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**Draft country programme document for Uruguay
(2007-2010)***

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* The collection of data required to present the Executive Board with the most current information has delayed submission of the present document.



Introduction

1. The draft country programme document was drawn up in consultation with the Office of Planning and Budget (OPB) of the Presidency of the Republic in the light of the following strategic documents of the Government: the common country assessment (CCA), the United Nations Development Assistance Framework (UNDAF), the national report on the Millennium Development Goals, the national human development report 2005 and the UNDP report on democracy in Latin America (2004).

I. Situation analysis¹

2. Uruguay, which has a gross domestic product per capita of US\$ 8,820 (PPP 2003), a high urbanization rate and an early demographic transition, ranks among countries with a high level of development according to the human development index, with 0.840 in 2003 (UNDP 2005), although it has lost some ground in relative terms since that time. Uruguayan society continues to exhibit the lowest levels of poverty and inequality in income distribution (ECLAC 2005) and the highest democracy index (UNDP 2003). In recent decades, the Uruguayan economy experienced a lack of dynamism and faltering growth. In addition, the economic recession of 1999-2002 (which caused GDP to decline by 17 per cent between 1999 and 2003) left the State deeply indebted and exacerbated the emigration which started in the 1970s, especially of highly skilled workers, resulting in a loss of human capital. Since 2003, gross domestic product has been increasing; in 2005 it regained the 1998 level, yet the number of jobs has not grown significantly.

3. Between 1986 and 1994, poverty was reduced significantly, but then it began to increase again starting in 1995. With the economic recession, inequity became more pronounced from 1999 onwards. The percentage of poor and indigent people reached its height in 2004,² despite the post-crisis economic recovery, which started in 2002. The situation is particularly unfavourable for children, adolescents and young people, who suffer from a high rate of psychomotor limitations and malnutrition in their early years. In 2005, poverty was reduced by 2.8 per cent to 29.8 per cent of the population, while indigence was reduced by 0.4 per cent to 3.5 per cent of the population.

4. Achieving sustainable development is a key objective, given the increased vulnerability, and hence environmental risk, resulting from changes in the global environment and the new systems of production. In addition, there is greater awareness of the importance of conserving local and global ecosystems, for the well-being of present and future generations.

5. Although substantial advances have been made in democracy-building since the restoration of the democratic system in 1985, solutions have not yet been found to all the problems generated during the previous period with respect to the full enjoyment of civil and political rights. In turn, the quality of democracy is affected by the difficulties which, when seeking to exercise fully their economic, social,

¹ Taken and adapted from the CCA prepared by the United Nations system team in Uruguay in November 2005.

² In 2004, the proportion of the population in poverty was 32.6 per cent and the proportion of indigents was 3.9 per cent.

environmental and cultural rights, large segments of the people encounter owing to growing social fragmentation. Such fragmentation affects the quality of civic and social life and weakens further the already inadequate institutional arrangements for accountability and the low representation of women in government posts by comparison with other countries at a similar level of human development.

II. Past cooperation and lessons learned

6. In 2001, the UNDP office organized a national dialogue (“Agenda Uruguay”) on strategic and sectoral themes. In 2003 and 2004, the United Nations system, jointly with the Government and organized civil society entities, arranged a national debate (round-table discussions) on the Millennium Development Goals. The national report on those Goals was submitted by the Government in 2005. In June 2005, the third national human development report, dealing with the knowledge economy, was issued and assessed Uruguay’s standing in that regard. It helped to fuel the debate on this subject and to strengthen the portfolio of scientific, technical and innovative projects (in particular, the installation of the Pasteur Institute in Montevideo and the technological park in Pando, and the promotion of biotechnology and electronic programming).

7. As regards democratic governance, the UNDP office provided assistance to: the Parliament to strengthen its legislative functions and its promotion and protection of human rights; the public utilities for improved regulation in the energy, water supply, sanitation and telecommunication sectors; various units of the central administration for the modernization of their administrative and financial management; and the Ministry of the Interior to strengthen its capacity in dealing with crime prevention and the rehabilitation of young prisoners. In 2004 and 2005, it supported the transition of the national Government and the departmental governments and integrated local development as a cross-cutting component of its cooperation with Uruguay.

