UNDP: COUNTRY PROGRAMMES AND RELATED MATTERS
FIRST COUNTRY PROGRAMME FOR THE REPUBLIC OF MOLDOVA

<table>
<thead>
<tr>
<th>Programme period</th>
<th>Actual resources programmed</th>
<th>$</th>
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<tbody>
<tr>
<td>1994-1996</td>
<td>Net IPF</td>
<td>1 045 000</td>
</tr>
<tr>
<td></td>
<td>Estimated cost-sharing</td>
<td>5 588 100</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>6 633 100</td>
</tr>
</tbody>
</table>

CONTENTS

I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES ....... 1 - 10 2
   A. Current socio-economic situation ........................ 1 - 7 2
   B. National development objectives and strategies ....... 8 - 10 3

II. EXTERNAL COOPERATION .................................. 11 - 16 4
    A. Role of external cooperation ............................ 11 - 14 4
    B. Aid coordination arrangements ........................... 15 - 16 5

III. THE COUNTRY PROGRAMME ................................. 17 - 41 5
    A. Assessment of ongoing country programme ............... 17 5
    B. Proposals for UNDP cooperation ........................... 18 - 35 6
    C. Assistance outside the main country programme areas 36 - 39 9
    D. Implementation and management arrangements ............ 40 - 41 10

Annexes

I. Financial summary ........................................ 2
II. Programme matrix ........................................ 2
I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES

A. Current socio-economic situation

1. The Republic of Moldova is at a crucial stage in its transformation towards a democratic system and a market economy. The 1993 per capita gross national product is estimated at $1,183 (World Bank Atlas). The population of 4,362,000 is ethnically diverse, with most of the population being Moldovan (65 per cent), followed by Ukrainians (14 per cent), Russians (13 per cent), Gagauzians (3.5 per cent) and others. The population growth rate is estimated at 0.6 per cent (1985-1992), with a high population density of 130 persons per square kilometre. Average life expectancy is 65 years for men and 72 years for women.

2. There are positive trends in the transformation, such as a stable currency, reduced inflation and some growth potential evident in a number of sectors. However, overall, the economy, since 1991, has experienced a reduction in gross national product of 46 per cent, in national revenue of 45 per cent, in industrial output of 31 per cent and in agricultural output of 30 per cent. The output decline continued in 1993, although the decline was much less than in 1991 and 1992: Net material product (NMP) decreased by 3.9 per cent in 1993 compared to 18 per cent in 1992 and 29 per cent in 1991. Relative stabilization was beginning to take place in 1994 but this trend was reversed by natural calamities that set back agricultural production severely in the second half of 1994, reducing agricultural production by 50 per cent.

3. Moldova’s economic role, when it was part of the Soviet Union, was to produce raw and processed foodstuffs, mainly grapes, grains, wines, vegetables and livestock, and also tobacco. Agriculture is therefore the main economic sector constituting about 42 per cent of NMP. Industry is a second important sector, contributing around 38 per cent to the NMP, with agribusiness accounting for almost half of this amount. It is estimated that 70 per cent of industrial production capacity is underutilized or not utilized at all.

4. The country continues to depend to a high degree on trade with the Commonwealth of Independent States (CIS). Approximately 74 per cent of its exports and 71 per cent of its imports are with the CIS countries, mainly with the Russian Federation. However, Moldova’s almost total dependence on energy imports from the Russian Federation creates a trade imbalance. The Government is attempting to encourage trade and investment with the West, particularly with the European Union and the United States. This diversification approach is developing. Linkages with Eastern and Western markets continue to increase.

5. The Government’s reform programme has been ambitious. The main efforts have included: (a) fiscal reform, reducing budget transfers to State-owned enterprises, eliminating subsidies, introducing new taxes, eliminating some tax exemptions and increasing excise tax coverage, measures which led to reduction in the fiscal deficit to 8 per cent of gross domestic product (GDP) for the first half of 1994; (b) maintaining a tight monetary policy and introducing a new currency, with a resulting decrease in inflation from 2,200 per cent per annum in 1992 to 2 per cent per month rates in 1994; (c) privatization and
private sector development, including 1993-1994 and 1995-1996 privatization programmes and small business development, which are at present well under way; (d) commercialization of the agricultural sector, freeing of input prices, restructuring of State collective farms, and some commercialization and eventual demobilization of agricultural service parastatals; (e) trade, price and competition reform which include phasing out barter trade and interstate trade agreements, change to competitive procurement practices, elimination of domestic competition barriers and elimination of margin controls; and (f) financial sector reform, including rebuilding of the sector's infrastructure, in order to mobilize an increased volume of savings to be channelled to productive investments. Accompanying the economic transformation is the reform of the social safety net. The Government has expanded the financial provision to target groups impacted by the transformation and has undertaken other measures of social service adjustment.

