countries in the region see co-financing partnerships with UNDP as a way to reap quick gains in efficiency and expertise, particularly where constrained capacities still pose

challenges to managing essential development services and programmes. These gaps otherwise result in underspent budgetary resources and slow implementation, which in turn impose lost development opportunities felt among individuals and communities as well as nations at large.

UNDP helps provide a bridge where delivery catches up to resources. Co-financing partnerships are geared towards timely delivery of quality results, and greater accountability and transparency. They provide immediate solutions even as governments work towards assuming full management of new and expanded functions.

## FROM POLICY ADVICE TO DEVELOPMENT SERVICES

In total, UNDP currently supports 36 countries and territories in Asia and the Pacific, helping them create and share solutions for sustainable development, democratic governance and peacebuilding, and climate and disaster resilience. To accelerate progress, we stress innovation and the scaling up of proven interventions, as well as reaching people whom development so far has left behind, such as the poorest communities, women and people in remote rural areas.

Through co-financing, UNDP helps countries in diverse situations develop leadership skills, partnering abilities and institutional capabilities. They gain ready access to technical expertise and policy advice along with strategic planning support. Assistance can aid in unlocking progress on particularly complex challenges that will define the future of the region, such as inclusive growth, decent work, urbanization, climate adaptation and demographic transition.

Towards the delivery of quality and universal public services, we offer project management and implementation support, from planning to monitoring, covering elements such as human resources, financial tracking and disbursement, technical expertise, information technology and quality assurance. Our procurement expertise helps get high-quality essential supplies on the ground quickly and at low cost.

UNDP's longstanding ability to convene a broad range of stakeholders from government, civil society, the private sector and donors offers a platform to define a stable consensus on ways for-

ward, both nationally and sub-nationally. As a broker of development knowledge from the region and the world, we both bring in learning from other regions, and send out what has been achieved in Asia and the Pacific, ensuring a continuum of South-South exchange.

Accelerating progress is more important than ever before in the era of the 2030 Agenda and its 17 Sustainable Development Goals (SDGs). Nationalizing this ambitious and costly agenda will require pooling together all available resources, financial, as well as deep reservoirs of knowledge and experience on achieving concrete progress in all people's lives.

## **FLEXIBILITY AND RESPONSIVENESS**

Co-financing partnerships with UNDP take a number of forms, all of which emphasize flexibility and responsiveness to national requirements. One approach primarily entails domestically generated resources. Another involves international resources provided to the government from one or more sources other than UNDP, including bilateral and multilateral grants and loans. In either case, some resources may also come from UNDP. The partnership may involve a specified programme or series of initiatives, or may rest on an agreement for services provided by UNDP on demand. It may cover policy and planning advice, capacity building, project management expertise and the procurement of supplies, separately

or in combination.

Co-financing is not about replacing existing streams of international finance. Rather it is a way for governments to improve the use of their own resources, or even to work through UNDP to leverage new flows where international funds can enhance national initiatives.

## **A COMMITMENT TO PARTNERSHIP**

The countries profiled on the following pages range from very large to very small, from low-income to approaching high-income stages. All have committed to the future envisioned in the 2030 Agenda and desired by their people, and to making the best use of national financing towards those ends. UNDP stands by that commitment with its own—a partnership that continues to deliver on the promise of sustainable and inclusive development.



**Haoliang Xu**

**Assistant Administrator and Director**

UNDP Regional Bureau for Asia and the Pacific



Students in public schools benefit from improved technology introduced by the Government with UNDP support.

## Philippines

# STRENGTHENING PUBLIC SERVICE DELIVERY IN EDUCATION

“What you’re seeing now is the fastest procurement of IT packages in a government agency. UNDP came to us as an answer to our prayer.”

—FORMER SECRETARY OF THE DEPARTMENT OF EDUCATION BROTHER ARMIN A. LUISTRO, FSC

### IN SHORT

The Philippines is striving to deliver improved public services, having shown significant results but also some challenges in the achievement of the Millennium Development Goals (MDGs). At a middle level in income and human development, with significant fiscal space, and where official development assistance now represents a small fraction of total financial flows, the country is committed to making more effective use

of its internal resources to fulfil its development goals.

In 2016, under a \$60 million government financing agreement, UNDP began assisting the Department of Education in delivering one of the Government’s most critical programmes, the Kinder to Grade 12 Basic Education Programme. Through this agreement, UNDP provides an assistance package that includes technical support for public financial management reform, capacity development, citizens’ engagement in monitoring service delivery and procurement services.

### THE ADDED VALUE OF UNDP

UNDP is well positioned to support a country where domestic resources for development have soared exponentially in recent years, but capacities to deliver services have not kept up, resulting in delays in project implementation and expenditure of allocated budget.

Under a financing agreement with the Department of

Education, where the bulk of funding is from the Government, UNDP offers global expertise, high standards of transparency and accountability, and expert programme management support to accelerate service delivery. The support is time-bound, as UNDP will exit once the Department of Education's policies and programmes are refined, and its service delivery capacities are sufficiently strengthened.

## KEY ACTIVITIES AND ACHIEVEMENTS

Recent fiscal reforms helped double budgetary resources in the Philippines in six years. In 2016, the national budget topped 3 trillion pesos, over 37 percent of which was allocated to social service sectors. The Department of Education's budget, the highest among all government departments, continues to grow, surpassing 460 billion pesos in 2016.

Given high ratios of children and youth—one-third of the population is under age 15—the Philippines cannot afford to fall short on education. While it attained the MDG target on primary enrolment, only 64 percent of adults have some secondary education, and the quality of education is still a major challenge.

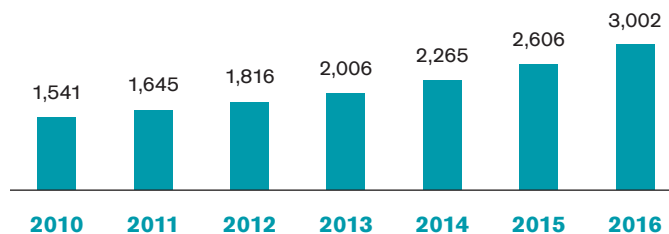
With these issues in mind, the Department of Education has been pursuing a series of reforms, including under the 2013 Enhanced Basic Education Act, colloquially called the Kinder to Grade 12 (K-12) Basic Education Programme. It aims to establish and maintain a complete, adequate, integrated system of education relevant to the needs of all people and the country while also bridging the divide between education and the requirements of today's labour market. The impacts could be profound, particularly in terms of reducing inequities in access to schooling. Dropout rates will also fall.