8. In the area of poverty reduction, the UNDP office promoted coordination between sectors and between the State and the civil society entities. It supported public health services at the national and departmental levels, helped to consolidate and improve the management of the infant and family care centres (CAIFs) and extend their coverage. Other support included: the strengthening of the comprehensive programme for at-risk children, adolescents and the family; the establishment and strengthening of the Ministry of Social Development and the implementation of the social emergency plan; and the establishment of national coordination machinery to counter HIV/AIDS.

9. With respect to sustainable development, the UNDP office promoted capacity-building in the use and management of land and natural resources and assisted the National Environment Bureau. It provided assistance in the formulation of projects concerned with industrial restructuring, renewable energy sources, pollution control, integrated management of water and coastal areas, and environmental education policymaking and planning. It helped to prepare the Act establishing the national system of protected areas, which in 2005 became eligible for the small subsidies programme of the Global Environment Facility (GEF).

10. The UNDP office mainstreamed human rights and the gender perspective in its programming. It fostered institutional capacity-building and the design and

implementation of public policies in the area of gender and human rights, especially in relation to poverty and inequity. It also supported the establishment and strengthening of the National Women's Institute and the Human Rights Bureau.

11. Several lessons have been learned in the course of programme implementation. First, UNDP is viewed as an impartial entity which facilitates encounters and dialogue between individual representatives of civil society and the body politic, academic circles, the national Government and the departmental governments. Secondly, the UNDP-driven strategy of partnerships with other United Nations system organizations and bilateral and multilateral cooperation bodies plays an important role. Thirdly, the mainstreaming of human rights and the gender perspective has been responsible for increased and improved impacts and further integration of the work of the UNDP office with that of the public administration.

III. Proposed programme

12. The UNDP office has identified a strategic pillar for the activities of the 2007-2010 programme: supporting implementation of the national development strategy. In the context of human development, the UNDP office will facilitate processes conducive to the establishment of shared goals and targets, the elaboration of public agendas and policies, the formulation, coordination, implementation and monitoring of development strategies and policies, and the holding of dialogues and debates on strategic themes. Debate, reflection and consensus-making on such themes will continue to receive inputs via the national human development report. The four components providing the framework for the projects are:

13. *Development based on knowledge and productive diversification.* The UNDP office will support: the discussion, formulation, monitoring and implementation of economic development policies; the strengthening of interaction between entities producing knowledge-intensive goods and services and the enterprises concerned; and a more competitive edge for Uruguay in the international market thanks to productive diversification and linkages forged between economic initiatives and local development.

14. *Sustainable development and the environment.* The UNDP office will promote: the design and adoption of models and practices for use in the physical planning of land and water resources; the management of pollutants, chemicals, residues and gases that affect the ozone layer; the elaboration of measures for adapting to climate change, reducing vulnerability and managing risk; and the promotion of renewable energy sources, energy efficiency and other initiatives to mitigate climate change (non-polluting development mechanisms, a carbon fund for achieving the Millennium Development Goals). In addition, local sustainable development initiatives will be implemented by civil society organizations.

15. *Combating poverty and inequity.* The UNDP office will further institution-building and coordination in organizations that formulate and apply policies and strategies aimed at reducing poverty and inequity, including solutions for the social emergency. Plans and measures for monitoring progress towards the attainment of the Millennium Development Goals at the national and local levels will be formulated, the comprehensiveness and quality of early child care in poverty situations will be enhanced (with particular attention being paid to infants and their mothers), and the coverage of these vulnerable groups by health care services will

be expanded in conjunction with other organizations of the United Nations system. In order to reverse current trends, the issue of more pronounced social and residential segmentation will be addressed in public policymaking. The design, implementation and monitoring of public policies promoting gender equity and intergenerational and racial equity will be supported. In conjunction with the other organizations making up the Joint United Nations Programme on Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (UNAIDS), national institutional capacity for dealing with HIV/AIDS will be reinforced.

16. *Strengthening of national and local democratic governancy.* The UNDP office will support: the national Government in the formulation and implementation of policies in strategic areas (for example, citizen security and national defence), the departmental governments in their policy planning and harmonization functions at the local level; the Parliament in its legislative and human rights promotion and protection functions; the judicial branch in improved management of the courts; and the organizations representative of civil society in their efforts to expand means of action and participation in the design, implementation and monitoring of policies and strategies. In the area of human rights, the UNDP office will continue to support the formulation and launch of the national human rights education plan. It will also assist initiatives to preserve and transmit Uruguay's recent history.

