

# POVERTY REDUCTION AND THE MDGS

## COUNTDOWN TO 2015

All of UNDP's work is, at its heart, about poverty reduction and achieving the MDGs. Supporting the institutions and processes of democratic governance gives voice to the poorest and ensures their chance at building a better future for themselves and their communities. UNDP's work with countries in mitigating and recovering from crisis always focuses on the needs of the most vulnerable, as they are the ones who are hit hard-

a host of countries will not meet many of the MDG targets by 2015.

UNDP is providing a combination of monetary and expert assistance to more than 30 countries as they work to prepare in-depth MDG country reports in time for the 2010 UN MDG Summit in September. The Summit is a unique opportunity for world leaders to strengthen collective efforts and to build consensus for the actions required to meet the Goals by 2015.

These MDG country reports will provide deeper analyses on why countries are making progress on some MDGs but not others. The reports will also detail the actions needed to achieve the MDGs in the time remaining. The aim of these reports is to place strong, empirical, country-level evidence of what has worked before the Summit. They will also provide national stakeholders – including governments, donors and civil society organizations – with a common, nationally-owned framework for renewed action.

UNDP is also leading the preparation of an international assessment of what actions must be taken to achieve the MDGs, as tasked by the Group of Eight (G8) leaders in 2009; the assessment will be launched in 2010, at the G8 meeting in Canada. The assessment will examine, in particular, what needs to be done to scale up proven interventions to the national level, taking into account the fact that many countries are still trying to recover from the global recession and other shocks like the food and fuel crises.

Finally, UNDP is producing an *MDG Breakthrough Strategy*. The Strategy will provide an acceleration framework, which will help countries identify what is holding back MDG progress. It will detail proven interventions and lessons learned in order to address those constraints. It will also guide our support to countries to build a foundation for sustaining the progress achieved, mitigate the risk of reversal and strengthen the partnerships that will be needed to achieve the MDGs by 2015.

### UNDP SUPPORT TO POVERTY REDUCTION AND MDG ACHIEVEMENT

Countries requesting and receiving support in 2009	137
Percentage of countries where UNDP provides MDG support that have adopted at least one MDG into their national plan	90%
Countries where UNDP produced country-level MDG assessments in 2009	17

est by conflict and natural disaster. Loss of biodiversity and the effects of climate change are taking their toll, especially on the livelihoods and the futures of the world's poorest, making UNDP's work in these areas increasingly important.

UNDP plays an important role in the global push to achieve the MDGs. First, UNDP's programmatic work supports governments as they work to achieve the MDGs, through policy and technical advice as well as financial support. In fact, a 2009 survey of countries where UNDP provides significant support to national MDG efforts showed that 90 percent had adapted at least one of the MDGs into their national plans. Today, over 60 countries have adopted MDG-based national development strategies with UNDP's support.

Secondly, UNDP coordinates the UN's efforts to monitor countries' rates of MDG achievement. These monitoring efforts are especially urgent as the ongoing economic crisis continues to hamper gains in human development and MDG achievement in many countries. Without a renewed commitment for concrete, comprehensive and targeted action,



Much of UNDP's policy advice to developing countries in 2009 focused on integrating the MDGs into their national development plans as well as expanding ongoing MDG initiatives. For example, in **Colombia**, UNDP provides technical and financial support as well as guidance to local governments in including MDG awareness in their political agendas and development plans. As a result of this work, \$346 million has been raised to finance 11 public policies. In partnership with the UN's Children's Fund (UNICEF), UNDP developed an in-depth socio-economic database containing up-to-date information on Colombia's national MDG targets.

### AID EFFECTIVENESS

The unpredictability of continuing flows of official development assistance (ODA) to developing countries in the current global recession makes national efforts to ensure a sound and transparent use of aid more essential than ever. More than 60 developing countries have implemented aid-management information systems, including websites and databases, with the support of UNDP.

