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UNDP: COUNTRY PROGRAMMING AND RELATED MATTERS

DRAFT COUNTRY PROGRAMME DOCUMENT FOR THE STATE OF KUWAIT

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## **Introduction**

1. The Country Programme Document for the State of Kuwait (2008-2012) is based on the Government of Kuwait's five-year Programme of Action (2006/7-2010/11). As a Net Contributing Country, the Government of Kuwait fully funds the programme and administrative costs of UNDP Kuwait. The difference in the period is due to the extension of the 2<sup>nd</sup> CCF by one year to 2007 requested by the Government. The CPD was prepared in collaboration with the Ministry of Planning and in consultation with key stakeholders in the Government and selected Civil Society Organisations. Based on the comparative advantages of UNDP, the Country Programme supports the Government in achieving MDG-related goals – aimed at establishing a viable economy based on income diversification, less dependence on oil, and advancing the causes of gender equity, democratic governance and sustainable environmental and human development.

## **I. Situation Analysis**

2. Kuwait's economy grew very fast in the last four years, in line with the huge economic windfall brought about by record oil prices. Kuwait's human development index stands at .871, 33<sup>rd</sup> in the world, and the highest in the Arab Region. GDP per capita is \$19,384, the adult literacy rate is 93.3%, and the combined primary, secondary and tertiary gross enrollment ratio is 73.5%. The ratio of literate females to males (15-24 years of age) is 97.6.

3. Kuwait has virtually eliminated economic poverty among Kuwaitis. However, there are persisting problems, principal among these are severe weaknesses in human and social development, ineffective delivery of public services, unemployment and structural disparities in the labour market, and environmental degradation.

4. The reduction of Government subsidies and the need to promote the policies of privatization constitute major challenges in the age of plenty and in a society used to and expecting continuing welfare support. Unemployment is high among youth and university graduates due to structural imbalances in the labour market. The private sector prefers to resort to employment of foreigners and less of nationals, despite the strong incentives to private companies for the employment and training of nationals.

5. Underemployment is particularly strong in the public sector where there is an estimated surplus of 40% of the government workforce due to the policy of absorbing a significant number of unemployed graduates every year. Access to public employment is facilitated by easier recruitment and selection process compared to the demanding recruitment process of the private sector. Citizens prefer public employment for its stability, better pay and a less demanding work environment.

6. Women's participation in political life has been institutionalized by the reform of the election law in 2005. While women participated in the Parliamentary elections in June 2006, none was elected but gained skills in campaigning and making their voice heard. Women CSOs are actively engaged in the political, social, cultural and educational realms and the State has generally supported their active public and social roles.

7. Despite government and other efforts, environmental degradation continues especially in biodiversity loss, water and air pollution and watershed destruction. Legislations are still lacking to ensure that development projects become environment friendly. It is not lack of financial resources that inhibit progress, but rather the weakness of the relevant institutions and the lack of coordination among them, in addition to the lax application of internationally accepted environmental management standards that need to be remedied.

## **II. Past Cooperation and Lessons Learnt**

8. The second CCF 2002-2006 focused on capacity building and transfer of knowledge in development planning and relevant government institutions, efficiency

measures support for the main national airline carrier, and enhancing the political participation of women. An evaluation of the 2<sup>nd</sup> CCF, extended to 2007, resulted in a number of lessons that have guided the preparation of this Country Programme Document. In particular, past efforts at capacity development concentrated mostly on training of counterparts and did not give due attention to strengthening public sector systems, structures and processes. The training itself was beset by the lack of counterparts to train, the departure of counterparts, and in some cases the level of preparedness to learn and acquire new skills was deficient. Project execution focused mostly on conformity to rules and regulations and not enough on the quality and effectiveness of programme impact through appropriate monitoring and evaluation.

9. Project delays took place due to a combination of slow decision processes in UNDP, Ministry of Planning and the beneficiary institutions. The quality of project delivery suffered when experts were recruited without proper checks with their previous employers or when the terms of reference were not adequately prepared or not properly understood. Involving stakeholders in the different stages of the project process was often absent in project implementation.

10. The NEX project implementation procedures were cumbersome and not properly understood in terms of both recruitment and contracting processes. Not enough effort was made in building a common understanding of terms and their operational meaning and implications.

11. Other lessons from the evaluation of the 2<sup>nd</sup> CCF include: (a) greater synergies between programmatic areas to better achieve development goals; (b) institutional strengthening in beneficiary institutions; (c) more partnerships between the public sector, the private sector, and civil society in addressing national development problems; and (d) better monitoring and evaluation.

