



United Nations Development Programme

Paraguay

Governance Assessments

Project Assessment

The DGTF Lessons Learned Series

Paraguay

Governance Assessments

Project Assessment

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Abbreviations

AECID	Agencia Española de Cooperación Internacional para el Desarrollo (Spanish Official Development Agency)
DGEEC	Dirección General de Estadística, Encuestas y Censos
DGTTF	Democratic Governance Thematic Trust Fund
OGC	Oslo Governance Centre
TRAC	Target for Resource Assignment from the Core
UNDP	United Nations Development Programme

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Preface

The Millennium Declaration, a key outcome of the Millennium Summit in 2000, emphasizes the centrality of democratic governance to achieving the Millennium Development Goals. World leaders agreed that improving the quality of democratic institutions and processes, and managing the changing roles of the state and civil society in an increasingly globalized world, should underpin national efforts to reduce poverty, sustain the environment, and promote human development.

The Democratic Governance Thematic Trust Fund (DGTTF) was created in 2001 to enable UNDP country offices to explore innovative and catalytic approaches to supporting democratic governance. The DGTTF Lessons Learned Series represents a collective effort to systematically capture lessons learned and best practices, to share them with all stakeholders, to serve as an input to organizational learning, and to inform future UNDP policy and programming processes.

Executive summary

This report presents the findings of the review of the DGTTF-funded project, **System for Monitoring and Evaluation of Democratic Governance in Paraguay**. The project took place over 15 months from March 2008 to June 2009 with a DGTTF grant of \$100,000 to cover the costs of the preparation and publication of the baseline governance assessment framework.

This review assesses the extent to which the project was innovative and catalytic in the Paraguayan context. It considers what has made the project succeed or fail, and why. And it informs UNDP's future strategic policy and programme planning processes in the democratic governance focus areas.

The project was carried out under the 'national execution' modality, with the Congress as implementing agency and the President of the Senate as overall project director. It aimed to support a national process of monitoring and evaluating democratic governance in Paraguay. The project's planned outputs were:

1. Strengthened capacities of national actors in using and developing governance indicators. By developing their capacities, all key actors will be able to understand and identify the priority areas of governance to establish a baseline for reform.
2. Development of a national system of governance indicators. National ownership is a key factor for developing the indicators' system and for creating an appropriate institutional framework through which to collect and monitor data.
3. Start of a monitoring and evaluation mechanism for democratic governance. The proposal is to establish a Coordination Committee to monitor the indicators

over time. The committee will consist of representatives of national and local government, Congress, local assemblies, civil society, and academic bodies.

The development model in Paraguay is focused on economic growth, which has expanded rapidly in recent years. But that has brought sudden and greater inequality in the distribution of income and wealth. Governmental structures are characterized by high levels of institutional weakness, which has encouraged a donor-driven approach to development assistance in the past. Since 2005, the Government has slowly incorporated social inclusion, environmental protection, and poverty reduction in its development objectives. Assessment frameworks and associated indicators are well established for economic growth, but are only starting to be used for governance. There was therefore a need to develop a Paraguay-specific governance assessment framework to which further indicators can be added.

This project set out to achieve this by:

- i. Supporting the Congress as national counterpart to lead the initiative. Such leadership was assumed to be strategic for ensuring broad bipartisan political consensus on accepting the evidence for governance reform, and for strengthening the capacity of Congress in its oversight function.
- ii. Using the National Statistical Office to collect the data. As a respected government agency seen by the media as politically non-partisan, the National Statistical Office may strengthen the robustness and credibility of data, can secure institutionalization of data collection among national actors, and launch the data as a public good.
- iii. Establishing a monitoring committee representing all major stakeholders. This committee would secure an inclusive process in the development of the governance assessment framework, assisting with validation and dissemination of results.
- iv. Raising government capacity by recruiting staff. A technical coordinator was charged with managing the Governance and Democracy survey, leading the analysis and working on the report, and communicating and disseminating results.

The project assessment shows that:

1. The project was relevant, with a clear and coherent set of three main governance objectives, and was

strategically positioned at the heart of UNDP's overall country programming in democratic governance.