These systems make possible effective management and coordination of aid by providing easily accessible and timely information on planned and ongoing aid flow, broken down by funding agency, sector and geographic location. The setting up of such a system in **Tanzania**, with UNDP's assistance, has improved the predictability of aid flows. The Ministry of Finance is now able to make more informed policy and budgetary decisions that are better aligned with the government's national development strategy.

*In Lesotho, Mojalefa John Ntlabo runs his own door-to-door health care product business with help from a UNDP youth employment programme.*

In **Mali**, with UNDP's support, the Government set up a 'one-stop shop' to facilitate aid coordination. In 2009, UNDP facilitated an agreement, adopted by the Government and more than a dozen of its international partners, that clarifies the roles that different donors play and how their efforts can align within Mali's overall development picture. The agreement puts special emphasis on key social development sectors, including education, health and government decentralization. UNDP is currently helping to coordinate donor agencies working with Mali and, together with other partners, has set up a joint fund for channelling resources aimed at strengthening the capabilities of the Government's Secretariat for Aid Harmonization.

### MONITORING AND ASSESSING POVERTY

Governments must know what problems exist in order to tackle them. With that in mind, UNDP works with governments across the developing world in establishing comprehensive poverty assessment and monitoring systems, from basic census-taking to more extensive tools that provide reliable and timely data on poverty and inequality.

With national economies depressed and unemployment rates high due to the effects of the global recession, tax revenues are drying up. As a result, local governments and the services they offer are being hit hard. In 2009, UNDP commissioned a study on the economic crisis' effect on local communities in **Moldova**. Experts conducted interviews with mayors, doctors, social protection officers, school directors and private companies on the impact the crisis is having on their communities.

The initiative administered a nationally representative public opinion poll across Moldova, conducted focus groups with vulnerable populations, including returning migrants, and produced a quantitative analysis of the impact of the crisis on the socio-economic situation using statistical data. The final report included policy advice specifically tailored to the needs and realities faced by companies, people and local governments in Moldova. Local authorities then used the harvested data when it came time to make expenditure cuts. The study's findings and policy recommendations provides an impor-

tant basis for ongoing dialogue between local and central authorities as the crisis continues to take its toll on local communities.

### **INCLUSIVE MARKETS AND SUSTAINABLE LIVELIHOODS**

Inclusive markets provide opportunities for the poor to become involved in, and to benefit from, private enterprise. All too often, however, small and medium-sized businesses find themselves deprived of the human capital, networks and financial resources needed to grow, especially in the face of monopolistic or oligarchic private interests that use their power to stifle local competition and initiative.

A long-standing UNDP programme to assist poor farmers in **China** has delivered real increases in farmer income. In 2009, UNDP's programme, which links farmer cooperatives to innovative, environmentally-friendly tech-

market economy through the establishment and support of agricultural service cooperatives. These cooperatives bring together member farmers in order to solve common manufacturing, storage and selling problems. With over 40 percent of rural respondents to a UNDP poverty survey in Ukraine's Crimean region showing incomes well below the living wage, improving their livelihoods is crucial if Ukraine hopes to achieve MDG 1, which aims to cut extreme poverty in half by 2015.

In 2009, UNDP's Crimea Integration and Development Programme in Ukraine, through technical and partial financial assistance, supported the creation and launch of 12 cooperatives, benefiting 855 members from different ethnic groups. Another 470 members of newly initiated cooperatives that have not yet been officially registered also received training and support.

The cooperatives offer their members a number of advantages, from providing joint storage and processing of agricultural products to the ability to make wholesale purchases of seeds, fertilizer and farming equipment. Working together, the farmers are also able to push for more favourable prices, obtain loans, grants and subsidies and reduce costs. UNDP has played an especially crucial advisory role to the cooperatives, providing seminars on business planning and bringing in experts to teach the farmers about efficient farming techniques and state-of-the-art methods for the manufacturing and storage of agricultural products.