6. Progress in the above areas, however, could have been more productive and further advanced but for a number of internal and external factors. These factors are: the rapid fall in inter-republican trade; the 1992 military conflict in Transnistria which resulted in an estimated loss of about $300 million and which had a strong, negative impact on investment attraction and private business development; an increase in the import costs of raw materials and energy resources; and natural calamities including droughts and floods, which severely affected agricultural production. Compounding the impact of these is the insufficient amount of external resources, notably of donor assistance.

7. Given the reforms being made and the above-mentioned negative factors, Moldova is now at a critical stage of adjustment. The reform process is at all times threatened. Its fragility is evidenced by continued low standards of living; public sector wage, tax, and fuel arrears; delayed payment by enterprises for externally financed imports; delayed transfers of overdue government guaranteed loans to State-owned enterprises (SOEs), and an increase in barter deals. None the less, there is further scope for reform, such as the removal of certain tax exemptions which are now distorting the system, further private sector environment development, further commercialization and privatization of large and inefficient SOEs, many of which are still monopolies and absorb credit needed by the fledgling private sector, and improved coordination and management of external resources.

B. National development objectives and strategies

8. Since its independence in 1991, Moldova has been involved in a process of nation building. As a consequence, its objectives have been to achieve three difficult but fundamental transitions:

(a) From a centrally planned economy to a market economy;

(b) From part of a large country to an independent country;

(c) From an authoritarian system to a democracy.
9. The Government has therefore embarked on an extremely courageous process addressing three priority areas. The first involves macroeconomic reform and stabilization. The second involves the process of transition to a democracy, a separation of powers, as well as checks and balances and accountability to the people, all of which are fundamental in a democratic market economy. The third objective has been to break away from the economic ties and linkages which the country had exclusively with the former Soviet Union and to establish an additional network of economic linkages.

10. These objectives have been pursued simultaneously, given that the establishment of a market economy would be most difficult without a major change in the political, judicial and administrative systems.

II. EXTERNAL COOPERATION

A. Role of external cooperation

11. The International Monetary Fund (IMF) has had three agreements with Moldova: the Catastrophe and Compensatory Financing Facility of $19 million; the Systemic Transformation Facility of $62 million; and a Stand-By Agreement of $74 million. The World Bank financial support comprises an Emergency Drought Recovery Loan of $26 million (March 1993); a Rehabilitation Loan of $60 million (October 1993) and an Adjustment Loan of $60 million. However, these resources, although most necessary for Moldova, do not constitute development assistance, since they do not have a concessionary element. Nevertheless, they have had a noticeable impact, given the conditionalities which have accompanied the granting of the resources.

12. Development assistance, as such, to Moldova, amounted to $37.7 million in 1993. Nearly 93 per cent was from bilateral sources, with the United States being the largest donor, with assistance, mainly humanitarian, amounting to $26 million. Other principal donors were Romania ($4.3 million) and the Netherlands ($2.7 million). Multilateral official development assistance was low in 1993 but is expected to increase greatly, given the recent start-up of assistance efforts and their implementation in 1994. Non-governmental organization (NGO) assistance amounted to $1.1 million in 1993. Emergency and disaster relief accounted for about 81 per cent of total assistance in 1993, mainly in the form of humanitarian aid and assistance to the health sector. Free-standing technical cooperation amounted to 14 per cent of the total, while investment-related assistance amounted to only 2 per cent.

13. For 1994, the flow of external resources is expected to increase to more than $48 million, with increases expected from United Nations agencies, the World Bank, the European Union and the European Bank for Reconstruction and Development. Given current and proposed and recently implemented projects, free-standing technical cooperation is expected to increase in 1994 and beyond. Moreover, external resources are expected to be greater because of additional disaster and humanitarian relief efforts following the severe hurricanes and floods experienced in mid-1994.
14. The United Nations Development Programme (UNDP) contribution has been increasing rapidly since the start of operations on 6 February 1993. For the period 1993-1996, indicative planning figure (IPF) resources amounted to $1,045,100. This amount is expected to be complemented significantly as pending and potential cost-sharing agreements are solidified in the 1995-1996 period.

B. Aid coordination arrangements

15. The Government established a Department of Foreign Economic Relations and Foreign Assistance within the Ministry of Economy in 1994. Within the Department are the Directorate on Development of Foreign Investment and Attraction of Foreign Financial Resources; the Directorate on Coordination of Foreign Technical Assistance; the Directorate of Foreign Trade Policy and Bilateral Agreements; and the Directorate of Economic Relations with CIS Countries. The institutional strengthening and capability development of this department will be assisted by two UNDP efforts: projects MOL/93/901 "NATCAP for Moldova" and MOL/93/003 "Strengthening National Capacity for External Resources Management".

16. The first Consultative Group meeting for Moldova was held in Paris in October 1993 with a second meeting scheduled for 1995. The first meeting was considered most successful, with pledges totalling $330 million. Importantly, the role of technical cooperation was emphasized as a significant element for the transition process. The second meeting, however, will have to take account not only of Moldova’s development needs for 1995, but also of the costs of the natural disasters which struck in 1994, the effects of which have been estimated conservatively at $384 million (equivalent to about one and a half times the 1994 government budget).