2. The project was very innovative, as this was the first time that a governance framework had been constructed by an institution of the Paraguayan state. Given its extremely low public standing, the choice of the Congress as lead actor was also innovative.
3. The catalytic impact of the project was limited. There was no evidence of follow-up by government, other domestic governance institutions, or other donor agencies. There are no current plans to scale-up the project and no other public sector body has yet assumed responsibility for continued governance assessment. No measures have been taken during the two years since its completion to ensure the project's sustainability. A major explanation was the absence of a monitoring committee that could have implemented a dissemination strategy.
4. The overall effectiveness of the project in meeting its three objectives was uneven. The objective of "developing a national system of governance indicators" was met. The objective of "strengthening capacities of national actors in the use and development of governance indicators" was partly met, but the objective of "starting-up a monitoring and evaluation mechanism for democratic governance" was not met. The project's efficiency was acceptable, with impressive deliverables achieved with a low financial outlay.
5. The project displayed a high level of formal national ownership, with the Senate as the national lead actor. However, politicians attached little priority to the project and the annual rotation of the Senate leadership led to lack of continuity and delays in decision-making. It may have been expected that the project team's location in the legislature would enhance the political impact of the governance assessment. However, this ownership modality adversely impacted sustainability, raising questions as to whether it was the most appropriate choice of stakeholder.
6. The governance assessment was clearly aligned with the political priorities of the national government, which emphasize the need for a more inclusive style of development, a focus on poverty reduction, and the need to make the public administration more accountable to its citizens.
7. Although a major target of the project, strengthening the capacities of national actors in the use and development of governance indicators was limited.
8. The project's impact in strengthening accountability was severely limited by the restricted diffusion of the results of the governance survey.

The following key lessons learned and recommendations emerged from the review:

1. It is very important to take account of the national political and social contexts when setting expectations for governance assessment projects.
2. Broad participation in the design of the assessment framework is crucial in order to build up a strong national ownership that provides the basis for sustainability.
3. An extended time period between project completion and evaluation is a double-edged sword. On the one hand, it enabled a more reasoned calculation of the impact of the project. On the other hand, it raised issues of memory recall among interviewees.
4. Technical assistance from the Oslo Governance Centre, and the comparative perspective that this brings, can be especially beneficial in formulating projects in countries with weak governance structures.
5. In countries with weak governance structures, technical support provided by the UNDP Global Programme on Capacity Development for Democratic Governance Assessments and Measurements should not just be available for call-down, but should become standard procedure.
6. It is important to invest time and resources in the project's design phase to properly analyse and recommend the most suitable counterpart.
7. Special attention should be given to planning a socially-inclusive dissemination strategy to maximize the impact of government assessment projects.
8. Given the enormous benefits deriving from a comparison over time, government assessment project documents should, wherever possible, include provision for both an initial baseline survey and a follow-up survey after one or two years.

Introduction

Objective, Scope and Approach

The Democratic Governance Thematic Trust Fund (DGTTF) was created in 2001 to provide an opportunity for UNDP country offices to engage in innovative activities that could have a catalytic effect in supporting sustainable democratic governance on the ground. Within a broader range of UN and UNDP activities in Paraguay, the country office undertook a project in 2008/2009, **System for Monitoring and Evaluation of Democratic Governance in Paraguay**, funded by DGTTF.

This project review focuses on the project's impact in the Paraguayan context. A consideration of how lessons from the projects can inform UNDP's policy on country-led governance assessments is based on the following seven criteria, defined according to the DGTTF guidelines:

- ✓ **Relevance and strategic positioning** is a measure of the extent to which a project has a clear, coherent, and consistent set of objectives in conformity with overall country programming in governance.
- ✓ **Innovative** projects are those that address a recognized critical democratic governance issue, which, if resolved, might lead to substantial improvement in democratic governance. Innovative projects, in terms of the problem addressed or the approach taken, have never before been attempted in a given country. At the same time, they will position UNDP as a key player in democratic governance and one that pushes the frontier.
- ✓ A **catalytic** project has a high likelihood of receiving support from government or other governance institutions (including other donors) for scaling-up or following-up, if the project is successful.