## EXPEDITING PROCUREMENT AND CLOSING MANAGEMENT GAPS

As part of expediting implementation of the K-12 Programme, a government financing partnership with UNDP was agreed to help reduce remaining capacity gaps and ensure the timely delivery of quality development services. The partnership

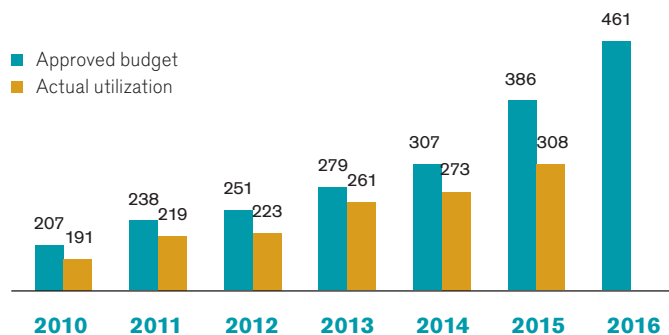
### THE NATIONAL BUDGET HAS DOUBLED IN SIX YEARS

(billions of pesos)



### EDUCATION ABSORBS THE LARGEST SHARE OF FUNDS

(Department of Education, billions of pesos)



initially focused on expediting the procurement and delivery of ICT equipment and services for schools, while ensuring quality and best value for money.

UNDP procurement support services access a highly competitive global market and globally recognized brands with after-sales support services, which can extend equipment use beyond the current three-year asset replacement period of the Department of Education. UNDP also provides expertise in the complicated logistics of delivering procured items to approximately 5,000 points across the Philippine archipelago. Further, it uses the procurement process to provide hands-on experience to government staff, backed by training on new skills, such as under the CIPS Level 2 Certificate in Procurement and Supply Operations.



## IT FOR HIGH SCHOOLERS

To tackle the issue of high youth unemployment and provide better jobs for Filipino workers, the Government envisions strengthening the IT and telecommunications sectors. This has led the Department of Education to invest in building IT skills among senior high school students

Partnering with UNDP, the Government plans to deliver packages of computers and other IT equipment to more than 5,000 public senior high schools throughout the country. This includes 4,000 schools with no access to power, and where the ICT packages will be bundled with solar power systems.

So far, UNDP has awarded three out of four contracts for providing IT packages, installation and training to 184 public high schools, 889 specialized high schools and 209 division offices of the Department of Education. The contracts were procured within three months—well below the time involved in government procurement processes.

Alongside the provision of procurement and programme management support services, UNDP is implementing a technical assistance package to help the Department of Education improve its delivery of education services. First, a diagnostic assessment will identify strengths, weaknesses, risks and opportunities for reform in the Department's public financial management systems.

Second, a capacity development programme will boost the professionalization of public financial management in the Department, especially in the area of procurement. A parallel capacity development programme for civil society organizations will enable them to engage in the Department's public financial management processes, from budget preparation to budget accountability.

Third, as part of the Department's efforts to boost transparency, accountability and citizen participation, UNDP is helping to devise a third-party monitoring system. Through this, civil society organizations and community volunteers are tapped to track the delivery of ICT packages, the preparedness of schools prior to delivery and the satisfaction of users after delivery. This monitoring system can potentially be extended to cover all aspects of education service delivery.

UNDP is offering technical assistance in an inclusive manner through the Governance Host Universities Bridging Services (G-HUBS). G-HUBS bring together academic institutions and civil society organizations as partners and service providers for public financial management assessments, capacity development and third-party monitoring. A G-HUBS-based strategy ensures that reform efforts are undertaken bottom-up rather than top-bottom.

---

## BASIC FACTS

**TIME FRAME:** *May 2016 to December 2017*

**TOTAL PROJECT COSTS:** *\$60.6 million (\$600,000 from UNDP)*

**GOVERNMENT FINANCING:** *\$60 million (Department of Education)*

**PARTNERS:** *Department of Education*

---



Students in the state of Himachal Pradesh celebrate the International Day for Disaster Reduction, joining a movement to reduce risks and raise awareness.

## India

# ACCELERATING ACHIEVEMENT OF NATIONAL DEVELOPMENT PRIORITIES

### IN SHORT

One of the fastest growing economies in the world, India still faces significant challenges from rising inequality and service delivery shortfalls, particularly in poor communities. UNDP is helping the Government of India to meet these challenges through the Development Support Services. Funded with a combination of domestic and international finance, these allow the ready application of UNDP expertise and technical resources, on demand, to current and emerging development priorities. Services are carefully chosen to unlock rapid progress, on a large scale, under flagship national and state development programmes.

### THE ADDED VALUE OF UNDP

Fully aligned with the national development agenda, UNDP's work in India is aimed at bridging capacity gaps and removing implementation bottlenecks. The Development Support Ser-

vices bring together multiple streams of domestic and international resources while remaining under national leadership. UNDP ensures quality, timeliness and impact in the use of funds, along with a high level of transparency and accountability. Technical expertise and innovations are aimed at quick gains in efficiency and expertise.

### KEY ACTIVITIES AND ACHIEVEMENTS

Requests for support under the Development Support Services are initiated by a central ministry and/or state government, and service agreements jointly developed with UNDP. So far, 25 agreements with 7 central ministries and 10 state governments have been approved, with a total value of over \$62 million. A central focus is on targeted capacity-building; as soon as a partner reaches capacity benchmarks built into each agreement, UNDP no longer provides the service.



## RESILIENCE TO DISASTER AND CLIMATE CHANGE

A key area for the Development Support Services has been in strengthening resilience to disaster and climate change. The Disaster Management Act 2005 empowered central and state governments to strengthen disaster risk reduction, moving beyond the traditional emphasis on post-disaster response. Disaster management authorities, however, are not consistently well equipped to face the growing challenges of climate change and extreme weather events, or to fully utilize the rising quantity of funds allocated for disaster risk reduction. This is due to inadequate institutional capacities as well as administrative and procedural constraints on the timely procurement of goods and services. A lack of tools and methodologies to assess and reduce risks have further limited plans, institutions and actions to build resilience. Communities in many high-risk areas continue to face threats of loss of life and/or assets.

