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## CHAPTER 2

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# TRANSFORMATIVE CHANGE

In 2013, UNDP delivered US\$1.15 billion in programmes to address these development challenges (Figure 5), with 88% of UNDP expenditures in the region taking place in low-income countries (LICs) (Figure 6). In Afghanistan alone, US\$770 million was spent, accounting for 67% of these expenditure.

The development challenges facing the region have translated into three thematic priorities for UNDP in 2013-2014. One focus of UNDP's work has been inclusive development pathways and comprised 16% of total expenditures. This has been done through programmes that increase productive capacities and create livelihood and job opportunities for the poor and excluded.

A second focus has been inclusive and effective governance, and has sought to promote citizens' voice and stronger accountability in governance systems as

- ▶ At Same Market, in the rural district of Manufahi, crowds gather to see a theatre performance by NGO Ba Futuru. The activity is part of UNDP's Justice System Programme micro-grant funding, which supports Timor-Leste's national NGOs in implementing access to justice and prevention of Gender Based Violence (GBV) projects. From July to September 2014, 3,540 people attended these theatre performances, and evaluation has shown increased awareness related to the issue. Before the performance, 68% said that they knew about the Law Against Domestic Violence, and 6% could explain it, whereas after the performance 100% said they knew about it, while 76% could explain it. Before the performance, 22% could list somewhere that they would go to receive assistance for GBV, whereas afterwards, 83% could list at least two places to go for help. Photo credits: Bernardino Soares, UNDP-Timor-Leste

well as stronger capacities to deliver universal access to basic services. This also has included the promotion of gender equality and women's participation in governance institutions, and in total comprised at least 68% of expenditures.

A third focus has been building resilience by reducing risk and preparing for crisis as well as early recovery. This work comprised 13% of expenditures.

A fourth and final priority has been UNDP's provision of intellectual leadership to influence the regional development debate (Figure 12). It has done this through preparing national and regional human development and MDG reports, engagement on the post-2015 agenda, and dialogue on the sustainable development goals.<sup>3</sup> South-South and triangular cooperation partnerships have been emphasized, as has the sharing of experience from innovating and scaling up of development solutions.

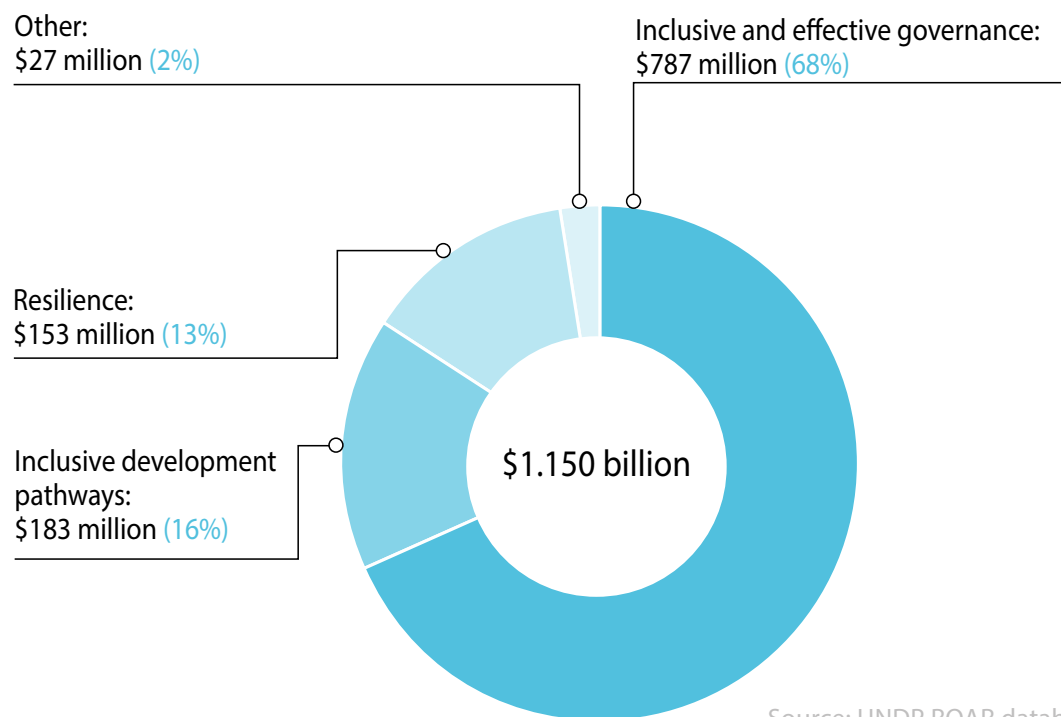
Critically, 2013 and 2014 saw the emergence of a strong new emphasis by UNDP on both innovation and scaling up as key components for ensuring transformative change. Innovation is not new to the Asia-Pacific region: To operate in such a dynamic and often challenging context requires reactive and innovative thinking (see also Chapter 6). As a region with a large and growing number of middle-income countries, UNDP is expected to provide tested and high-quality policy advisory services and solutions to stubborn development problems, a demand that requires the organization to build on innovation. At the same time, there is a need to understand where UNDP can do more to employ new practices and technologies, and to broker new partnerships, to help improve reach and social impact as well as cost effectiveness.