- ✓ **Scalability** examines the extent to which the project supports other related projects implemented by country offices.
- ✓ **Effectiveness** is a measure of the extent to which an aid activity attains its objectives.
- ✓ **Efficiency** measures the outputs in relation to the inputs. Were activities cost-efficient and were objectives achieved on time?
- ✓ **Sustainability** is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. Projects need to be environmentally and financially sustainable.

The project impact is also assessed according to four key strategic principles (ownership, alignment, national capacity development, and strengthening accountability) that inform UNDP's policy on country-led governance assessment.

The report was prepared by a consultant working under the supervision of the Oslo Governance Centre. The consultant solicited, received, reviewed, and consolidated country specific data and information from national counterparts, project staff, and the UNDP Country Office in Paraguay. The assignment entailed a combination of home-based work and an in-country mission.

A major challenge in any assessment of democratic governance projects is to link outputs to wider impacts. Given its unique content and pilot nature, the common issue of attribution was not a problem in this project. However, the two-year gap between the end of the project and its evaluation was a double-edged sword. On the one hand, it enabled a more reasoned calculation of the impact of the project. On the other hand, it raised issues of memory recall among interviewees, a factor that was a major challenge in linking project outputs to impact.

Report Structure

The report is divided into four sections.

1. To position the DGTTF project, the **first section**, the **Country Context**, presents an overview of the socio-economic and political situation in Paraguay at the time of the project's design.
2. The **second section** outlines the **activities** of the **System for Monitoring and Evaluation of Democratic Governance in Paraguay** (2008) project.

3. The **third section** analyses the project's impact, in line with the criteria discussed above.
4. Finally, the **fourth section** discusses lessons learned from the review and offers recommendations to inform UNDP's future strategic policy and programme planning processes in the democratic governance focus areas.

Country Context

History

In 2011, Paraguay had a population of 6.5 million and celebrated the bicentenary of its independence from Spain. During those two hundred years, the country was involved in two of the three post-independence wars in Latin America – the War of the Triple Alliance (1865-70) and the Chaco War (1932-35) – and a civil war in 1947. These have led to a deep-rooted cultural isolation, which was re-enforced by 35 years of dictatorship under General Alfredo Stroessner (1954-89). The democratisation process proceeded slowly thereafter, with three attempted military interventions that were thwarted by Paraguay's incorporation in 1991 into Mercosur, a regional customs union with Argentina, Brazil, and Uruguay. The victory of Fernando Lugo, a former Catholic bishop, in the 2008 presidential election marked a historic turning point in the country's history, putting an end to the 61-year rule of the Colorado Party – the longest in office of any political party in the world at that time. It was also the first time in the country's history that political power had been transferred from one party to another through a peaceful election.

Government

Paraguay has a 'weak president' political system, with Congress retaining extensive powers. This was designed by the democratic 1992 Constitution in reaction to the excesses of the Stroessner dictatorship. The president and vice-president are elected for five-year terms and re-election is not permitted. The bicameral legislature, the Congress, is composed of an 80-member lower house, the Chamber of Deputies, whose members are elected by departmental constituencies, and a 45-member upper house, the Senate, which is elected from a single national constituency, both using closed party lists. Congress generally acts lethargically and often tends to obstruct bills proposed by the executive. The public holds most members of Congress in disdain, and many have acquired a reputation for sloth and venality. The 1992 Constitution introduced 17 departments as a new intermediate

tier of government. Departmental councils and governors are directly elected, but their powers, responsibilities, and financing are limited.

Economy

Paraguay is a low income country with an annual per capita income of US\$2,940 in 2010. Economic growth has expanded more rapidly in recent years. In 2010, the country recorded 15.3 percent growth, the second highest economic growth rate in the world. The expansion of commercial agriculture and cattle-ranching, particularly soybean and beef exports, has led to the displacement of small peasant producers and a growing number of rural families without access to land. That has brought a rapid increase in the inequality of the distribution of income and wealth to levels, and well above the regional average for Latin America. By 2009, some 19 percent of all households and 32 percent of rural households were living in extreme poverty.