The Ministry of Home Affairs has advised states to use UNDP services as a bridge to stronger capacities and greater fund utilization. UNDP has partnered with the Ministry in this area for over a decade, and under a disaster risk management programme from 2002 to 2009, helped extend protections to approximately 300 million people living in areas vulnerable to multiple hazards. Under the programme, policy makers and elected representative at various levels developed new skills related to disaster risk management, while communities took a much more participatory role in disaster preparedness and planning. The success of the initiative was demonstrated when Cyclone Phailin hit the state of Odisha in 2013. Forty-four people lost their lives, compared to over 10,000 in a similar cyclone in 1999.

Through the Development Support Services, UNDP is making international and national expertise on disaster risk reduction available to the state governments of Andhra Pradesh, Himachal Pradesh, Jharkhand and Maharashtra. Priorities include assessing the extent of vulnerabilities and risks from natural and human induced hazards, and developing comprehensive capacities for disaster prevention, response and

recovery. Another emphasis is on integrating disaster planning, preparedness and mitigation in development plans and programmes, specifically in urban development, rural housing and civil aviation.

In the state of Himachal Pradesh, partnership between UNDP and the state government has entailed revising disaster management plans, formulating a capacity development strategy, preparing standardized training modules, developing state master trainers, mobilizing public awareness, and training community task forces on first aid, search and rescue, and shelter management. UNDP support has brought in expert human resources, helped quality assurance and aided in overcoming procedural constraints. The state government has requested further help in conceptualizing a management structure to advance implementation of the Smart City programme.<sup>1</sup>

In Maharashtra, the state government has not been able to collect and collate disaster-related data scattered across departments and agencies at different levels, and carry out assessments clearly articulating hazards at the district and sub-district levels. UNDP has provided technical experts and brought together various state government agencies to develop capacities to update risk assessments. A pilot study on hazard risk vulnerability in the district of Pune is being scaled up to 14 districts confronting multiple hazards, with the aim of eventually extending it to the entire state. The state government plans to institutionalize regular reviews and revisions of hazard and vulnerability assessments.

Nationally, the Airports Authority of India has an excellent capacity for handling civil aviation emergencies such as emergency landings, air crashes, fire, etc. Mitigation and management of natural hazards have not been given sufficient attention, however. UNDP has helped airport officials develop skills to conduct assessments for handling potential surges of relief supplies and passengers, and to prepare disaster management plans. The Authority is now considering steps to improve disaster preparedness at 20 major airports in collaboration with UNDP.

<sup>1</sup> The objective of Smart Cities is to promote cities that provide core infrastructure and give a decent quality of life to their citizens, offer a clean and sustainable environment and apply 'smart' solutions with a focus on sustainable and inclusive development. See: <http://smartcities.gov.in>.

## STRONGER HEALTH SYSTEMS

India's Universal Immunization Programme aims to reach 27 million infants and 30 million pregnant women each year, free of cost. Spearheaded by the Ministry of Health and Family Welfare, it is one of the largest programmes of its kind anywhere in the world. While the Government is committed to achieving universal immunization coverage, gaps in cold chain and vaccine logistics management systems remain key obstacles to this goal.

The Government received financial support from the Global Alliance for Vaccines and Immunization to strengthen immunization in 12<sup>2</sup> states with relatively low rates of full immunization. Given UNDP's experience in managing almost 12 percent of the Global Fund to Fight AIDS, Tuberculosis and Malaria, through grants in 29 countries, and by virtue of its strong administrative and operational capacities, the Ministry of Health and Family Welfare asked it to lead a \$38.5 million component of the agreement. This involves implementing an electronic vaccine intelligence network (eVIN), developing a national monitoring and evaluation framework for immunization, and supporting national research.

eVIN is a unique and innovative IT solution that improves vaccine supply chains by integrating, for the first time, vaccine stock management and temperature monitoring on a real-time basis. It provides strong data for informed decision-making and

planning around vaccine distribution and the introduction of newer vaccines. A user-friendly mobile application facilitates record-keeping, feeding into a web-based platform enabling review of the data at the state and national levels. Digital temperature loggers track and transmit storage temperatures, critical to ensuring the potency of vaccines. If there is a breach in temperatures, an automatic alert is sent via text message to staff responsible for maintenance of cold chain equipment.

UNDP has supported the Ministry of Health and Family Welfare to procure and install the eVIN software and the temperature monitors, to deploy vaccine and cold chain managers in each of 160 districts, and most importantly, to build the capacities of immunization officials and cold chain handlers across national, state, district and primary health centre levels. Since October 2015, eVIN has been rolled out at all 4,500 health centres that store vaccines in all districts of the states of Madhya Pradesh, Rajasthan and Uttar Pradesh. More than 7,000 vaccine handlers have been trained and 6,800 digital temperature loggers installed. By the end of 2016, eVIN will be installed in 12 states covering 11,000 vaccine storage points. Nearly 20,000 government cold chain handlers will be trained on the system. Better services will reach around 38 million children, 60 percent of India's target population for immunization.

---

## BASIC FACTS

**TIME FRAME:** 2013–2020

**TOTAL PROJECT COSTS:** \$186.5 million (including \$38.5 million from the Global Alliance for Vaccines and Immunization)

**GOVERNMENT FINANCING:** Over \$62 million to date

**PARTNERS:** 7 central ministries and 10 state governments

---

<sup>2</sup> Assam, Bihar, Chhattisgarh, Gujarat, Jharkhand, Madhya Pradesh, Manipur, Nagaland, Odisha, Rajasthan, Uttar Pradesh and Himachal Pradesh.



UNDP is helping the Malaysian Government in fine-tuning policies and closing remaining gaps in development, including towards achieving the SDGs.

# Malaysia

## PROVIDING POLICY ADVISORY SERVICES

### IN SHORT

Malaysia's first co-financing agreement with UNDP, in 1976, commenced with the Government contributing 25 percent of total costs. The share has risen steadily to 60 percent in recent years. This reflects growing confidence in UNDP as a partner in overcoming remaining development hurdles on the way to Malaysia becoming a high-income country.