17. The cross-cutting components of the programme are: human rights, gender equity, local development, and capacity-building for efficient public management. In the case of the first two components, the emphasis will be on ensuring their systematic inclusion by those responsible for formulating programmes, projects and policies. As to local development, the UNDP office will assist with the incorporation of local land issues in UNDP initiatives. The territorial network linkage programme will be extended to other parts of the country. With respect to the development of the capacity and efficiency of public management, the procurement of goods and services will receive support as a necessary adjunct to the substantive support which UNDP provides to the development process.

IV. Programme management, monitoring and evaluation

18. The results indicators selected for the purpose will be used. Total supervision of the programme will begin as soon as it is approved and starts to be implemented, with emphasis on expected results and outcomes, resources, multiplier effects and coordination with other initiatives. The joint machinery of the Office of Planning and Budget and UNDP for managing, monitoring and evaluating the programme will be strengthened, and particular attention will be paid to problem-solving and problem prevention and to cooperation results. The executing agencies will receive counselling in the course of monitoring visits, substantive revisions, report analysis and participation in joint management and monitoring bodies. In addition to programme evaluation, there will be project evaluations, which will be performed where needed or required by the financing institutions.

19. The programme will be harmonized with the regional programme, the Subregional Resource Facility (SURF), the Bureau for Development Policy (BDP), the network of regional experts and the United Nations Volunteers (UNV). The mobilization of resources will be effected with the support of the Regional Bureau for Latin America and the Caribbean (RBLAC), the Bureau for Resources and

Strategic Partnerships, BDP, GEF, the thematic trust funds, the Public-Private Association for the Urban Environment and the carbon fund with a view to the attainment of the Millennium Development Goals. With the support of the Special Unit for Technical Cooperation among Developing Countries (SU/TCDC), South-South cooperation will be promoted. In addition, particular attention will be paid to the subregional, regional and international integration of Uruguay.

20. The joint analysis and programming process of the United Nations system (common country assessment/UNDAF) helps to integrate UNDP action in a common strategy. In this regard, emphasis will be placed on partnership formation and resource mobilization for both bilateral (central and decentralized) and multilateral cooperation, and on their better coordination, with a view to optimizing results and impacts within the framework of Uruguay's development strategy. Work will proceed in cooperation with key entities of society.

21. With respect to finance, there will be ongoing monitoring of costs and commitments and of the flow of funds by financing source while the programme is being implemented, and project activities will be supervised. The national implementation arrangements will be followed, as they are both efficient and effective. An effort will be made to diversify funding sources for national projects by developing bilateral (central and/or decentralized) and multilateral cooperation and South-South cooperation. UNDP regular resources provided to Uruguay from 2007 onwards will be used as catalysts to build the capacity of those who formulate, monitor and apply public policy in priority and complex areas of the national agenda, and also to promote the application of the human development concept and the attainment of the Millennium Development Goals.

22. There will be a midterm review of this programme by the Office of Planning and Budget and UNDP with a view to identifying potential problems of implementation and making any necessary corrections.

23. An amount of \$1,783,000 will be allocated from regular resources for the period 2007-2010. In conjunction with the Government, UNDP will endeavour to establish partnerships for funding with a view to mobilizing non-core resources.

Annex

Results and resources framework for Uruguay (2007-2010)

<i>Programme component</i>	<i>Programme outcomes</i>	<i>Programme outputs</i>	<i>Output indicators, baselines and targets</i>	<i>Role of partners</i>	<i>Resources required (US dollars)</i>
<p>National priority or goal (Millennium Development Goals and/or other international conference commitments). Eradicate extreme poverty and hunger. Achieve universal primary education. Promote gender equality and empower women. Reduce child mortality. Improve maternal health. Combat HIV/AIDS, malaria and other diseases. Ensure environmental sustainability.</p> <p>UNDAF outcome 1: By 2010, the country will have advanced in building capacity for the integration of knowledge, innovation and diversification in the goods- and services-producing processes oriented to sustained and sustainable growth.</p>					
1. Development based on knowledge and diversification of product	The country will have promoted technology- and knowledge-intensive diversified product initiatives that support innovative and competitive economic processes favouring quality employment	1.1 Inputs elaborated which support the formulation of development strategies and linkages between the economy and development stated in public policies and generation of socio-economic information (public-private partnerships/United Nations Development Assistance Framework, PPP-UNDAF, 10, 21 and 27)	<p>— Number of reports prepared and consultations held</p> <p>— Number of socio-economic databases generated</p>	<p>Presidency of the Republic/OPB</p> <p>INE, Universidad de la Republica</p>	<p>Regular:</p> <p>389,000 (TRAC)</p> <p>Other:</p> <p>11,370,000</p> <p>Total for component 1:</p> <p>11,758,000</p>
		1.2 Networks formed and non-traditional activities (tourism, etc.) motivated, with the participation of academic circles, the productive sector and highly skilled expatriate Uruguayans, in innovation- and knowledge-intensive areas (biotechnology, food, electronic technologies, etc.) (PPP-UNDAF 11 and 30)	<p>— Number of projects relating for technology parks and industrial parks prepared and bankable</p> <p>— Number of projects, prepared and bankable, of enterprises in knowledge-intensive sectors</p> <p>— Number of non-traditional productive projects prepared and bankable</p>	<p>Universidad de la Republica, European Union, Pasteur Institute, CIU, departmental bureaux, Ministry of Tourism and Sport</p>	