Government structures have not changed appreciably in response to this faster economic growth. They remain characterized by high levels of institutional weakness. The tax yield, at 12 percent of GDP, remains among the region's lowest and is highly dependent on indirect taxation, particularly VAT, for its revenue. A bill first proposed by the executive in 2006 to introduce personal income taxation has been rejected by the legislature on four occasions under two successive presidents.

The above factors have encouraged a donor-driven approach to development assistance. There is no central government coordinating agency and donors deal directly with individual ministries. That has led to weakened prioritization and duplication of effort. In recent years, the international donor community has encouraged the Government to incorporate social inclusion, environmental protection, and poverty reduction in its development objectives. Free access to mother and child health care in state hospitals was introduced in 2009 and a conditional cash transfer programme now covers 100,000 families living in extreme poverty. Legislation to slow down the pace of deforestation has been passed but is weakly implemented.

Governance

Paraguay faces a range of governance challenges that are common to Latin American countries, e.g., a socially exclusive development trajectory, an authoritarian tradition with associated weak civil society, judicial corruption and impunity for wrongdoers, and low levels of transparency and accountability. However, there is one particular over-arching governance feature that sets the country apart from the regional norm – its extremely 'weak state' structure.

The public administration system is riddled with a complex web of informal networks, based on interweaving familial nepotism, political patronage, and clientelism. This fundamental weakness of the state has a major negative impact on a wide range of governance indicators. The size of the state (as a share of GDP and employment) is slightly below the average for Latin America, but its productivity and effectiveness is extremely low by international standards. The main reason for this is the virtual absence of any meritocratic system of human resource management, i.e., in recruitment, promotion, dismissal, and performance evaluation. Consequently, ministries' staff are geographically poorly distributed and interministerial coordination is almost non-existent. Staffing on the basis of personal and political loyalties is the breeding ground for the endemic corruption, both petty and major, that continues to characterize the state. There is no cadre of higher-level professional civil servants to provide a counterweight to these influences. This professional vacuum means that, because of the high turnover in confidence posts, there is hardly any institutional memory in the state, making it particularly easy for powerful private sector groups, particularly represented by the media, to capture the public policy-making process in pursuit of their own interests rather than that of the common good. Efforts to introduce a meritocratic civil service have failed to date, with public sector unions even contesting a recent attempt to increase the working day from six to eight hours on the grounds of "acquired rights".

Assessment frameworks and associated indicators exist for economic growth, with reputable monthly surveys of demand and supply conditions published by the central bank. In contrast, such frameworks and indicators for governance are only just starting to be introduced. One NGO, *Centro de Información y Recursos para el Desarrollo*, prepared a governance framework with indicators, based on a sample survey, that appeared annually from 2001, but terminated in 2006 when funding from USAID ended.

Project

System for Monitoring and Evaluation of Democratic Governance in Paraguay (2008)

Context and Strategy

Given the evidence of serious governance challenges in the context of a rapidly changing economy and the absence of any ongoing national monitoring system, it was felt that there was a need to support a national process of monitoring and evaluation of democratic governance in Paraguay by developing a country-specific governance assessment framework to which further indicators can be added later.

The sources of change for improved democratic governance in Paraguay are primarily driven by the country's fast-moving socio-economic changes. However, this positive underlying force is restrained by very slow institutional change. That is explained in large part by a political system dominated by traditional landed elites, and by the limited collective action of civil society organizations, which have only recently emerged from decades of dictatorship.

The country-specific enabling environment was not particularly conducive for governance assessments, as suggested by the termination of the 2001-2006 initiative. However, the expression of demand for the project made good use of an opportune entry-point – the election of a new coalition government in 2008. This political change, coming 19 years after the introduction of democratic elections, raised hopes of enhanced state commitment to improved governance. Civil society organizations and NGOs felt that a governance assessment framework could become instrumental in tracking anticipated improvements in the accountability and transparency of state bodies.