Co-financing plays a major role in UNDP's latest country programme (2016-2020), which is aligned closely to the Government's 11th Malaysia Plan 2016-2020. As Malaysia charts its development path to high-income advanced nation status by 2020, the Cabinet has approved an innovative arrangement where government bodies can engage UNDP for on-demand technical and policy advisory services. These are aimed at top national priorities such as accelerated and inclusive poverty reduction, gender equality, green growth and public sector reform.

### THE ADDED VALUE OF UNDP

The Government sees UNDP as a strong development partner in fine-tuning its national and subnational policies in order to close remaining gaps in the development process. UNDP offers long experience as a pioneer of new thinking and innovation on core issues such as inclusive growth, human development and the sustainable stewardship of natural resources. It draws on extensive expertise and strong relationships within Malaysia, as well on development solutions provided by UNDP regional and global teams, and centres of excellence. The latter pull in the latest evidence and leading ideas from middle-income countries around the world that are also transitioning to higher levels of development.

UNDP offers Malaysia a source of rigorous analysis and evidence to shape policies and programmes, and an avenue for enhancing participation of a cross-section of citizens in advancing national and subnational development agendas. By increasing space for innovative, strategic engagement with

non-state development actors, UNDP helps speed the pace of development at subnational levels, particularly where it has lagged among vulnerable communities.

In the next few years, UNDP will offer instrumental inputs in accelerating work on the SDGs, supporting environmental policy coherence and access to climate finance, and brokering new partnerships with the private sector. Assistance will also help Malaysia extend cooperation with other developing nations by sharing lessons from its own experiences and innovative approaches, while learning from others. South-South cooperation is integral to all new UNDP-backed initiatives.

## KEY ACTIVITIES AND ACHIEVEMENTS

UNDP worked closely with the Government during an intensive two-year consultation process to design the 2016-2020 11th Malaysia Plan. Aligned to the five-year National Development Plan to operationalize the SDGs, it drew a number of insights from a UNDP-assisted National Human Development Report, *Redesigning an Inclusive Future*. UNDP also convened broad-based consultations, including with NGOs and academia, to provide inputs and policy options on sustainable production and consumption patterns.

This close partnership led the Government to play an active role in the design of the new UNDP Country Programme Action Plan 2016-2020, ensuring close alignment to selected national priorities in the 11th Malaysia Plan. In tandem, government co-financing doubled for the UNDP plan. Policy support services will focus on six core areas of cooperation: an equitable society, well-being for all, accelerating human capital development, green growth, enhanced infrastructure and economic growth re-engineered for greater prosperity.

UNDP is working closely with the Government to address multidimensional issues faced by the bottom 40 percent of income earners, such as through extended and innovative citizen-centric service delivery, and the advanced application of multidimensional measures of poverty to track the many barriers that can keep people from moving out of poverty. Assistance on promoting the national green growth agenda will span steps to manage climate change impacts, prevent further

degradation of land and biodiversity, and extend low-carbon development. Other efforts will help shine a spotlight on gender equality and women's empowerment across all socio-economic plans and programmes.

### ON-DEMAND SUPPORT

Working with the Economic Planning Unit and 12 line ministries, UNDP will provide policy services related to analysis, research and modelling; institutional capacity-building; innovative development solutions; and policy recommendations and pathways. These services will be provided as part of policy development exercises, independent assessments and evaluations, and thematic focus group discussions. They will support stronger statistical indicators aligned to the SDGs as well as high-quality reporting under international conventions and treaties.

As an example of how service provision will work, the Economic Planning Unit and UNDP will be developing a



As part of fostering more inclusive development, citizen surveys engage people in identifying priorities for local development planning.

comprehensive action plan to address the increasing cost of living, particularly impacts on people in the bottom 40 percent in terms of income. UNDP's use of 'open space technology' to guide transparent, bottom-up consultations that allow inputs into policy and decision-making by relevant stakeholders and communities is considered particularly helpful for well-target-

ed, innovative development.

The methodology uses an unconventional technique in which there are no pre-planned discussion topics or pre-set event formats, beyond an overarching central theme. All participants have the liberty to suggest topics and self-organize into groups according to issues they are most passionate and concerned about. Together, they eventually shape solutions to the challenges at hand. This approach to central planning strategies was first successfully applied by the Economic Planning Unit and the UN Country Team in Malaysia to identify key priorities during the Post-2015 Development Agenda National Consultations in 2014.

Consultations on development solutions for the bottom 40 percent income group began in late 2016. Insights gleaned will be used in an action plan developed through collaboration among the Economic Planning Unit, UNDP and Universiti Kebangsaan Malaysia, and elaborated through further consultations with ministries, academia and civil society organizations. The plan is expected to define interventions covering issues such as price control regulations, access to affordable housing, a more integrated and comprehensive social protection system, and financial and debt management.

In helping to guide the dialogue process, UNDP will draw on leading academic and other experts. Some will advise on the most strategic use of open space forums, while others will reinforce a move towards a more inclusive focus on the multiple dimensions of poverty, since the longstanding classification of the bottom 40 percent rests on income alone.



A workshop looks at ways that marginalized groups can improve income and well-being.

---

## BASIC FACTS

**TIME FRAME:** 2016–2020

**TOTAL PROJECT COSTS:** \$6 million

**GOVERNMENT FINANCING:** \$5 million

**PARTNERS:** Economic Planning Unit, Prime Minister's Department

---



Villagers in a remote area of Nepal rejoice over the new installation of a rainwater harvesting tank. With shrinking local water supplies, the tank is part of efforts to adapt to climate change.

# Nepal

## MOBILIZING PEOPLE TO ADAPT TO A CHANGING CLIMATE

“It (is) because of this partnership (with UNDP) that the Government is able to achieve significant results with respect to reducing climate vulnerability.”

—NARESH SHARMA, UNDER SECRETARY,  
MINISTRY OF POPULATION AND ENVIRONMENT,  
GOVERNMENT OF NEPAL

### IN SHORT

In 2013, the Government of Nepal began implementing a National Climate Change Support Programme in 14 remote districts, under the guidance of the Ministry of Population and Environment, and the Ministry of Federal Affairs and Local Development. Facing longstanding challenges with programme delivery, the Government sought external techni-

cal support, opting for UNDP as a partner, given its expertise and long history of engagement in the country. For the first time in Nepal, the programme used a co-financing approach, drawing on financing provided to the Government by the UK Department for International Development (DFID) and the European Union. The move signals Nepal’s urgent need to adapt to climate change as it strives to graduate from a least developed to a middle-income country by 2022.