III. THE COUNTRY PROGRAMME

A. Assessment of ongoing country programme

17. UNDP started operations in Moldova in February 1993, with the arrival of its Resident Representative. After discussions with the Government to determine the country’s priority needs and after examining the assistance planned by donors, a programme of activities for UNDP was formally agreed upon. However, rather than a country programme, a short-term country framework was formulated, which encompassed the planned activities and has guided them until the present time. Most of these have concentrated on assisting the Government in its transition process. Evidencing the dynamism of the Government, most of the planned projects have already started operation, with two of the projects already having passed through a first review by the Government and UNDP and been judged very positively.

/...
B. Proposals for UNDP cooperation

1. Preparatory process

18. With respect to UNDP programme activities, the last year and a half has been dedicated mainly to programme and project design, formulation and approval. A number of United Nations specialized agencies also participated in the process, especially in the formulation of programme documents. Noteworthy was the Joint United Nations Social Sector Mission in which six United Nations agencies, offices or programmes participated: the International Labour Organization (ILO), the United Nations Children's Fund (UNICEF), the United Nations Development Programme (UNDP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Office of the United Nations High Commissioner for Refugees (UNHCR) and the World Health Organization (WHO). The participation also of the Management Development Programme (MDP) was particularly helpful to the mission in formulating the Governance and Democracy Programme.

19. In view of the small IPF allocated to Moldova, emphasis was placed on obtaining SPR and cost-sharing funds to complement the IPF.

2. Strategy for UNDP cooperation

20. The principal objective of all projects is to promote growth in the economy and the employment of the population, thus assisting the country to overcome the main problems of the transition process and achieve sustainable human development.

21. However, given the small IPF allocated to Moldova and the many needs for resources, the Government proposed that UNDP follow a two-pronged approach. The first component involved the formulation of programme documents which would be presented to donors for funding. Originally, five programme documents were planned but the number was later reduced to three, since other donors had shown interest in formulating and funding two of the programmes. The second component of the approach involved the use of UNDP funds as seed money. Thus, projects were formulated with small amounts of funds, in the belief that, if they proved successful, other donors would enter into cost-sharing. This has proven a successful strategy, as exemplified by the targeted programme definition and implementation activities and the potential for attracting cost-sharing funds and promoting collaboration with other donor efforts. The strategy will be continued.

22. The above approach focuses on the areas in which UNDP has experience and which meet vital needs of public and private sector transformation. The priority areas are: governance and democracy; capacity-building; social sector development; and the environment. The approach to these is defined below.
3. Proposed UNDP cooperation in selected areas of concentration

23. The programme will remain focused on political and economic transition and the resulting social and environmental implications. The following are the areas of concentration:

(a) Governance and democracy;
(b) Human resources and management development;
(c) Social sector; and
(d) Environment.

Governance and democracy

24. Support will be given for the reform of the parliamentary, judicial and legal systems. This will involve advisory services on constitutional reform, support for parliamentary institution building, support for the judicial system, and the strengthening of the capabilities of local governments to enable them to deal with the new relationship with the central government and equip them to address the problems of the local communities.

25. The Governance and Democracy Programme is the main focus of the UNDP programme on political issues. The programme document is completed and discussions are ongoing regarding donor funding identification. Fund identification for the programme and other activities in this area are of high priority. The programme is expected to go into operation in 1995. However, given the need to address some urgent issues, UNDP funded the project MOL/94/001 "Technical Assistance to the Parliament and to the Judiciary", which has been instrumental in providing timely advice to assist in the drafting of the constitution and the preparation of a Parliamentary Operations Manual.

26. The above-mentioned efforts will be complemented by the Regional Project RER/94/001 "Democracy, Governance and Participation".

Human resources and management development

27. The major objectives are threefold: (a) to strengthen human resources and institutional activities within the public sector; (b) to strengthen economic performance by developing the private sector policy framework and accompanying human resources in the areas of management and operations; and (c) to provide direct counterpart training and develop information production capabilities to assist public sector and enterprise performance.

28. A number of initiatives are involved in this area, including the projects MOL/93/003 "Strengthening National Capacity for External Resources Management" and MOL/93/901 "NATCAP for Moldova", the first of which is jointly funded with the Royal Government of the Netherlands and the second with SPR resources. The purpose of the two projects is to strengthen the capacity of the Government to manage and coordinate all foreign resources in line with development needs.

/...
These efforts will be complemented by the regional project RER/93/025 "Regional Training/National Capacity Building for External Resources Management". A further project, with a similar purpose is project MOL/94/002 "National Junior Professional Officer for Local Capacity Building" (also jointly funded with the Royal Government of the Netherlands). This project incorporates a novel idea, to be implemented first in Moldova, and perhaps extended later to offices in other countries. Under the project, two junior professional officers from the Government of Moldova will work in UNDP/Moldova to familiarize themselves with United Nations activities and, after one year, will return to the Government with an increased knowledge of United Nations and donor activities.