### **WOMEN AND POVERTY**

There is no denying that any initiative to reduce poverty must not only include women, their concerns and their priorities, but, in many cases, must target women as the chief beneficiaries. UNDP addresses gender imbalance and women's empowerment across its practices, including its work in livelihoods and income generation. For example, a UNDP programme in **Djibouti** is supporting a government development agency in the creation and management of microcredit schemes. In 2009, the Popular Bank for Saving and Credit opened, with women borrowers accounting for 87 percent of its almost 4,500 new members. Like many such microcredit schemes that prioritize women, the repayment rate is impressive, at 97%.

# 3,412,826

The number of people who have received HIV testing and counselling through UNDP-administered grants from the Global Fund to Fight AIDS, Tuberculosis and Malaria as of 2008; in addition, 16,842,045 people received malaria treatment and 595,467 cases of tuberculosis were detected and treated.

nologies by bringing in agricultural technology experts, was formally made a national programme by the Government. The experts receive a share of the farmers' profit, providing incentives for them to take a more active role in ensuring the success of the farmers, who learn not only new technologies but also better ways of organizing their businesses.

Through a network of 70,000 of these experts, hailing from government agencies, academies and research institutes, some 1 million farmers have benefited from the programme, with a resulting increase in annual incomes ranging from 9 to 26 percent. The scheme, currently in 1,800 of China's 2,872 counties, will be expanded to 80 percent of counties within five years, with the aim of providing direct access to these agricultural technology experts to all villages within 10 to 15 years.

In **Ukraine**, UNDP — in partnership with the Government and the Canadian International Development Agency — is boosting small farmers' competitiveness in the

In **Kenya**, women and children have been hit hardest by the current global and local credit crunch that has destabilized the economy. A joint programme between UNDP, Kenya's Equity Bank and the Government's Ministry of Trade is promoting the work of



*A UNDP poverty reduction programme in the occupied Palestinian territory helps people start their own businesses.*

women business owners through entrepreneurship training programmes that teach them important business management skills, from how to write effective business plans to how to register their own companies. The women receive follow-up one-on-one instruction in addition to debt financing and specially tailored financial products offered by Kenya's Equity Bank.

In 2009/2010, the programme graduated its first group of 144 women entrepreneurs from its training workshops, including the owner of a school transport enterprise who also received a loan to purchase an additional school bus for her small fleet. The programme has already provided \$5.4 million worth of loans to 350 women business owners who run medium to large enterprises.

### **HIV AND AIDS**

With more than 33 million people living with HIV around the world, the HIV epidemic is not only a public health crisis, but also a human development one. Strengthening the links between HIV responses and broader development and health initiatives is central to advancing the MDGs.

As a co-sponsor of the UN Joint Programme on HIV/AIDS (UNAIDS), UNDP addresses dimensions of the HIV epidemic

that relate to development planning, governance, human rights and gender. In addition, UNDP supports countries to implement HIV and health programmes financed by the Global Fund to Fight AIDS, Tuberculosis and Malaria.

UNDP assists countries to make effective use of the Global Fund financing they receive, ensuring that governance, partnerships, procurement, financing and project management skills are leveraged to achieve important health outcomes. As of March 2010, UNDP acted as the Global Fund recipient in 26 countries, managing 72 grants totalling more than \$1.3 billion. In 10 countries, UNDP has successfully handed over Global Fund programme management to governments or civil society organizations following UNDP capacity-strengthening efforts.

For example, through a Global Fund programme in **Belarus** aiming to control the spread of tuberculosis, UNDP worked to bring about widespread, systemic changes, including the revision of national treatment guidelines, the reform of the national laboratory service, the introduction of World Health Organization tuberculosis registration and reporting forms and the launch of a national tuberculosis database. In 2009, 200 patients began treatment for a multi-drug resistant, deadly form of tuberculosis that is difficult and expensive to treat. A new Global Fund grant will allow the treatment programme to expand to 2,000 patients, effectively covering 80 percent of patients suffering from this resistant strain in Belarus.