### THE ADDED VALUE OF UNDP

Since 1963, UNDP has supported the Government of Nepal and its people in their fight against poverty and pursuit of sustainable development. A major element has entailed helping government agencies, civil society and community groups to develop capacities to better plan and implement effective development programmes. The Government has long invested its energies and resources in strengthening its delivery capacity

to make the most efficient use of limited resources, and has looked to UNDP as a major partner with well-established relationships at the central and local levels.

Having UNDP on board for the climate programme assured donors and the Government that technical assistance would be high in quality, given UNDP's extensive expertise on climate change. A proven commitment to national ownership and the strong role of government institutions ensured that institutional strengthening would occur, achieving a lasting impact. UNDP's engagement has been particularly important given challenges the Government still faces in the timely delivery of services, including in helping local communities to adapt and build resilience to climate change. The programme has been featured as a global best practice and recognized at the 2015 Paris climate change meeting.

## KEY ACTIVITIES AND ACHIEVEMENTS

The National Climate Change Support Programme helps communities adapt to the effects of climate change and aims to enhance national government capacities to implement climate change policies. Its objectives are consistent with the 2030 Agenda, particularly with Goal 1 on reducing poverty, Goal 5 on gender equality and Goal 13 on climate action.

The programme marks the first significant government-led initiative under the National Adaptation Programme of Action, which seeks, among other ends, to promote community-based adaptation through integrated management of agriculture, water, forests and biodiversity. The programme also helps mainstream climate change into Nepal's national development agenda, and contributes to poverty reduction, livelihood diversification and community resilience. This will ensure that the most urgent and immediate adaptation actions prioritize the poorest and most vulnerable communities.

Establishing the National Climate Change Support Programme at the local level was relatively straightforward, given UNDP's long experience and networks in localities. It built on previous systems for local energy planning established under the Rural Energy Development Programme, implemented over 15 years with the Government, local bodies and com-



Community members learn techniques, including through harvesting rainwater, to build resilience to climate change.

munities. At the national level, UNDP is well-recognized for its vital support in the drafting of the National Adaptation Programme of Action for Climate Change, and has lasting relationships with the Ministry of Population and Environment and Ministry of Federal Affairs and Local Development—the two line ministries charged with taking forward the climate change programme.

## SERVICES TO IMPROVE COORDINATION AND PLANNING

UNDP has provided a variety of services under the climate change programme. These comprise coordination among national stakeholders, including line ministries and development partners. Today, Nepal has in place a Government-led Multistakeholder Climate Change Initiative Coordination Committee that drives national action on climate adaptation and mitigation, including through a nationally determined contribution to emissions reduction submitted to the UN

Framework Convention on Climate Change. Other support has assisted with the management of data, strengthened monitoring and evaluation of programme activities, and mobilized awareness of the critical importance of climate adaptation at the national and district levels.

UNDP has helped develop capacities among district government officials on public finance management and procurement related to meeting objectives for greater resilience and ad-

aptation. Technical guidance and new tools have improved the design, implementation and monitoring of local development plans, including through the integration of climate adaptation measures. Plans now encompass adaptation activities with direct contributions to better livelihoods, such as climate-resilient farming, conservation of water sources and irrigation facilities. Nearly 2,000 activities have been implemented, benefiting almost 300,000 people in local communities.

---

## **BASIC FACTS**

**TIME FRAME:** *2013–2017*

**TOTAL PROJECT COSTS:** *\$22 million (provided to the Government by DFID and the European Union)*

**GOVERNMENT FINANCING:** *\$5.2 million*

**PARTNERS:** *Ministry of Population and Environment, Ministry of Federal Affairs and Local Development*

---



# NATIONAL SUSTAINABLE DEVELOPMENT GOALS

Ministry of Planning, Development and Reform

#2030 Agenda ComPakistan



As soon as the 2030 Agenda was agreed, the Government of Pakistan and UNDP began working on implementation, including under the first-ever commitment to provide domestic resources for achieving international development goals without upfront international co-financing.

## Pakistan

# CLOSE COLLABORATION TO LOCALIZE THE SDGs

### IN SHORT

UNDP and Pakistan's Ministry of Planning, Development and Reform joined forces early in the global process of agreeing on the 2030 Agenda and its 17 SDGs. A strong sense of trust evolved along with a common willingness to work together to make things happen quickly and with high-quality results. The Ministry has appreciated UNDP's efficient procedures in procuring goods and services, ability to manage high-impact start-up projects, links to global expertise and openness to showcasing good work to an international audience.

Soon after the 2030 Agenda was adopted, the Government of Pakistan agreed to finance a UNDP programme to set up a series of SDG Support Units. This marked the first time that Pakistan had committed its own resources to achieving international development goals without any upfront co-financing from international development partners.

### THE ADDED VALUE OF UNDP

While still a lower middle-income country, Pakistan is one of the fastest growing economies in Asia and the Pacific region, allowing rapid expansion in public investment in local development. As in other emerging economies, however, public capacity to efficiently use resources is much less than desired, particularly in light of the high ambitions set by the SDGs. This is where UNDP steps in. As a non-partisan UN entity and a global knowledge broker, UNDP is uniquely positioned to help national and subnational institutions apply resources effectively and in a timely fashion through support for development planning and management, and delivery of services.

Co-financing between UNDP and the Government of Pakistan dates back to 2006, when the government of the province of Punjab provided \$9 million to UNDP for a community-based livelihoods project, drawing on a loan from the Asian Development Bank. The project rehabilitated nearly 179,000 acres of degraded land and boosted annual

cereal production by 190,240 tons. Since then, UNDP has mobilized millions of dollars in financing from the federal and provincial governments for projects on access to justice, gender-based governance, public financial management and area development.

## KEY ACTIVITIES AND ACHIEVEMENTS

UNDP first engaged with Pakistan's Ministry of Planning, Development and Reform and several provincial institutions on the SDGs in 2013, helping to lead national consultations to identify national priorities under the then-proposed goals. Technical services assisted the Ministry in preparing an SDG Localization Plan.