### **III. Proposed Programme**

12. The Country Programme focuses on four major areas, **a) Governance and Development Planning; b) Gender and Social Development; c) Environmental Sustainability; and d) Economic and Private Sector Development**, with the Legal Environment as a cross-cutting area that underpins the programmes and activities.

#### **A. Governance and Development Planning**

13. Issues of institutional effectiveness in key public service sectors such as education, health, and environmental protection, capacity building and right-sizing of the Civil Service, and utilization of modern information technology to improve the quality of public services are high government priorities. Linked to this is the need to increase transparency and instill accountability and professionalism of public officials and institutions.

14. The excess numbers in the Civil Service that constitutes a serious issue of underemployment is a deterrent to the effectiveness of institutional performance and quality service delivery. This requires a transformative right-sizing policy that seeks to slim down civil service employment with innovative solutions for more productive work opportunities. UNDP will provide support to Government counterparts to ensure the protection of the rights of the vulnerable groups in that process.

15. The reform of national planning processes and the institutional set up to effectively perform national planning, will be addressed through policy formulation, coordination, and decision support.

#### **B. Gender and Social Development**

16. The Country Programme will include interventions to empower Kuwaiti women politically, economically and socially. Gender mainstreaming concepts will be incorporated into the formulation and implementation of all the country programme activities. Among the main areas of the country programme will be to develop

specialized training to develop entrepreneurship skills among women and to enhance women's access to decision making positions. This will also include assisting women graduates to maximize their skills and qualifications in the labour market. UNDP would continue to work with National Counterparts in addition to CSOs and the Private Sector, to ensure women's access to decision and policy making processes.

17. Kuwait is seeking to strengthen and enlarge the role of Civil Society Organizations, to become effective partners in national development. Some of these organizations are already involved in environmental protection, advocacy of rights disadvantaged groups, enhancing wider participation in the political process, combating corruption and addressing the issues of violence against women. Assistance under the Country Programme will concentrate on institutional and human capacity building of CSOs.

18. UNDP country programme activities will be targeted towards disadvantaged groups and will ensure the participation of non-resident UNDP regional programmes as well as non-resident UN agencies. This programme will also promote Kuwait's participation and cooperation in UNDP South-South initiatives taking into consideration Kuwait's commendable progress in achieving most of the MDGs.

#### ***C. Economic Development and the Private sector***

19. The Country Programme will include activities to enhance public - private partnerships, focusing on engaging the private sector in national development priorities such as environmental sustainability, labor force regulations, through corporate social responsibility awareness and support; improvement of the business climate through a review of the legal environment and establishing a forum for dialogue between business enterprises and relevant public institutions.

#### ***D. Environmental Sustainability***

20. The focus of the programme will be on strengthening the institutional capacity of the Environmental Public Authority and improving the enforcement of laws, regulations, rules and procedures to ensure compliance with international agreements.

21. The Country Programme focuses on strengthening the institutional capacity of EPA through analysis of all aspects of organization, policy formulation, decision system, functional distribution, environmental data management, adequacy of human resources both in terms of qualitative and quantitative adequacy. The results of such analysis will be the basis of reforming the managerial system to ensure effective environment protection and sustainability.

22. The laws and regulations affecting the management of environment will be addressed from the perspective of conformity to international standards and relevance to the national context.

23. The Country Programme will include interventions aimed at strengthening the institutional capacities of the agencies mandated with the legal and regulatory enforcement including relevant stakeholders, both public and private. This is a cross cutting set of activities the outcome of which will be the provision of improved legal support through the review of selected laws or the recommended amendments of others to regulate activities in the priority areas enumerated above.

#### **IV. Programme Management, Monitoring and Evaluation**

24. Programme management will capitalize on the benefits of NEX execution using local expertise, partnerships with private sector institutions, local academic institutions and CSOs to enrich local capacity and provide needed national perspective to sustainable development efforts. Partnerships with regional institutions, such as CAWTAR, the UNDP SURF in Beirut, and regional projects and institutions supported by the UNDP Regional Programme will supplement and support local capacities.

25. Programme financial management would be through the establishment of a Programme Fund to be deposited at UNDP and allow for a flexible implementation modality of NEX to avoid the cumbersome and bureaucratic rules and procedures that beset the implementation of the 2<sup>nd</sup> CCF. This would also allow the Government counterpart and the UNDP CO to concentrate on improving their oversight of the programme, focusing on results and impact through more systematic monitoring and evaluation of activities and strengthening the partnerships with stakeholders.

26. Monitoring and Evaluation mechanisms will be integrated in the Country Programme. Results-Based Management will be introduced and used to plan, execute, monitor and evaluate the projects. The corporate enterprise resource system (ATLAS) will be used more effectively as a project management and monitoring tool to ensure effective delivery of activities. Outcome evaluations and project evaluations will be conducted periodically during the programming cycle.