In more than 30 countries, UNDP is working to create enabling legal environments that are necessary for sustainable, effective responses to the HIV epidemic. In **Mozambique**, UNDP provided technical assistance to parliamentarians during the drafting of a bill to protect the rights of HIV-positive women, men and children. The final bill recognizes that stigma and discrimination hinder HIV prevention and treatment efforts and, as a result, makes it illegal to exclude people from accessing public services because of their HIV status. The bill also prohibits compulsory HIV testing, requires schools to introduce information on HIV prevention into the curriculum and gives children living with HIV the same rights to education as other children. ●

600

Number of local governments the Fund partners with in the 49 countries where it operates.

The MDG Achievement Fund was set up in 2006 in support of national efforts to accelerate progress on the MDGs. In 2009, the Fund finalized the approval for 128 new, joint UN programmes in 49 countries around the world tackling a number of development issues, ranging from food security and child nutrition to gender equality, climate change and youth employment.

Through the Fund's collaborative and participatory approach, it has brought together almost 2,000 partners to bring about real, systemic change. These partners include farmers' cooperatives, media groups, local and national governments and private sector businesses. For example, in **Angola**, four UN agencies, including UNDP, have joined efforts with local authorities, NGOs and citizen groups to ensure that poor families gain direct access to safe drinking water and adequate sanitation. Working through the national programme on water access, the Fund's joint programme has put in place pro-poor policies and regulations that call for community management of local water and sanitation utilities.

On the outskirts of Cacucaco, about 15 kilometres from the capital of Luanda, the joint UN programme is working with local authorities to increase access to safe drinking

water for 35,000 people. The local administration not only contributed almost one third of the funds needed for the endeavour but also signed off on the contracts to build 25 water points. The programme also worked with local partners to develop a community-based water management model that will make citizens accountable for the sustainable management of this precious resource.

In late 2009, Heads of State from **Bolivia, Costa Rica and Guatemala** launched a series of Fund-supported programmes to eradicate poverty. Such national ownership is a cornerstone of the Fund's work and is also reflected in its support to civil society. In fact, the Fund is supporting a joint \$1.7 million UNDP and UN Millennium Campaign initiative to increase citizens' voices in MDG policy and practice at the national level in **Brazil, Ethiopia, Mozambique, Nepal, the Philippines and Senegal**.

For example, in the Philippines, this initiative is supporting the building of MDG coalitions with different, often marginalized, civil society groups ranging from internally displaced people and rural farmers to youth and women. These coalitions are working together to identify which MDGs should receive priority in their communities, resulting in an MDG citizens' report that will then be presented to the national government.

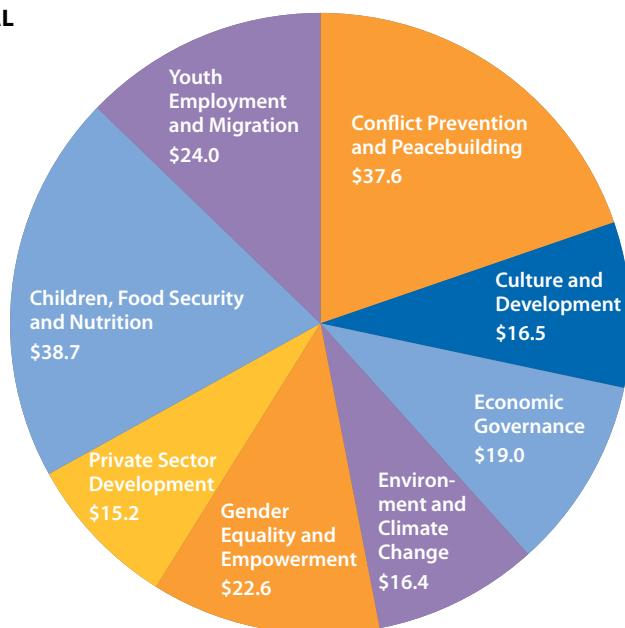
Since accessing the Fund requires UN agencies – such as UNICEF and the World Food Programme – to work together at the country level, the Fund has been instrumental in bringing about a more effective and collaborative UN system. The 20 UN agencies that can access the Fund must sit down at the same table to develop and agree on a joint programme idea, a joint budget and a way forward, putting the Fund at the forefront of the UN reform process and giving a significant and concrete boost to efforts to deliver programming as *One UN*.