Within two weeks of the 2015 adoption of the SDGs by UN Member States, the National Assembly of Pakistan passed a resolution affirming commitment to the achievement of the goals; two of the country's four provinces took similar steps. UNDP and the Ministry agreed to collaborate on establish-

ing dedicated SDG Support Units at federal and provincial planning and development institutions. The units are key to the institutionalization of work on the SDGs, and to building national ownership at an early stage, which had not happened with the predecessor global MDGs.

The agreement laid the foundation for a national UNDP programme on localizing the SDGs, mainly funded by Pakistan's federal and provincial governments. By 2016, the Ministry of Planning, Development and Reform and four provincial planning and development departments had committed \$15 million to operationalizing the units. The federal government has also established a SDG Fund and asked provinces to establish similar funds to which the Federal Government will contribute half the costs. Khyber Pakhtunkhwa province, for example, has now set aside more than \$90 million for its plans to achieve the SDGs.

## SERVICES TO BUILD CAPACITIES

UNDP will offer a range of project management support services to Pakistan's national and provincial governments aimed at building capacities in public institutions to achieve the SDGs. These including hiring staff for the SDG Support Units, which entails managing the recruitment process from job classifications to contract management. Around 30 national staff will work on UNDP contracts. UNDP will also procure equipment for the units, including computers, office furniture and other accessories, and secure the services of national and international consultants as needed.

The Government has strict rules on travel and accommodation allowances for non-governmental people invited to meetings, as well as venues outside government facilities. UNDP will ease this bottleneck by helping to arrange consultations with diverse stakeholders on the SDGs. It will manage invitations, boarding and lodging for participants, and compile meeting reports and follow-up action plans.

Starting in Punjab province, UNDP is helping the provincial government create communities of practitioners on different SDG thematic areas, including education, health and infrastructure. It prepares terms of reference for the communities, identifies members, helps guide the agenda, provides secretariat support, compiles key findings and recommen-

### SPECIAL UNITS SET THE STAGE FOR ACHIEVING THE SDGs

Pakistan's new SDG Support Units will broadly focus on:

- Mainstreaming the SDGs in national and subnational policies and plans
- Data for monitoring and reporting on the goals
- Financing and budgeting for the SDGs
- Establishing an innovation fund for accelerating progress on priority goals

The units will serve as platforms bringing together different government and other actors at the federal, provincial and district levels. One of the units has already been established in Punjab province, and a Secretariat for the SDGs has been set up in the national Parliament.

dations, and manages follow-up action plans. Officials have shown keen interest in learning from other countries, and are considering a learning alliance between Punjab's Planning and



A range of project management support services will help national and provincial governments develop capacities to achieve the SDGs.

Development Department and a similar institution in another country. UNDP will facilitate this process around localizing and delivering the SDG agenda.

The SDG Support Units as a whole will provide capacity development support in select areas, such as foresight and evidence-based planning and targeting. Training is already helping government officials, especially in planning, finance and statistics departments, to use the Multidimensional Poverty Index for decision-making and project planning. UNDP supported a recent report on the index, which was calculated at the federal, provincial and district levels; Punjab province subsequently prioritized 10 of its poorest districts for increased allocations of public development funds.

### CONTINUED COMMITMENT TO CO-FINANCING

In 2015, UNDP and the Ministry of Planning, Development and Reform signed another government co-financing agreement totalling \$7 million for civil service reform. The Government of Khyber Pakhtunkhwa has committed to providing around \$3 million for a rule of law programme. It is considering drawing on UNDP's Implementation Support Services, where one or more most needed standalone services are provided to carry out programmes, rather than the usual full package of project management functions.

## BASIC FACTS

**TIME FRAME:** 2013–2018

**TOTAL PROJECT COSTS:** \$52.8 million

**GOVERNMENT FINANCING:** \$18.6 million

**PARTNERS:** Ministry of Planning, Development and Reform; Ministry of Finance; Ministry of Local Government and Rural Development; Ministry of Climate Change; provincial governments in Punjab (Department of Agriculture, Department of Local Government, Planning and Development Department), Sindh (Department of Local Government) and Balochistan (Department of Local Government, Planning and Development Department)



Community consultation is part of helping Palau to achieve experience in local governance administration by defining its own unique combination of modern and traditional systems.

## Palau

# DEVELOPING LOCAL GOVERNANCE— ON NATIONAL TERMS

“We are pleased to work with UNDP on this important project to support state governments in their efforts to operate effective, accountable and transparent state administrations. This project will help strengthen the management of public funds in these states and ensure these states effectively deliver services to their communities.”

—ELBUHEL SADANG, MINISTER OF FINANCE, PALAU

### IN SHORT

Palau is among the Pacific Island countries facing unique challenges linked to history, size, resources, cultural diversity and geographical dispersal across a large portion of the Pacific Ocean. UNDP recognizes these factors, and places high priority on maintaining a strong political and policy level partnership. This led to the establishment of a fully-government funded UN Joint Presence Office in Palau in 2016, a milestone in moving to a higher level of collaboration. One of its first

programmes involves strengthening local governance, based on combined financing from the Government and UNDP.

### THE ADDED VALUE OF UNDP

UNDP has supported the Government of Palau on a number of development issues, including around democratic governance. An earlier parliamentary assistance programme was widely lauded for helping the national Congress enhance its

representative, legislative and oversight roles. Capacities grew in terms of information technology, research, public outreach and civic education, and staffing, among others. An exercise to define strategic directions resulted in the first congressional strategic plan, aimed at a more effective, better-connected national legislature.

The success of the parliamentary programme instilled a fundamental trust in UNDP, which is seen as a provider of top-quality expertise and support services. UNDP's team of knowledgeable and well-networked local staff has ensured a deep understanding of political and cultural sensitivities, and fostered open discussions to identify challenges that might benefit from assistance.

In providing meaningful solutions to strengthen governance systems, UNDP draws on global, regional and local knowledge banks and best practices. Highly responsive to national priorities and government ownership, UNDP is also committed to Palau defining its own unique combination of modern and traditional systems to achieve excellence in local governance administration.