## RESULTS AND RESOURCE FRAMEWORK

<b>National priority area 1: Governance and Development Planning</b>					
Goal: Increasing the effectiveness of public institutions and development planning					
Programme Component	Programme outcomes	Programme Outputs	Output Indicators	Partners	Resources by Goal
1. Increase effectiveness and transparency Public Agencies	<p>1. Improved effectiveness and efficiency of public agencies in performing its duties. Baseline: Inefficient &amp; oversized public sector- 87.5% of national work force in public sector.</p> <p>2. Improvement of transparency and accountability at the national level. Baseline: CPI ranking: 46- CPI Score: 4.8 in 2006.</p> <p>3. National strategies formulated to facilitate e-governance to achieve development goals. Baseline: 20.6% increase in internet users during 2006 (international average 10%); indicative of readiness.</p> <p>4. Improvement of parliamentary role in oversight and legislation Baseline: Prolonged legislation process.</p> <p>5. National planning institutions capable of fulfilling the strategic planning role. Baseline: Inadequate national planning system.</p>	<p>1.1 Surveys to define deficiencies and root causes in performance.</p> <p>1.2 Diagnostic analysis of manpower of the civil service for right-sizing.</p> <p>1.3 Improved legal frameworks to facilitate performance effectiveness.</p> <p>1.4 Administrative procedures and systems simplified and streamlined.</p> <p>1.5 Increased adoption of performance measurement tools.</p> <p>1.6 A national capacity building programme is developed to enhance the skills of the existing and potential national workforce.</p> <p>2.1 Analysis of accountability and transparency requirements in public agencies.</p> <p>2.2 Strategy on fighting corruption developed</p> <p>2.3 Increased capacity of audit and transparency institutions.</p> <p>2.4 National capacity to implement/activate the UN convention on corruption improved.</p> <p>3.1 National capacity of e-government initiative.</p> <p>3.2 Support national initiative to bridge the IT-Knowledge gap.</p> <p>4.1 Increased capacity of parliament.</p> <p>4.2 Strengthened capacity of research and legal drafting in parliament.</p> <p>5.1 Strategic planning capacity built.</p> <p>5.2 Formulation of M&amp;E strategies.</p> <p>5.3 Establish institutional mechanisms for strategic planning.</p>	<p>1.1 Number of Government bodies adopting performance management and monitoring systems. (Government target is 48 bodies).</p> <p>1.2 Number of Kuwaitis in the public workforce benefiting from the capacity building programme.</p> <p>1.3 Increase/decrease in the respective sizes of the public and private sectors.</p> <p>1.4 Number of legislations &amp; regulations introduced and/or amended.</p> <p>1.5 Number of procedures and systems redesigned.</p> <p>2.1 Activation of the UN Convention on Corruption.</p> <p>2.2 Finalization of the national strategy to fight corruption.</p> <p>2.3 Number of public and civil integrity institutions benefiting from capacity development.</p> <p>2.4 Improved CPI ranking.</p> <p>3.1 Number of individuals capable of using and accessing ICT.</p> <p>3.2 Number and quality of services provided electronically.</p> <p>3.3 Better ranking for Kuwait on the international indices related to ICT.</p> <p>4.1 Number of MPs receiving capacity building and number of trainings provided.</p> <p>5.1 Long term national strategy finalized.</p> <p>5.2 Formulation of monitoring and evaluation guide.</p> <p>5.3 Number of decision makers &amp; professionals involved in long-term strategy trained.</p>	<p>1. The Manpower and Government Restructuring Programme</p> <p>2. Civil Service Commission &amp; Citizen Service Authority</p> <p>3. Parliamentarians &amp; Parliament Secretariat</p> <p>4. POGAR</p> <p>5. State Audit Bureau</p> <p>6. Kuwait Transparency</p> <p>7. Central Agency for IT</p> <p>8. ICTDAR</p> <p>9. UNDP Programme on Parliamentary Development</p> <p>10. National Planning bodies</p>	US\$ 11.25 million
<b>National priority area 2: Gender and Social Development</b>					
Goal: Promoting gender equality and empowering civil society					
1. Gender Mainstreaming and empowerment	<p>1.1 Enhanced scope of women's participation in economic activities and in the free market. Baseline: No women</p>	<p>1.1 Vocational, technical, entrepreneurship and management training in small businesses established with the assistance of incubators and private sector coaching. Target: 750 women trained in micro and small business to</p>	<p>1.1 Number of women trained &amp; joined in health sector.</p> <p>1.2 Number of women</p>	<p>1. Ministries of Health &amp; Planning Education &amp; Information</p> <p>2. Manpower and</p>	US\$ 8.25 million