29. The second initiative relates to support on economic matters in general and improving the private sector policy framework and the accompanying human resources. It includes project MOL/94/003 "Small and Medium Enterprises in Moldova", which will be complemented by the regional and international projects RER/94/004 and INT/94/314 "Catalytic Support to Small and Medium Enterprises". The purpose of these projects is to set up a centre to facilitate the establishment of businesses and their development. The centre will be along the lines of the United Nations Centre for Small and Medium Enterprises of Bucharest, which has been most successful. These projects, which will be executed by the United Nations Industrial Development Organization (UNIDO), will be complemented by similar efforts to be funded by that Organization. Among these will be the provision of a Senior Policy Adviser for the Promotion of Entrepreneurial Activity, as well as other short-term experts to work with the Senior Policy Adviser, all of whom will enhance the national capacity on these issues. Additionally, there will be training for senior policy officials on policies to promote entrepreneurial activity. UNIDO will also organize an Investor's Forum, preparations for which will start in 1995. Another endeavour is project MOL/93/005 "Women in Development", which aims at strengthening the capacity of a Unit within the Ministry of Labour in order to promote the involvement of women in the development process, specifically encouraging them to participate in entrepreneurial activity. Project RER/94/005 "Development of Intra-CIS Trade and the Strengthening of External Trade Capacities of CIS and the Baltic States" aims at promoting external trade, thereby improving the economies of the region. Since the proposal for the project originated in Moldova, it is fitting that the international seminar, which will initiate an import involvement of the United Nations on trade within the CIS, will be held in Moldova. It is to be emphasized that the programmes to be identified in the seminar will be directed to strengthening national capacities for increased trade.

30. The third initiative refers to project MOL/93/002 "Assistance to the Government through Transfer of Knowledge through Expatriate Nationals (TOKTEN), United Nations Short-Term Advisory Services (UNISTAR), United Nations Volunteers (UNV) and Technical Cooperation among Developing Countries (TCDC)" which will supply advisers and training, both to the Government and to enterprises. There is a great demand for such training. The project is and will continue to be complementary to existing and planned projects. A further effort relates to the strengthening of the capacity of the Directorate of Statistics in both national accounts and industrial statistics. This will assist the Government and the private sector in decision-making based on reliable statistics.
Other areas

31. The social sector and the environment are two additional priority areas under this country programme and in the absence of IPF resources, additional funds, including SPR, Capacity 21, GEF, are actively sought to ensure the implementation of projects.

Social sector

32. Assistance to the social sector is urgently needed, since employment, health, education and basic services have been seriously affected by the transition process. In view of this, a Social Sector Programme Document and a Municipal Services Reform and Public Works Programme Document are being formulated. These will be presented to donors for funding.

33. The effort to promote sustainable human development is being pursued and will continue to be a main activity in coordination with other programme areas. In line with this, a national human development report will be prepared in early 1995.

Environment

34. Issues resulting from past and present environmental practices must be urgently addressed. These include water and soil contamination due to excessive use of pesticides and chemicals. A mission to be funded under Agenda 21 is therefore planned to arrive in Moldova in early 1995 to formulate a programme document.

35. Also noteworthy is the report of the International Atomic Energy Agency (IAEA) on Strengthening Radioactive and Nuclear Safety and the project which has recently been formulated and for which donor assistance will be sought. Since Moldova is surrounded by eight nuclear reactors, all of them within 150 kilometres of its borders, this is an important project.

C. Assistance outside the main country programme areas

36. Assistance in this area has been and will continue to be provided by information gathering and dissemination efforts, United Nations agency and programme support, and disaster and humanitarian relief efforts.

37. Information services have been provided through the following:

(a) Weekly Information Report: Reports on current political, economic and social activities in Moldova, sent to Ambassadors accredited to Moldova but stationed in Bucharest, Kiev and Moscow as well as to the United Nations Department of Political Affairs;

(b) The Development Cooperation Report (DCR): The DCR has been drafted and will be disseminated to the Government and major donors;

/...
(c) **Visits to Ambassadors**: Visits are made twice each year to the Ambassadors accredited to Moldova but stationed in Bucharest, Kiev and Moscow to inform them of current events in Moldova and United Nations activities in Moldova;

(d) **National consultant studies**: About 30 studies have been prepared and printed in volumes I, II and III "Studies Formulated by Moldovan Consultants", which have been distributed to Moldova’s main donors; a fourth volume is expected.

38. Direct support to other United Nations agencies has included support to UNIDO, the United Nations Population Fund (UNFPA), the United Nations Children’s Fund (UNICEF) and the United Nations International Drug Control Programme (UNDCP). To be noted is the support to UNFPA on family planning and maternal health care, and in-country start-up assistance to the UNICEF programme, expected to start in May 1995.