## KEY ACTIVITIES

Local governance in Palau is a mix of traditional and modern systems. The latter are at a nascent stage, with traditional systems seen as continuing to foster social cohesion and solidarity among local clans. They aid in mitigating conflicts, managing land, preserving natural resources, and when necessary, redistributing resources among local population groups.

Palau's Constitution has allowed modern local governance systems to take shape in 16 states, providing them with the authority to establish local governance units via their own constitutional conventions that could perform administrative and legislative tasks, enhance citizens' voice and participation in local decision-making, and cultivate links with the central Government for delivery of basic services in education, public safety and health. Service delivery has not reached its full potential, however, a concern for the future development of the country.

## UNLOCKING OBSTACLES TO SERVICE DELIVERY

In early 2016, the Government of Palau requested a mapping of local governance challenges that have hampered service delivery. Palau's Ministry of State led a dedicated scoping mission and comprehensive assessment report, based on extensive consultations with State Governments, and with strong technical advice from UNDP national and regional advisers. The report identified a variety of issues, including a lack of inter-agency coordination; weak legal, policy and institutional frameworks; limited local revenue sources; inadequate capacity to boost the local economy; low citizen participation in decision-making; weak budget practices and accountability; and constrained human resources coupled with high turnover.

The exercise became the basis for launching the three-year Palau Local Governance Strengthening Project, managed by UNDP primarily with government funding. Training on



Raising public awareness will broaden understanding of rights and responsibilities in local governance, and the role of central and local administrations and councils.

public financial management principles will include on-the-job coaching on municipal finance, procurement and use of the national accounting software. The central Government will gain skills to improve coordination across different agencies, and comprehensively review structural, legal and corporate mandates, shedding light on how these can most effectively support each other in improving the quality of local governance and service delivery. One overarching aim is to help expand capacities in current national and local government systems so that these are not only sustained, but also eventually further enhanced by different government entities themselves.

Each step of the project will reinforce strong in-country ownership and respect local dynamics, drawing on successful similar programmes in other countries in the Pacific and elsewhere. An initial assessment will look at how modern and traditional governance systems work together to serve the interests of local communities, and examine practices such as oral communication associated with traditional systems. Other analysis will consider any potential points of conflict between traditional systems and the national legal framework, as a step towards building consensus on how differences might be reconciled.

Project activities will also help raise citizens' awareness of their rights and responsibilities in local governance, and the role of central and local administrations and councils. Support will go to empowering civil society organizations, youth and women's groups so that they can be effective in calls for government accountability and regular engagement with citizens.

## WHAT DOES A STATE GOVERNOR APPRECIATE ABOUT UNDP'S LOCAL GOVERNANCE INITIATIVE?

**According to Mary Frances Ilong  
Remengesau-Voght, Governor  
of Ngermelengui State:**

"This initiative recognizes that the states have ultimate responsibility as owners of state public infrastructure assets and guardians of their state natural resources. This means that planning, development, and management of public infrastructure and services must enable and support quality of life. It can be done with enhanced skills or capacity-building as a foundation for institutional change that is mindful of wise land use and equitable resource sharing for Palauans.

"When we talk about land and people, then we see that it is the whole of leadership, traditional and elected, that must participate together, more so now than ever, in taking experiences of the past and mindful actions of today into a well-prepared future."

---

## BASIC FACTS

**TIME FRAME:** 2016–2018

**TOTAL PROJECT COSTS:** \$800,000

**GOVERNMENT FINANCING:** \$450,000

**PARTNERS:** Bureau of Domestic Affairs under the Ministry of State, state governments, Ministry of Finance

---



UNDP has assisted Timor-Leste in improving subnational capacities for planning and oversight aimed at creating jobs, increasing livelihoods and encouraging the careful stewardship of natural resources.

# Timor-Leste

## DIVERSIFYING THE ECONOMY, IMPROVING SERVICES

### IN SHORT

Strengthening public institutions and diversifying the economy are high on the agenda in Timor-Leste, which envisions building a stronger nation and becoming one of the global champions of the 2030 Agenda. Most national investment plans are currently financed by generous state oil revenues, but without diversifying the economy and reducing high unemployment, Timor-Leste may struggle to reach its development goals. Another concern is that a move to decentralize governance structures to improve service delivery in rural areas has been hindered by weak capacities in public institutions. Using a series of co-financing agreements, the Government of Timor-Leste has turned to UNDP for policy advice, technical expertise and capacity development to address these challenges.

### THE ADDED VALUE OF UNDP

UNDP uses a programming approach based on the right to

development and the building of national capacities that is strongly valued by the Government of Timor-Leste. Global and regional networks of expertise encompass think tanks, academia and the private sector, and UNDP consistently fosters South-South cooperation, particularly with other countries in Asia and the Pacific.

Government partners trust UNDP's ability to quickly systematize and contextualize global and regional knowledge, reducing learning curves and 'time to market'. Fast delivery of pilot projects offers proof of concept, and is combined with support for national capacities to expedite broader implementation. UNDP-brokered partnerships with the private sector deliver benefits to public sector entities while allowing them to remain focused on their core mandates.

UNDP programming instruments are well suited for managing funding from multiple sources while respecting aid effectiveness principles, including national ownership. This enables a multiplier effect when domestic resources are entrusted to UNDP and combined with international finance. Both

international donors and the Government know that UNDP will apply high standards of transparency and cost-efficiency, and ensure timely results.

## KEY ACTIVITIES AND ACHIEVEMENTS

UNDP has been a trusted partner of the Government since Timor-Leste was born out of crisis in 1999. It has supported reconstruction, peacebuilding and conflict prevention, institutional development and poverty reduction. Recent assistance has focused on further developing policies, institutions and human capacities in the transition from a post-conflict, fragile state to a fast-moving, stable, middle-income country. This longstanding relationship provides space for policy development support and innovative thinking to solve socioeconomic challenges—and to scale up the most successful solutions.

With co-financing from the Government of Timor-Leste, UNDP is helping to establish a special economic zone, foster social businesses and make local governance more effective.

### BOOSTING ECONOMIC DEVELOPMENT

The Oe-Cusse district, nestled within the western region of Timor-Leste, is characterized by high unemployment and subsistence agriculture, and some of the country's most limited access to sanitation, electricity and drinking water. Underdeveloped financial services constrain business development and productive employment opportunities.