Thus, for UNDP in Asia-Pacific, innovation is about changing the way the organization looks at development challenges and

identifying solutions outside of traditional project cycles. UNDP has recognized that it could do more to support Country Offices in testing and trialing innovative ideas, and it launched an innovation fund in February 2014 (Case Study 1). Under this, 16 projects were each awarded US\$25,000 in seed funding to plan and prototype fresh solutions to help reach key development goals in the region.

At the same time, the process of scaling up successful innovations and initiatives has been a programmatic principle for UNDP in Asia-Pacific since 2011 and is now a focus of the organization's Strategic Plan 2014-17 (see also Chapter 7). UNDP is striving for a more systematic approach, with scaling models clearly defined and strategically implemented, to enhance programming quality and achieve transformative change. Notably, scaling up from a development perspective is not just about expanding in size: It is also about ensuring the quality of development impact, reaching

**Figure 5: UNDP Expenditure in Asia-Pacific by Main Area of Development Work, 2013**  
IN U.S. DOLLARS



out specifically to those who are excluded, and ensuring the sustainability and adaptability of results. Moreover, scaling up embodies a longer-term process than just one year's work, instead representing the culmination of

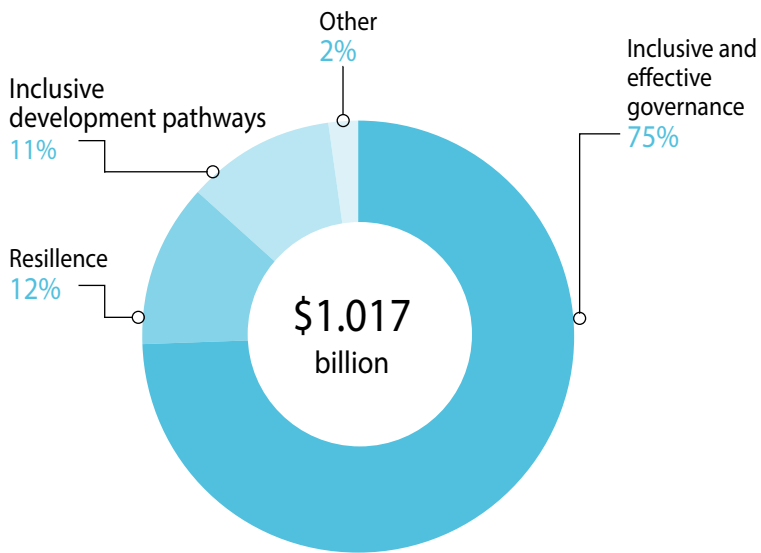
many years of effort (Case Study 2).