<i>Programme component</i>	<i>Programme outcomes</i>	<i>Programme outputs</i>	<i>Output indicators, baselines and targets</i>	<i>Role of partners</i>	<i>Resources required (US dollars)</i>
		1.3 Local economic capacity developed (PPP-UNDAF 17)	— Number of locally based productive projects prepared and bankable	OPB, Spanish Agency for International Cooperation, departmental bureaux, decentralized cooperation entities	
2. Environmentally sustainable development	The country will have promoted integrated management of land and the environment, with emphasis on local development	2.1 Capacity of national Government and departmental governments and local sustainable development initiatives implemented by civil society organizations strengthened for land and water resources management for the conservation of biodiversity and the sustainable use of natural resources (PPP-UNDAF 18)	— Number of land-use plans designed and in process of approval — Number of planned areas in the national system of protected areas — Number of training activities carried out — Number of local sustainable development initiatives implemented by civil society entities	Ministry of Housing, Land Management and Environment (DINAMA, DINOT, DINASA), Ministry of Industry, Energy and Mining (DNETN), Ministry of Foreign Affairs, Ministry of Agriculture, Livestock and Fisheries, Ministry of Tourism, departmental governments, Universidad de la Republica, UNEP, NGOs, private enterprises	Regular: 114,000 (TRAC) Other: 20,815,000 Total for component 2: 20,929,000
		2.2 Measures to mitigate and adapt to climate change and risk reduction plans put in place by the Government, the private sector and civil society (PPP-UNDAF 19)	— Number of management plans and measures for risk reduction/adaptation to climate change designed and in process of approval — Number of initiatives for non-polluting development and renewable energy sources generated		

<i>Programme component</i>	<i>Programme outcomes</i>	<i>Programme outputs</i>	<i>Output indicators, baselines and targets</i>	<i>Role of partners</i>	<i>Resources required (US dollars)</i>
		2.3 Capacities of the national Government and the departmental governments strengthened as regards the management and reduction of chemical pollutants, residues and substances that affect the ozone layer reduced (PPP-UNDAF 20)	<ul style="list-style-type: none"> — Information system on COP designed — Ozone-depleting substances eliminated, pursuant to Montreal Protocol 		
<p>National priority or goal (Millennium Development Goals and/or other international conference commitments). Eradicate extreme poverty and hunger. Achieve universal primary education. Promote gender equality and empower women. Reduce child mortality. Improve maternal health. Combat HIV/AIDS, malaria and other diseases. Ensure environmental sustainability.</p> <p>UNDAF outcome 2.1: By 2010, the country will have advanced in the formulation and management of policies to eradicate indigence and reduce poverty.</p> <p>UNDAF outcome 2.2: By 2010, the country will have advanced in the formulation and management of policies giving access to more equitable quality social services, reducing discrimination and promoting social integration processes.</p> <p>UNDAF outcome 3: By 2010, the country will have advanced in the effective harmonization of national legislation and practices with international commitments and in the strengthening of public institutions and civil society for the formulation, implementation, monitoring and evaluation of public policies.</p>					
3. Combating poverty and inequity	The country will have made progress in alleviating situations of poverty and inequity by formulating and applying policies to reduce social reproduction of poverty, reduce discrimination, promote integration and social cohesion and develop human and social capital	3.1 Technical inputs prepared, discussions held and human resources trained in the national Government and the departmental governments with respect to the formulation and implementation of public policies to combat poverty and inequity which reflect a gender perspective in accordance with the MDGs (PPP-UNDAF 49, 50, 56, 65, 67 and 70)	<ul style="list-style-type: none"> — Number of forums with participation of politicians — Number of proposals included in policy and programme formulation — Number of institutionalized planning instruments — Monitoring and evaluation systems in operation — National equality-of-opportunity plan and programme for quality with equity formulated and approved — Higher ranking in the gender empowerment index 	OPB, Ministry of Social Development, Ministry of Health, Universidad de la Republica, Ministry of Housing, Land Management and Environment, departmental bureaux, CAIF plan, National Public Education Administration, Uruguayan Institute of Childhood and Adolescence, OPB, women parliamentarians, UNICEF, ECLAC	<p>Regular:</p> <p>848,000 (TRAC)</p> <p>Other:</p> <p>21,625,000</p> <p>Total for component 3:</p> <p>22,473,000</p>