As the Fund moves steadily away from the design of poverty reduction programmes and into the concrete implementation of these programmes, it will be fostering a culture of monitoring and evaluation that will provide valuable insight and learning for future action.

FUND EXPENDITURES BY THEME, 2009\*

In millions of US dollars

\$190 TOTAL



\* Provisional, as of 14 April 2010  
 Minor variations in totals due to rounding of numbers  
 Source: Multi-Donor Trust Fund Office/UNDP

# UP CLOSE: RWANDA

## TACKLING POVERTY THROUGH LOCAL GOVERNANCE

### RWANDA FACTS

2.8% people living with HIV

97% primary school enrolment

56% women in Parliament

Murengerantwari Syldio is a farmer in Rwanda's Rulindo district who, until recently, had no way of selling his crops to neighbouring districts because of poor roads. Thanks to a UN programme that is strengthening local government institutions — supported in part by UNDP and the UNDP-affiliated UN Capital Development Fund (UNCDF) — local leaders are now working together to bring sustainable, community-led improvement to their citizens. As a result, Syldio and other farmers in his community now have a bridge connecting his village to nearby communities, allowing him to sell his crops and improve his quality of life.

The bulk of UNDP's contribution in Rwanda between 1994 and 2001 was in support of the Government's Emergency Reintegration and Reconstruction Programme, placing its work mainly in the context of long-term crisis recovery. Over the last decade, however, Rwanda has seen its political and domestic situation improve. UNDP's focus, therefore, has shifted to supporting the Government's Vision 2020, a national blueprint spelling out poverty reduction strategies and specific political, social and economic steps that must be taken in order to transform Rwanda from a least developed country into a middle-income country by 2020.

In particular, UNDP has been a premier provider of development advice, advocacy and grant support to development programmes in Rwanda, like the decentralization programme in Rulindo. UNCDF's support addressed specific needs at the local level through capital investment and training of local leaders on good governance. Along with UNICEF, UNDP supported the National Institute of Statistics in the collection and analysis of data so that local government officials can participate in evidence-based planning.

All of these important reforms help the Rwandan population in addressing its

most pressing needs. A better government in Rulindo has led to better infrastructure. For example, evidence-based planning focuses on the specific needs of the community, such as the bridge that not only gave Syldio and other farmers access to new markets for their crops, but also connected children to schools and improved the police force's access to the community.

As a result, more than 700,000 people in the rural districts of Gicumbi and Rulindo have benefited from this programme of institutional reform, which promoted decentralization and local development initiatives through the support of participative, transparent and equitable local administration. According to an independent, UNDP-commissioned evaluation, family incomes have increased, district tax income has risen and local administrative systems are stronger.

In 2007, Rwanda became one of eight pilot countries in the UN's *Delivering as One* initiative, which aims to form a more coherent UN response to development challenges at the country level. Today, UN agencies implement development programmes, in line with the Government's own development priorities, through a single UN programme and a single UN budgetary framework. UNDP plays a dual role, as both a UN agency and development partner to the Government, and as the coordinating agency for the *Delivering as One* programme in Rwanda.

A particularly successful *Delivering as One* programme that UNDP contributed to, along with UNICEF and the UN Development Fund for Women (UNIFEM), addresses gender-based violence, which the Government of Rwanda considers seriously detrimental to human development. As a result, the three UN organizations came together to support the revision and promotion of laws, including a gender-based violence bill, which was passed by Parliament in 2006. The bill defines



*Rwandan farmer Murengerantwari Syldio is one of many to have benefited from a joint UNDP-UNCDF local governance programme.*

gender-based violence, works to prevent it with educational campaigns — many of them targeting men — and defines punishment for perpetrators.

The programme has also set up a centre in Kigali that provides health, legal and psychosocial support to victims, while also raising awareness about violence against women, particularly among men. At the centre, called the Gender Desk, survivors

can present their cases for investigation. In its first full year of operation, the Gender Desk investigated 1,777 rape cases, resulting in 803 convictions.