39. Support to disaster and humanitarian relief has also been a major and ongoing effort. During the hurricanes and floods of 1994, UNDP, together with the Department of Humanitarian Affairs (DHA), played a key role in coordinating relief efforts. Contributions were made by Austria, Denmark, Italy, Switzerland, the United Kingdom, and the Sasakawa Foundation. More than $700,000 in cash was channelled through the UNDP office to the Government and two airlifts with goods from Germany, Japan and Luxembourg took place. Contributions from UNDP and UNDHA totalled $80,000. A project document will be formulated for assistance to the Government on Disaster Preparedness, to be carried out in early 1995.

D. **Implementation and management arrangements**

40. The UNDP programme in Moldova was established and is being implemented rapidly, evidencing both the Government’s commitment to technical cooperation and its absorptive capacity. The implementation of projects and the conduct of programme studies have resulted in an active programme with full government participation. It is to be noted that the Government supports national execution of programmes, especially with respect to the maximum utilization of national capacity in their management. Whenever required, training will be arranged for the managers of national programmes. National consultants, TOKTEN, UNISTAR and UNV mechanisms will be applied for this purpose, wherever possible.

41. In accordance with UNDP regulations and procedures, a mid-term evaluation will be carried out during the country programme. The results will be analysed, priorities reassessed and, if necessary, the country programme will be modified.
Annex I
FINANCIAL SUMMARY

I. ESTIMATED RESOURCES (IPF + cost-sharing) TAKEN INTO ACCOUNT FOR PROGRAMMING

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<tr>
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<td>Carry-over from fourth cycle IPF</td>
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<tr>
<td>Subtotal IPF</td>
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<tr>
<td>Government cost-sharing</td>
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<tr>
<td>Third party cost-sharing</td>
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II. ALLOCATION OF RESOURCES (IPF + cost-sharing) BY AREA OF CONCENTRATION

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<th>Area of concentration</th>
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<th>Cost-sharing</th>
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<td>Social sector</td>
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<td>Environment</td>
<td>-</td>
<td>150,000</td>
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<td>2.3</td>
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<td>5,588,100</td>
<td>6,633,100</td>
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III. COMPLEMENTARY ASSISTANCE FROM OTHER SOURCES

A. UNDP-administered funds

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<td>Special Programme Resources</td>
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<td>UNFPA</td>
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B. Other United Nations resources

C. Other non-United Nations resources

|                        | $            | $            |
| Flood relief           | 700,000     | 700,000      |
| Subtotal               | 2,100,000   |              |
## Annex II

### PROGRAMME MATRIX

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<th>Area of concentration</th>
<th>Poverty eradication and grass-roots participation in development</th>
<th>Environment and natural resource management</th>
<th>Management development</th>
<th>TCDC</th>
<th>Transfer and adaptation of technology</th>
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<tbody>
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<td>Human development and the social sector</td>
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<td>Environment</td>
<td>*</td>
<td>*</td>
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<td></td>
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<td>Entrepreneurial activity promotion and private sector development</td>
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Second regular session 1995
3-7 April 1995, New York
Item 3 of the provisional agenda
UNDP

UNDP: COUNTRY PROGRAMMES AND RELATED MATTERS

FIFTH COUNTRY PROGRAMME FOR TURKEY

Programme period | Estimated resources programmed | $ |
------------------|--------------------------------|----|
January 1995-     | IPF                            | 8 025 000 |
December 1999     | Estimated cost-sharing         | 6 018 000 |
                   | Total                          | 14 043 000 |

CONTENTS

I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES ....... 1 - 11 2
   A. Current socio-economic situation ....................... 1 - 4 2
   B. National development objectives and strategies ....... 5 - 11 2

II. EXTERNAL COOPERATION ....................................... 12 - 15 4
   A. Role of external cooperation .............................. 12 - 13 4
   B. Aid coordination arrangements ......................... 14 - 15 4

III. THE COUNTRY PROGRAMME ..................................... 16 - 66 5
   A. Assessment of ongoing country programme .............. 16 - 18 5
   B. Proposals for UNDP cooperation ......................... 19 - 54 5
   C. Assistance outside main country programme areas ... 55 - 63 12
   D. Implementation and management arrangements .......... 64 - 66 14

Annexes

I. Financial summary ........................................... 16
II. Programme matrix .......................................... 18
I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES

A. Current socio-economic situation

1. Turkey is a middle-income country with a gross national product (GNP) per capita income of $2,120 in 1993 (The World Bank Atlas 1995). The Human Development Report 1994 ranked Turkey 68th among 173 countries and cited Turkey as being among the top 10 performers in human development from 1960 to 1992 and 1 of 15 countries in the medium human development index (HDI) category with the strong potential to join the high HDI category.

2. In the first half of the 1980s, Turkey followed a comprehensive stabilization programme combined with structural change that led to a greater reliance on market forces. After 1986, import restrictions were reduced, export subsidies curtailed and control over capital transactions diminished. Despite imbalances and other economic difficulties exacerbated by the 1991 Gulf War and political changes in the Government, the Turkish economy continued to grow at an average rate of 5 per cent per year.