<i>Programme component</i>	<i>Programme outcomes</i>	<i>Programme outputs</i>	<i>Output indicators, baselines and targets</i>	<i>Role of partners</i>	<i>Resources required (US dollars)</i>
		3.2 Introduction of proposals for improving the nutritional status and psychomotor development of children and implementation of projects concerning women in poverty and their potential for social inclusion (PPP-UNDAF 37)	<ul style="list-style-type: none"> — Percentage of undernutrition, on the basis of anthropometric indicators (weight/age) — TEPSI results achieved — Exclusive breastfeeding up to six months — Percentage of children under three years (in the population covered) who visit CAIF centres 	Ministry of Health, municipal bureaux, National Institute of Administration, Uruguayan Institute of Childhood and Adolescence, Ministry of Labour and Social Security, National Public Education Administration, Ministry of Education and Culture, university, entities of civil society, UNICEF, FAO, Pan-American Health Organization	
		3.3. Increased institutional capacity of the national Government for a more efficient response to HIV/AIDS problems (PPP-UNDAF 77)	<ul style="list-style-type: none"> — Consolidation of the national coordination arrangements to combat HIV/AIDS — Quality of proposals submitted to the Global Fund and other cooperation agencies 	Ministry of Health, Ministry of Social Development, persons with HIV, UNAIDS, UNICEF, UNFPA, PAHO	
4. Strengthening of national and local governancy	The country will have improved the legal and institutional mechanisms for the protection of human rights; public institutions and the civil society will have strengthened their capacity for planning, management and coordination of initiatives, in accordance with the national and international commitments assumed by the country	4.1. Advice and technical inputs available to parliamentarians for the improved performance of their functions of legislation, representation, and promotion and protection of human rights. Networks of civil society organizations strengthened (PPP-UNDAF 80, 81, 91 and 99)	<ul style="list-style-type: none"> — National institution for the promotion and protection of human rights established and operating — Number of proposals designed to bring legislation into line with international human rights treaties — Visibility and impact of proposals from second-rank organizations 	Parliament, Interparliamentary Union, Office of the United Nations High Commissioner for Human Rights, civil society networks, Ministry of Foreign Affairs, Ministry of Education and Culture, Ministry of the Interior, Supreme Court of Justice, academic circles	Resources: 432,000 (TRAC) Other: 13,300,000 Total for component 4: 13,732,000

<i>Programme component</i>	<i>Programme outcomes</i>	<i>Programme outputs</i>	<i>Output indicators, baselines and targets</i>	<i>Role of partners</i>	<i>Resources required (US dollars)</i>
		4.2. Planning capacity of the departmental governments expanded (PPP-UNDAF 92)	<ul style="list-style-type: none"> — Planning units formed — Regional arrangements put into effect 	Departmental bureaux and boards, Spanish Agency for International Cooperation	
		4.3. Technical inputs prepared and institutional capacity developed for the formulation and implementation of policies in strategic areas of action by the national Government (PPP-UNDAF 90)	<ul style="list-style-type: none"> — Round tables on citizen security established and evaluated — Basic document formulated for the design of draft legislation on national defence and on the organization of the armed forces — National plan dealing with human rights education designed and implemented 	Ministry of Defence, Ministry of Education and Culture, Universidad de la Republica, SURF/BDP, Ministry of Social Development, Ministry of Tourism, entities of civil society	