The major stakeholders for the project were the Senate, NGOs, and the National Statistics Office (DGEEC). Its role as national lead organization was suggested to the Senate by UNDP rather than being originally proposed by the Senate itself. The

system of political competition did not adversely affect the governance assessment, as there was bipartisan support for the initiative. However, Congress's primary interest in the project was to enhance its public image as a modernizing legislative body, rather than a strong commitment to governance. A striking example of this was the refusal of Congress to allow the declaration of members' interests, a legal requirement on taking and leaving office, to be placed in the public domain. NGOs and civil society organizations had an interest in resurrecting the governance surveys (2001-2006), because they provided credible data on governance shortcomings that could be publicized in campaigns and through the media in order to press for improvements in the state's transparency and accountability.

The relatively short 15-month project period meant that these interest group dynamics did not change significantly over the project's life. A tacit consensus emerged among stakeholders, although several deputies and senators questioned the veracity of the low public opinion rating of Congress shown in the governance assessment. The project made use of two local 'champions' who had strongly advocated the need for improved governance and who were recruited to lead the project. However, their impact on the culture of the state was limited by their background and role as external consultants.

Activities

The objectives of the intervention were i) to develop national capacity to strengthen democracy, governance, and human rights; ii) to obtain pro-poor and gender-sensitive indicators, selected and generated through a transparent, participatory, and inclusive process by different actors (Government, civil society, political parties, the media, and academic bodies) to ensure commitment for use of the governance indicators; and iii) the introduction of indicators and monitoring instruments related to national development planning and the national strategy for poverty reduction.

The project took place in 2008 and 2009 with a DGTTF grant of \$100,000 to cover the costs of the preparation and publication of the baseline governance assessment framework. The questionnaire comprised 59 questions and the sample survey had a universe of 3,000 respondents. This compared favourably with the universe of the *Centro de Información y Recursos para el Desarrollo* surveys (1,000) and the annual household surveys of the National Statistical Office (6,000). The framework had four categories with a total of 19 indicators: democracy (6), good government (4), quality, efficiency, and transparency of the public administration (5), and social inclusion (4). Several indicators used in that earlier initiative were incorporated in the project surveys, which enabled a time comparison in some cases.

The project set out to achieve this by the following activities:

- i. Supporting the Congress as national counterpart to lead the initiative. Such leadership was assumed to be strategic to ensure broad bipartisan political consensus on the evidence base for governance reform, and for strengthening the capacity of Congress in its oversight function.
- ii. Using the National Statistical Office to collect the data. As a respected government agency that is widely seen as independent by the media, the use of the National Statistical Office may strengthen the robustness and credibility of data, secure institutionalization of data collection among national actors, and launch the data as a public good.
- iii. Establishing a monitoring committee representing all major stakeholders. This committee would secure an inclusive process in the development of the governance assessment framework, assisting with validation and dissemination of results.
- iv. Raising government capacity through recruitment of staff. A technical coordinator was charged with managing the Governance and Democracy survey, leading the analysis and working on the report, and communicating and disseminating results.

Findings

Relevance

The project had a clear and coherent set of three main objectives. By seeking to produce up-to-date information on various aspects of governance, these were closely aligned with, and supportive of, the overall country programming in democratic governance. The country office has a solid portfolio of governance-related projects, which are funded from other sources, e.g., TRAC, and AECID. The initiative's objectives dovetailed well with these projects, which included a major state reform project, a water and sanitation survey, a victim of crime survey, as well as projects to strengthen the information system of Congress, to modernize the police force and the public administration system, and to empower women working in the public sector. The DGTTF's flexible and quick funding greatly facilitated this strategic and cross-cutting initiative, whose results could potentially be of great benefit to other projects working in democratic governance.

Innovation

The project was very innovative. According to one informant, the absence of a baseline governance assessment was regarded by the incoming 2008 government and donors alike as a critical missing piece in promoting democratic governance, with the potential to help create substantial improvements in transparency and accountability. This was the first time that a governance framework had been constructed by an institution of the Paraguayan state. It was also the first time that the well-respected National Statistical Office had collected comprehensive governance data. Given its extremely low public standing, the choice of the Congress as lead actor was also innovative and risky. Undoubtedly, by pushing the frontier in promoting this particular innovation, UNDP demonstrated its position as a key democratic governance player in Paraguay.