3. The relatively strong economic development achieved during the 1980s was not accompanied by equally strong social development. Improvements in productive employment, income distribution, health, education, social security and housing remained modest. Limited progress can be attributed to delays in greater liberalization of Turkey’s market economy, an annual population growth of 2.1 per cent, periodic humanitarian and natural disasters and regional instability.

4. On 5 April 1994, the Coalition Government launched a stabilization and economic restructuring programme. The stabilization programme includes the structural reform of social security organizations, changes in agricultural subsidy policies, the rationalization of management and employment policies in the public sector, and the privatization of State Economic Enterprises.

B. National development objectives and strategies

5. The sixth five-year development plan (1990-1994) extended in September 1994 for one additional year and the preliminary draft of the seventh five-year development plan (1996-2000) include forming national strategies for the reduction of unemployment, eliminating regional socio-economic disparities, upgrading the quality of education and manpower resources, expanding health and social security services and upgrading the science and research and high technology development base of the country. The draft seventh five-year development plan puts forward strategies to accelerate Turkey’s transition to a more liberal market economy.

6. Public sector investments are expected to concentrate on infrastructure for the improvement of education, health and social services. A $2 billion social investment programme directed at the least developed regions in Turkey (particularly East and South East Anatolia) is expected to enable the implementation of new public and private sector investment programmes for...
education, health, women and children. Small and medium-scale enterprise development is also envisaged for the less developed regions in Turkey.

7. An improved health infrastructure, including upgraded human resources, are a priority of the Government in order to provide more effective preventive and primary health care. A large-scale health sector reform programme assisted by the World Bank is currently being implemented with UNDP providing management services to facilitate the implementation of World Bank loans.

8. The restructuring of Turkey's educational system is planned in a 10-year Master Plan for Education Sector Reform supported by a World Bank Education Sector Loan. This programme aims to reduce the existing educational disparities between regions, between gender, and at improving education and teaching quality. The education of girls will receive priority attention and the support of non-governmental organizations (NGOs) will be encouraged in order to help to increase the access of girls to educational opportunities.

9. Promoting Turkey's capacity for technical cooperation with other developing countries is a Government priority in which United Nations system cooperation is increasingly sought. Turkey has also been active in regional cooperation initiatives with European Free Trade Area (EFTA) countries, the Organization of Islamic Countries (OIC), the Black Sea Economic Cooperation Councils, the Economic Cooperation Organization (ECO) and the Central Asian Republics. Turkish Aid Cooperation (TAC) was established in 1988 within the State Planning Organization to administer Turkey's bilateral assistance targeted to developing countries. In addition to TAC, the Turkish International Cooperation Agency (TICA) was established on 27 January 1992 with the purpose of providing technical assistance principally to the new republics of the Commonwealth of Independent States and other countries neighbouring Turkey. Activities under the technical cooperation among developing countries (TCDC) project, a Turkish United Nations Volunteers programme, and a private enterprise training programme have contributed significantly to the achievement of the regional cooperation objectives of Turkey.

10. Sustainable development and the avoidance of environmental degradation are other priority areas for technical cooperation between the United Nations system and the Government. In follow-up to the United Nations Conference on Environment and Development (UNCED), a national Agenda 21 is expected to be prepared in 1995 to guide the identification and implementation of the sustainable development programme. Biodiversity protection, land and natural resources management, improving urban services and providing housing and shelter for all are among the main government objectives. The Government will host the Second Conference on Human Settlements (Habitat II) in June 1996. National preparations have been started and the United Nations system in Turkey is working closely with the Government and the Habitat II secretariat.

11. The Government is keen to continue its ongoing gender-in-development cooperation activities launched in 1992 through UNDP assistance. The State Ministry for Women and Family Affairs, which was established in November 1991, pursues gender programmes at the national level as follow-up to the recommendations of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), which Turkey ratified in January 1986.
gender database has been established and multisectoral gender training programmes have been developed to encourage the effective incorporation of gender concerns into the planning process. National preparations for the Fourth World Conference on Women (Beijing, 1995) have begun in accordance with the established international timetable.

II. EXTERNAL COOPERATION

A. Role of external cooperation

12. Over the years, Turkey has received considerable aid from both bilateral and multilateral sources. The main characteristic of this aid was its concentration on establishing the necessary physical infrastructure for development. Donor countries of the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD/DAC) are the main providers of Official Development Assistance (ODA) whereas the World Bank has become the single biggest lender since 1980. France, Germany, Japan and the United States have been major donors of ODA. When compared to bilateral aid, multilateral aid is significantly less in volume; nevertheless, its influence on national human development has been high.

13. External aid flows in Turkey have been increasingly channelled into social development following the trend of United Nations system technical cooperation. Accordingly, national policy development in the health and education sectors, in gender programmes, in population planning, in disaster preparedness and in emergency and humanitarian aid, have increasingly come to constitute the major areas of focus.