<p>2. Social Development</p> <p>3. Civil Society Empowerment</p>	<p>entrepreneurship training available &amp; few women entrepreneurs. 1.2 Expanded participation of women realised in political decision making. Baseline: Absence of women parliamentarians post 2006 elections. Limited number of training workshops provided to female political candidates 2.1 Strengthening educational institutions to deal with childhood learning challenges Baseline: Extremely weak institutional setup for handicapped children with learning disabilities. 3.1 Civil Society Organisations strengthened and its role expanded. Baseline: Absence of capacity building initiatives for CSOs.</p>	<p>reach GVT target of 3000 women trained by 2012. 1.2 Women empowered with required skills to contribute in various activities of political life. 1.3 Increase the number of effective active CSOs in women rights and promoting women as partners in decision making by 10. 1.4 Increase the reservoir of women with skills to participate in decision making. 2.1 Teachers trained and capable of early detection and diagnosis of learning disabilities. 2.2 Successfully tested innovative training materials including development of tools to be used. Target: Increase in the numbers of trained teachers and in the training materials developed or adapted and disseminated. 2.3 Institutional review of organizations involved in handling people with disabilities. 3.1 Training and counseling provided to civil society organisations to develop management and advocacy skills. 3.2 Experience sharing events made available with similar CSOs in the region. Target: Training &amp; counseling for 10 CSOs/year.</p>	<p>entrepreneurs trained &amp; started enterprises. 2.1 Number of teachers trained in special education concept and early detection and diagnosis of learning disabilities. 2.2 Number of training modules developed, adapted, and widely used by Ministry of Education. 3.1 Quality and number of training workshops provided. 3.2 Number of CSOs benefiting from capacity building initiatives.</p>	<p>Government Restructuring Programme 3. Kuwait University 4. Civil Service Commission 5. Center for Arab Women Training and Research (CAWTAR) 6. Chamber of Commerce and Industry 7. Centre for Child Education and Training 8. Network of Arab NGOs (CHABAKA) 9. UNDP 10 BDP</p>	
<p><b>National priority area 3: Economic Development and Private sector</b> Goal: Improve the business environment and achieve the MDG for establishing global partnership</p>					
<p>1. Diversification of the economy and developing public private partnerships</p>	<p>1.1 Improved business environment and established dialogue between private and public institutions to establish viable partnerships Baseline: Weak public-private partnerships</p>	<p>1.1 Business environment analyzed to identify issues be resolved to improve business climate. 1.2 Forum for dialogue between private and public institutions established. Target: measurable improvement in business environment</p>	<p>1.1 Number of successful entrants into the private sector each year. 1.2 Dialogue between public and private institutions established. 1.3 Dialogue results in successful partnerships in at least one sector per year.</p>	<p>1. Government institutions 2. Private sector establishments 3. Foreign Investment Bureau 4. World Bank and IMF 5. Stock exchange 6. Chamber of Commerce 7. Ministry of Finance</p>	<p>US\$ 7.75 million</p>
<p><b>National priority area 4: Environment</b> Goal: Ensuring Environmental Sustainability</p>					

<p>1. Institutional capacity development of the Environment Public Authority</p>	<p>1.1 Functional institution put in place that is capable to effectively carry out its mandate for ensuring environmental sustainability. Baseline: EPA's current structure does not fulfill its mandate.</p> <p>1.2 Compliance of public and private institutions in environmental regulations enhanced</p> <p>Baseline: Nonconformity with international standards</p>	<p>1.1 Institutional profile is detailed to highlight the institution's weaknesses and strengths.</p> <p>1.2 Recommendations put forward to increase institutional effectiveness.</p> <p>1.3 Effective partnerships established with private sector and other stakeholders. Target: Government's decision to implement recommendations for institutional effectiveness.</p> <p>2.1 Recommendations for a comprehensive and updated regulatory framework</p> <p>2.2 Law enforcement action plan put in place and implemented Target: Measurement enforcement capacity</p>	<p>1.1 Acceptability of institutional analysis results and support by the authorities to implement the resulting operational recommendations.</p> <p>1.2 Support by relevant stakeholders, including private sector and civil society institutions and their decision to become effective partners with EPA to ensure sustainable environmental protection and development.</p> <p>2.1 Compliance ratio of private and public institutions to environmental laws.</p>	<p>1. EPA 2. Chamber of Commerce and Industry 3. Ministry of Trade and Industry 4. Private Sector Institutions</p>	<p>US\$ 7.75 million</p>
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**TOTAL BUDGET FOR COUNTRY PROGRAMME 2008-2012: US\$ 35 MILLION**