Catalytic Nature

The project's catalytic impact was limited. There was no evidence of follow-up from government, other domestic governance institutions, or from other donor agencies. No TRAC or external resources were mobilized. However, the initiative did mobilize some governmental resources in the form of staff from the National Statistical Office and the Congress, who worked on the project. The DGTTF did not function as a vehicle for the country office to jumpstart projects in new areas.

Scalability

There are no current plans to scale-up the project, and no other public sector body has yet assumed responsibility for continued governance assessment. The fact that the executive has not taken the initiative to sustain the project suggests that the project is not embedded in a larger coherent government strategy directed at enhancing democratic governance.

Effectiveness

The project's overall effectiveness in meeting its three objectives was average:

- i. Strengthened capacities of national actors in the use and development of governance indicators. This objective was partly met. The envisaged course on 'governance, democracy and human rights' did not take place. However, some capacity development has taken place, by developing the technical capacity of the National Statistical Office to manage governance statistics. Meetings were held with teams of advisors in both legislative chambers. Although short meetings were held with congressional representatives, before and after the survey, these were informative in nature rather than training sessions.
- ii. Developed a national system of governance indicators, selected and generated through a transparent, participatory and inclusive process by the different actors (Government, civil society, political parties, media and academic bodies) to ensure commitment to the use of the governance indicators. This objective was met. A system of appropriate governance indicators was developed, incorporating nationally-relevant indicators that are pro-poor and gender sensitive, and a baseline survey was completed. However, the participatory and inclusive nature of the process was limited. Only three of the 17 members of the monitoring committee represented non-government organizations, and two others came from academia.

- iii. Start of a monitoring and evaluation mechanism for democratic governance. This was hardly met. The monitoring committee convened only once when the findings of the survey were presented to it, making this experience inadequate as a start-up mechanism. The subsequent lack of political will and clear ownership responsibility in Congress meant that there was no appropriate institutional framework for promoting the use of the governance survey's data. The question of political will to ensure the implementation and sustainability of the system of monitoring and evaluation had been highlighted as a fundamental risk in the project document.

Efficiency

The project's efficiency was acceptable. Given the low outlay (\$100,000), the deliverables were impressive. The sample survey was produced at a low cost and was carried out in a very short period of time. The rotation of the presidency of the Senate led to some delays in approval of disbursements. As a result, the project was extended twice from the initial 12 months for two further three-month periods until end of June 2009, by which time the budget was fully disbursed. The project produced some positive externalities in the form of increased technical capacity in the National Statistical Office for measuring governance indicators. However, the institutional weakness of the national lead actor meant that the knowledge transfer from the external consultant to the Congress was limited. As part of the project dissemination activities, a project staff member and a Congressional Deputy attended the 14th International Congress of the *Centro Latinoamericano de Administración para el Desarrollo* on state reform and public administration in Salvador de Bahía, Brazil.

Sustainability

Despite an almost universal positive attitude towards the initiative expressed by key stakeholders, no measures have been taken during the two years since its completion to ensure the sustainability of its achievements. The Senate, which was the lead institution, has made no financial provision whatsoever for a second governance survey. As a result, the momentum created by the project has been lost. A major explanation for the lack of sustainability was the absence of an effective dissemination strategy in the project's implementation, even though 'launch of a strategy for sustainability' was listed as an activity (3.1.4) in the project document. More active dissemination of the results of the governance assessment could possibly have resulted in a demand for a follow-up survey.

The project document had envisaged a monitoring committee as the mechanism for sustainability. This did not happen. Selection

criteria for membership of the committee revealed low levels of inclusiveness. Only three of its 17 members represented NGOs and two others came from academia. The monitoring committee itself had no terms of reference. While preparing the framework's content, consultation with its members was carried out on a one-to-one basis. The first and only time that the monitoring committee met was after the survey had been carried out, when the initial findings were presented to it in the form of a Powerpoint presentation. No minutes were kept of the meeting and it did not meet again. A separate meeting was held with Senate representatives. These two events did receive some media coverage at the time.