To boost economic activity, the Government decided to establish a special economic zone to serve as a trade and industrial centre. It sought UNDP's assistance to strengthen governance in the centre and devise policy instruments to enhance socioeconomic development. A two-component programme has aimed to create a fast, responsive and tech-enabled regional governance structure, and to strengthen community-based business models, access to finance and services backing businesses catering to local needs.

Overall, UNDP's approach has allowed authorities nationally and in the special economic zone to focus on issues of strategy and policy orientation, rather than getting

bogged down in day-to-day operational challenges. UNDP is helping to institute an efficient and robust procurement system, improve capacities for planning and oversight, and devise a rural development strategy to create jobs, increase livelihoods and encourage the careful stewardship of natural resources. Technical expertise has aided the formulation of new policies related to partnership development, stakeholder engagement, skills building, the zonal management company and land governance.

New business models for social enterprise ecosystems and regeneration of the rural economy have been devised, and the Social Entrepreneurship and Economic Development (SEED) Fund for inclusive rural development launched. With the World International Property Organization, UNDP is providing guidance on using geographic information systems to help increase exports of organic agricultural products. The introduction of modern farming technologies and strengthening of supply and value chains between rural areas and the special zone have led to higher yields and incomes.

In a short period, through UNDP's facilitation, authorities in the zone have been able to strike an agreement with the Singapore International Arbitration Centre for serving as the preferred institutional arrangement for dispute resolution, a key instrument to attract business and investment. Links to the Singapore Polytechnic Institute and the Temasek Foundation are helping to build skills in the hospitality sector. Fellowship schemes have been established with both the Lee Kuan Yew School and Harvard Business School, with the latter also serving as an adviser to the SEED Fund.

For Timor-Leste as a whole, the Ministry of Commerce Industry and Environment collaborates with UNDP to identify new ways for the private sector to create jobs and help reduce poverty. There is a particular emphasis on developing small and medium businesses, home-based producers and cooperatives that can stimulate the rural and peri-urban non-oil economy. Also a priority are businesses that meet critical gaps in products and services for the poor related to the SDGs.

UNDP partners with government agencies responsible for regulating and supporting target sectors, helping to develop their technical capacities, and strengthening collaboration with the private sector, civil society organizations and international organizations. Important policy results include a new National



Industrial Policy geared towards the enhancement of livelihoods, jobs creation and poverty reduction. UNDP research has provided critical inputs for better targeting of policies and programmes to ease barriers to small and medium enterprises, including through the broader provision of financial services.

One aim is to build a strong network of public and private actors engaged with social businesses, and to establish a functional financing mechanism for these enterprises, which operate as businesses but are geared towards meeting social needs. Several social businesses have been piloted to show potential ways forward. One initiative in the capital provided additional income to nearly 1,000 people and cleaned the streets by removing 2.5 million plastic bottles. Another introduced modern salt-making methods to mostly women salt farmers. This reduced the burning of firewood and its negative health and environmental impacts, and increased domestic salt supplies, cutting dependence on imports.

#### **SUPPORTING DECENTRALIZATION TOWARDS BETTER SERVICES**

Efforts to reduce poverty and improve local development depend largely on more effective local governance, improved public participation and enhanced local capacities to deliver services, particularly to vulnerable groups. Through co-financing, UNDP is helping Timor-Leste move towards the decentralization of public administration, so that services can be delivered at the local level, close to the people they are meant to benefit. It is also supporting stronger subnational investment planning, accompanied by improved follow-up implementation and public financial management. Assistance in climate-proofing small-scale infrastructure helps in making rural communities more resilient in the face of climate shifts.

UNDP has provided a diagnostic methodology and tools on institutional strengthening as well as training to the Secretary of State for Institutional Strengthening and nine line ministries. This helped shape the recently adopted Policy for Strengthening Institutions (2016-2030), accompanied by a mechanism to monitor implementation. In six municipalities, a foundation course on policy, strategy, leadership and management has informed civil servants about the national development vision and how they can contribute through



More effective subnational investment planning, including for small infrastructure, extends the reach of essential services and helps boost resilience to climate shifts.

better service delivery.

Through integrated municipal development planning, climate-resilient small-scale infrastructure projects were factored into planning and budgeting in 2015. Eleven infrastructure projects were built in three municipalities: Baucau, Ermera and Liquica. Based on geographic information system technology, UNDP produced 24 climate hazard and risk maps indicating hotspot areas in 79 villages in the three localities, helping central and local authorities to make informed decisions, and move towards longer term planning and investment. In three districts, the Integrated District Development Programme Maintenance Grant System was piloted to support infrastructure management and climate proofing, with an emphasis on community engagement to increase ownership and provide additional income.

---

## **BASIC FACTS / SOCIAL BUSINESS**

TIME FRAME: *2012–2016*

TOTAL PROJECT COSTS: *\$2.8 million (including \$2.6 million from the Republic of Korea)*

GOVERNMENT FINANCING: *\$140,000*

PARTNERS: *Ministry of Commerce, Industry and Environment*

---

## **BASIC FACTS / DECENTRALIZATION**

TIME FRAME: *2014–2018*

TOTAL PROJECT COSTS: *\$8 million (including \$4.6 million through UNDP supported Global Environment Facility funded projects)*

GOVERNMENT FINANCING: *\$3 million*

PARTNERS: *Secretary of State for Institutional Strengthening, Ministry of Planning and Strategic Investment*

---

## **BASIC FACTS / SPECIAL ECONOMIC ZONE**

TIME FRAME: *2015–2017*

TOTAL PROJECT COSTS: *\$2.5 million*

GOVERNMENT FINANCING: *\$2.3 million*

PARTNERS: *Authorities in the special economic zone*

---

## CREDITS

Team: Silvia Morimoto, Tasneem Mirza, James Chacko and Stanislav Saling  
Senior advisors: Gilberto Flores, Jakob Simonsen, Walter Franco

Special thanks for story contributions from UNDP Country Offices in India, Malaysia, Nepal, Pakistan, Philippines and Timor-Leste; the UNDP Pacific Office in Fiji; and the UNDP Regional Bureau for Asia and the Pacific Country Office Support and Quality Assurance and Strategic Planning and Oversight Teams

Editor: Gretchen Luchsinger  
Designer: Cristina Ottolini