Looking ahead, UNDP will continue to attribute high importance to scaling-up successful innovations as a means of achieving greater impact and contributing to national

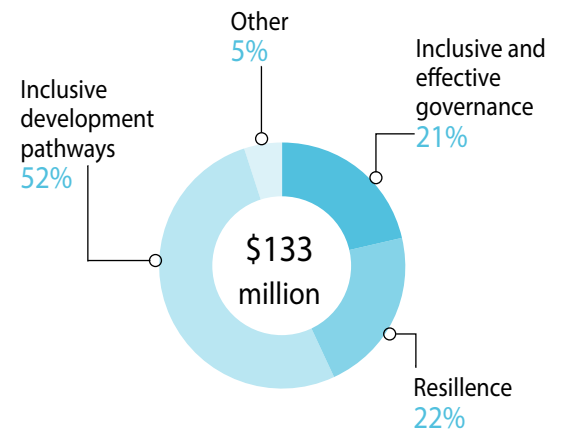
outcome level change. It seeks to learn lessons from the valuable experience of implementing the Innovation and Scaling-Up Funds and channel those lessons into its work in 2015.

**FIGURE 6: UNDP Expenditure in Asia-Pacific in LICs and MICs by Main Area of Development Work, 2013** IN U.S. DOLLARS

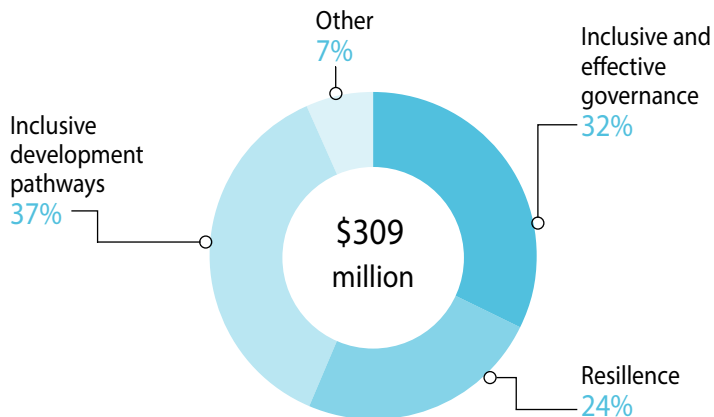
LICs with Afghanistan (88% of total expenditure)



MICs (12% of total expenditure)



LICs without Afghanistan



Source: UNDP ROAR database 2014

# CASE STUDY 2

## Scaling Up Women's Economic Empowerment in Nepal

In Nepal, the Micro-Enterprise Development Programme (MEDEP) is the flagship programme of the Government and UNDP, and has been in operation since 1998. By supporting an integrated approach to entrepreneurship development – particularly for low-income groups, women and youth -- MEDEP ultimately fosters financial self-sufficiency. Micro-entrepreneurs are provided access to a number of business development services such as social mobilization for enterprise development; access to technical skills, to markets, and to finance; improved technologies; and advocacy for mobilizing micro-entrepreneurs associations. In terms of scaling up, the programme has witnessed increasing Government involvement, as well as an expansion in coverage. Initially implemented in 10 of the country's 75 districts, its success resulted in expansion to 38 districts by the third phase (2008-2013). Now, the Government has replicated the model to 50 districts, with plans to reach all districts with its own resources.

Overall, MEDEP is influencing an economic revolution in Nepal:<sup>4</sup> More than 60,000 Nepalis have become micro-entrepreneurs, of which 29% are Dalits, 38% indigenous peoples (Adibasis/Janajatis), 74% women and 62% youth. A total of 80% of the entrepreneurs created during the first 12 years of the programme were still in business, and 73% had moved out of poverty. MEDEP participants had experienced a 500% increase in income, compared to 192% for non-participants. Moreover, economic empowerment of MEDEP beneficiaries has led to social and political empowerment as well. Many of the successful entrepreneurs have been proposed for party seats in recent elections.

Important factors for achieving results at scale have included the targeting of the high incidence of poverty and underdevelopment in rural economies, focusing on rural enterprise at district level and linking micro- and macro-level initiatives. The programme is demand-driven, capitalizing on the marketing strengths of the districts to initiate and promote economic activities. In addition, strong and continuous advocacy and communication at all levels, including by the Government, has been a driver of the scaling-up process; donors have been particularly responsive to the Government's advocacy, which has led to significant political commitment, resource mobilization and financial sustainability.

Women micro entrepreneurs sell vegetables in the local market in Surkhet district in Nepal. In 2013, with the support of Australian Aid, the Government of Nepal and UNDP have created nearly 10,000 micro entrepreneurs, 6,800 (68%) are women. Photo credit: Chandra Shekhar Karki/ UNDP Nepal