When the report was finally published six months later, its impact was limited by the absence of any dissemination strategy. There was no media coverage and no records were kept of the final distribution of the total print-run (1,000 copies). In the initial mailing, the number distributed to international donor agencies (42) and to foreign diplomatic missions (26) far exceeded the number distributed to civil society/NGOs (23) and academia (12). Although governance concerns are more pronounced in rural areas, the copies distributed outside the capital city were limited to visits made by the President of Congress.

Because there was no continuity in concrete follow-up activities, there is still limited awareness of the governance framework among key stakeholders. Some dissemination of the survey results took place when the external consultant presented the findings during two subsequent workshop presentations, which attracted media coverage. Several senators and committee members reported that they had used material from the report in their work. The final publication is available on the website of the Senate and UNDP Paraguay, respectively.

Country-led governance assessments

The project does inform UNDP's policy on country-led governance assessment in terms of ownership, alignment, national capacity development, and accountability.

Ownership

The project displayed a high level of formal national ownership. Operating under the NEX modality, the Senate served formally as the national lead actor. However, the Senate's political leadership was not actively involved in the project. The ongoing high level of institutional instability in the Paraguayan government and public administration system, as reflected by the legislature, led to periodic vacuums in project direction. Although the project was located in a recently formed Department of Institutional Development and External Cooperation within the Congress, decision-making was retained by the President of the Senate, an annual post for which an election is held every June. As a result,

three presidents managed the project in its short life, leading to considerable lack of continuity and delays in decision-making. It may have been expected that the location of the project team in the legislature would enhance the political impact of the governance assessment. However, this ownership modality adversely impacted sustainability, raising questions of whether it was the most appropriate choice of stakeholder.

Alignment

To a considerable extent, the governance assessment was aligned with the national government's political priorities. Recent policy documents from the Ministry of Finance, the Civil Service Secretariat and the Social Welfare Secretariat have emphasized the need for a more inclusive style of development, a focus on poverty reduction, and the need to make the public administration more accountable to its citizens. In that respect, the assessment was highly politically relevant. However, the potential political impact was markedly reduced by the fact that throughout the life of the project the government lacked a stable working majority in the legislature, which was the chosen lead counterpart.

National capacity development

Although a major target of the project, strengthening the capacities of national actors in using and developing governance indicators was limited. No attempt was made to develop demand-side capacity among, for example, politicians, NGOs, academics, and the media. However, some supply-side capacity development has taken place, by developing the technical capacity of the National Statistical Office to manage governance statistics. Meetings were also held with the teams of advisors in both houses of Congress, informing them of the project's progress. The impact on capacity development could have been greater had the project organized national training rather than sending selected representatives to an international public administration conference in Brazil.

Accountability

The governance assessment produced information that could have been used extensively to strengthen accountability and transparency. Had a dissemination strategy been in place, it would have enabled wider diffusion of the document *Indicadores de Gobernabilidad Democrática en el Paraguay* (Democratic Governance Indicators in Paraguay), which was the project's main output, among NGOs and civil society organizations. A cursory review of NGOs revealed that few had heard, let alone read, the document.

Lessons Learned and Recommendations

Four lessons learned from the project may inform UNDP's policy on country-led governance assessments.

- 1. It is very important to take account of the national political and social contexts when setting expectations for governance assessment projects.** The design of this project did not consider sufficiently that the main difficulty in preparing a comprehensive governance framework would be the institutional weakness of the Paraguayan state. This evaluation confirmed that, before implementation, key stakeholders overwhelmingly recognized and accepted citizens' negative perception of politicians and many state bodies, in particular the Congress. The absence of an effective state institution responsible for overseeing the implementation of a concerted national development strategy meant that follow-up would be difficult. A stronger stakeholder analysis during project preparation could have identified an alternative and more appropriate national leader actor, e.g., the National Planning Office, the National Statistical Office, the Ministry of the Interior.
- 2. Broad participation designing the assessment framework is crucial for building the strong national ownership that is the basis for sustainability.** This is particularly the case in countries with weak governmental structures, such as Paraguay. The absence of a broad participatory approach to project design was the most important factor explaining the initiative's limited effectiveness.
- 3. Technical assistance from the Oslo Governance Centre, and the comparative perspective that this brings, can be highly beneficial in formulating**

projects in countries with weak governance structures. A technical mission from the Oslo Governance Centre was planned for this project, but did not take place. The initiative would have benefitted from help in deciding on the best implementation modality (government counterpart) as well as technical capacity building (assistance with selecting the indicators)