B. Aid coordination arrangements

14. The Ministry of Foreign Affairs is the official channel and has the overall responsibility for coordinating international technical cooperation programmes. The State Planning Organization in the Office of the Prime Minister is the programme planning counterpart of UNDP and the United Nations system for the identification, preparation, approval and monitoring of technical cooperation programmes. The Under-Secretariat for Treasury and Foreign Trade, also in the Office of the Prime Minister, is the main counterpart of the Government for the World Bank and other international financial institutions.

15. The Government has increasingly been relying on the Office of the Resident Coordinator to harmonize United Nations multilateral cooperation programmes. The Government supports the view that improved coordination of aid flows received through the United Nations system would enhance the effectiveness of such complementary technical cooperation efforts. United Nations specialized agencies are increasingly concentrating their efforts on promoting sustainable human development (SHD). Past problems of overlapping United Nations agency mandates, absence of uniform procedures, lack of synchronization in programme and review cycles remain but are being more aggressively addressed. The Government intends to devise a more structured approach for programming, executing and evaluating national programmes supported by the United Nations
system. In pursuit of this objective, the Government has adopted the country strategy note approach.

III. THE COUNTRY PROGRAMME

A. Assessment of ongoing country programme

16. The fourth country programme (1988-1992) focused on technical cooperation in such sectors as public administration, agriculture, science and technology development, transportation/communications, and industry.

17. The Government has assessed UNDP assistance in the fourth and previous country programme cycles as having had a significant impact on the development of new institutions and on the improvement of Turkey's human resources capacity in various sectors. The 1989 mid-term review of the fourth country programme and the annual programme review exercises, held in 1991 and 1992, reinforced the perception that the programme approach modality was essential for a more effective focus on government priorities. During the extension of the fourth programme (1993-1994), increased emphasis was therefore placed on sectoral priorities through the programme approach, particularly in the areas of management development, science and technology, environment, TCDC, and such theme areas as poverty alleviation, gender-in-development issues and the reduction of regional disparities. The programme approach, supported by the increased use of the national execution modality, will continue to be followed and strengthened during the fifth country programme.

18. Significant increases in project cost-sharing by the Government have been achieved during the fourth country programme, leading to (a) increased expenditure levels against cost-sharing income, allowing the release of indicative planning figure (IPF) resources for additional programme initiatives and (b) an increase in fifth cycle resources to the third-cycle IPF levels thanks to increased cost-sharing. This Government cost-sharing trend continues to rise.

B. Proposals for UNDP cooperation

1. Preparatory process

19. The fifth country programme is a product of a series of programme assessment exercises, consultations with the Government and discussions with relevant bodies of the United Nations system. In addition to annual fourth country programme review exercises, country sectoral development studies were periodically carried out with Development Support Services resources in such areas as human development, environment, gender, regional disparities, education, water management and economic management. Recommendations by a UNDP headquarters mission fielded in November 1993 to review future technical cooperation between Turkey and UNDP provided useful guidance on the content of the fifth country programme. A series of brainstorming sessions involving aspects of Turkish civil society, including NGOs, academics and business leaders, was also a part of the fifth country programme preparations. The
advisory note, which was prepared subsequently, provided further guidance. Finally, the country strategy note (CSN), prepared by the Government in accordance with General Assembly resolution 47/199, has identified the overall technical cooperation priorities of Government for United Nations system cooperation. The fifth country programme derives from the draft CSN identifying those areas where UNDP and United Nations system technical cooperation should be concentrated.

2. **Strategy for UNDP cooperation**

20. As grant resources for middle-income countries such as Turkey become increasingly modest, the Government has carefully considered its priorities for utilizing UNDP cooperation in order to make the best use of available funds. The priorities for the United Nations system are identified in the CSN. Accordingly, UNDP will focus on national capacity-building, upstream policy advocacy and the implementation of technical cooperation downstream projects to demonstrate the operationalization of sustainable human development programming during the fifth cycle.

21. UNDP will further promote the programme approach and national execution modality and seek increased government cost-sharing as well as third-party funding from bilateral and other multilateral sources as recommended by the advisory note.

3. **Proposed UNDP cooperation in selected priority areas of concentration**

22. The fifth country programme is developed around four themes or government strategies identified in the CSN and based on the overall aims of the sixth and seventh five-year development plans of the Government, the latter covering the period 1996-2000. Accordingly, the orientation of UNDP technical cooperation with Turkey will be based on: (a) promoting and following up on Turkey’s participation in and implementation of the global agenda; (b) urbanization and preparations for Habitat II; (c) social development and disparity reduction; and (d) promoting Turkey’s capacity to provide technical cooperation to other countries. The four themes are interlinked and reinforce the overall sustainable and balanced social and economic development objectives of the draft seventh five-year development plan. The four areas of concentration are described below.

**Area of concentration I: Implementation of the global agenda for development**

23. The Government has subscribed to past international agreements and is expected to endorse future global conventions promoting sustainable development. It is keen to operationalize its international commitments within priority programmes at the national level. To this end, UNDP will assist the Government in translating global themes into national programmes, where UNDP can offer assistance in providing information and creating awareness; help to initiate pilot project activities; support national capacity-building; and help to measure progress in the following programme areas.