- 4. An extended period between project completion and evaluation is a double-edged sword.** In a project with a high level of sustainability, a two-year gap between the end of a project and its evaluation has the advantage of capturing a wide range of impact activities. However, in a project such as this, with a low level of sustainability, this delay led to major problems of memory recall for key respondents.

Based on these findings, the following recommendations are made regarding the opportunities, risks, and entry points for future UNDP engagement in democratic governance.

1. Democratic governance assessments are eminently political activities. To ensure their sustainable impact, 'power mapping' should be at the heart of stakeholder analyses carried out during project design and implementation phases.
2. DGTF management should develop a healthy scepticism of the view that the national legislature is an ideal counterpart in countries with weak governance structures. This view is based on an idealized understanding of the relationship of the legislature and the executive, in particular the 'scrutiny' role of the former, which does not take account of the deep-rooted political culture of clientelism that is prevalent in many such countries.
3. Dissemination of learning should not be viewed simply as a final add-on component of project intervention. Rather, it is essential to the achieving its maximum impact. For this reason, a dissemination strategy should be developed from the early stages of project design. It should identify the key stakeholders and mechanisms capable of promoting the behavioural changes required to achieve the objectives. Special attention should be given to planning a socially-inclusive dissemination strategy to maximize the impact of government assessment projects. A communication strategy that targets alternative means of communication (including local radio stations broadcasting in household languages) could have a greater impact on reaching

out to poor and marginalized groups, those that suffer most from poor governance.

4. The establishment of a broad-based and representative monitoring committee, with strong participation by civil society organizations, is crucial to maximizing the impact of governance assessments and ensuring their sustainability. By promoting widespread dissemination, such a committee can generate a virtuous circle by creating new demand for follow-up governance assessments.
5. In countries with weak governance structures, technical support provided by the UNDP Global Programme on Capacity Development for Democratic Governance Assessments and Measurements should not just be available for call-down, but should become standard procedure.
6. Given the enormous benefits derived from a comparison over time, government assessment project documents should, whenever possible, include provision for both an initial baseline survey and a follow-up survey after one or two years.

Annex I: Codification of Tools and Instruments Used

Congreso Nacional y PNUD (2009): *Indicadores de Gobernabilidad Democrática en el Paraguay*. Asunción.

http://www.undp.org.py/images_not/Indicadores%20de%20Gobernabilidad%20Democratica.pdf

Monitoreo de Indicadores de Gobernabilidad Democrática Pyto. 59.520, Congreso Nacional-PNUD (Powerpoint presentation comprising 121 slides, 2009)

Annex II: List of People Interviewed

Sebastian Acha, National Deputy

Miguel Abdón Saguier, Senator

Oscar Barrios, Director of Social and Demographic Statistics, National Statistics Office (DGEEC)

Victor Benítez, Executive Director, Alter Vida - NGO

Sonia Brucke, Advisor on Gender Issues, Senate

Alvaro Caballero, Coordinator of Projects in support of Citizen Initiatives, Centro de Información y Recursos para el Desarrollo

Agustín Carrizosa, Executive Director, Centro de Información y Recursos para el Desarrollo (CIRD), NGO

Hugo Estigarribia, Senator

Emilia de Franco, National Deputy

Carlos Filizzola, Senator

Rocio Galeano, Coordinator, Manager, Programme and Communications Unit, UNDP Paraguay Country Office

Milda Rivarola, Project Coordinator

Maria Liz Sosa, Director, Institutional Development and External Cooperation Department, Senate

Lilian Soto, Head of the Civil Service Secretariat

Nimia Torres, Director of Economic Statistics, National Statistics Office (DGEEC)

Ricardo Yorg, Programme Officer, UNDP Paraguay Country Office

Annex III: Bibliography

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www.gaportal.org