...
Programme 1: National Human Development Reports: Operationalizing and Measuring Sustainable Human Development

24. National programme. The Government will continue to support National Human Development Report activities in harmony with sustainable human development aims; the human development reports of other elements of the United Nations system will be used to guide this process.

25. UNDP cooperation. UNDP will assist in the preparation of Turkey’s National Human Development Report on an annual basis, focusing on Turkey’s human development concerns. This report will serve as a government guide for monitoring progress in achieving national human development goals in the overall context of its national development plan and the global agenda.

Programme 2: National Agenda 21


27. UNDP cooperation. UNDP will assist in developing projects to implement the national Agenda 21 and in mobilizing additional resources needed to support these projects. The ongoing National Programme for Environmental Policy and Management (TUR/90/013) supported by UNDP, will provide the catalytic resources leading to the preparation and implementation of a national Agenda 21.

Programme 3: National Plan of Action for Social Development and the World Summit for Social Development

28. National programme. The Government will contribute to the identification of goals for social progress and better living standards at the World Summit for Social Development. In its preparations for this Summit, the Government benefited from UNDP cooperation during the fourth country programme.

29. UNDP cooperation. UNDP cooperation will support the preparation of the national report for the Summit and the implementation of the subsequent national plan of action.

Programme 4: National Plan of Action for Women and the Fourth World Conference on Women

30. National programme. As indicated in paragraph 11, the Government is committed to pursuing the goals of the Convention on the Elimination of All Forms of Discrimination against Women, which it ratified in 1986, and those programmes identified in its national plan of action resulting from the Fourth World Conference on Women.

31. UNDP cooperation. The national preparatory process for the Fourth World Conference on Women (Beijing, 1995) is being supported by UNDP cooperation with the State Ministry for Women and Family Affairs. In its draft national report to the Conference, the Government has identified its future gender-in-development goals, which aim at ensuring fuller integration of women into public
decision-making and the strengthening of national mechanisms for the further advancement of Turkish women. In this regard, poverty among women, women's equal access to productive employment and resources, health services and education opportunities are among the priority issues being dealt with.

Other activities

32. UNDP will support the Resident Coordinator's office in assisting the Government to coordinate, under the guidance of the country strategy note, the technical cooperation activities of other United Nations specialized agencies in the implementation of national goals and international/global agreements. Joint cooperation is envisaged in connection with (a) United Nations Population Fund (UNFPA) programmes to support the implementation of the Plan of Action of the Cairo Conference on Population and Development, 1994; (b) United Nations Children's Fund (UNICEF) programmes pursuant to the Children's Summit and the Convention on the Rights of the Child, 1990; (c) the WHO/UNDP Alliance to Combat HIV/AIDS and the United Nations International Drug Control Programme (UNDCP); (d) national-level initiatives pursuant to the World Declaration on Education for All; (e) all other global initiatives promoted by the United Nations system that are supported and agreed to by Turkey.

Area of concentration II: Urbanization and the Second Conference on Human Settlements (Habitat II)

33. Turkey has been experiencing rapid growth and urbanization during the greater part of its modern history, as attested by the fact that today more than 50 per cent of the population lives in urban areas and that the metropolis of Istanbul alone accounts for more than 10 per cent of the country's total population. Therefore, housing, settlement and urbanization have always been among the top priority issues of the Turkish development process. The problems related with these fields were dealt with at the ministerial level and 10 years ago the specialized agency of Housing Development Administration was set up to support human settlements in particular. As a result of the efforts by central and local governments, cooperatives and individual initiatives, different modes of housing supply and settlement patterns were developed, involving alternative environmental scenarios, resource utilization, and legal and institutional frameworks.

34. The rapid urbanization process is likely to continue owing to migration from rural areas, rapid population growth and the opportunities offered in employment, education and health services in the urban areas. The management of the urbanization phenomena calls for concerted efforts for sustainable community development in both rural and urban areas.

35. As noted in section I, the Government will host the Second World Conference on Human Settlements (Habitat II) in June 1996. In this connection, a separate programme area of concentration on urban problems and Habitat II preparations has been identified in addition to the multiple urbanization problems the country faces.
Programme 1: Preparations for Habitat II

36. National programme. In view of the major challenges faced by Turkey in urban-metropolitan development management and as host country for the Habitat II Conference, Turkey will devote considerable resources for conference preparations and will initiate urban development projects relating to housing, shelter and sustainable urban communities.

37. UNDP cooperation. UNDP will cooperate with the Government in (a) a national programme for capacity-building in sustainable urban environment; (b) in the preparations for the Habitat II Conference (with the Turkish Housing Development Administration); and (c) in technical cooperation projects dealing with urbanization and shelter issues. A total amount of $1,929,612 ($250,000 IPF; $1,679,612 cost-sharing) has been allocated for this programme (TURI94 I009).

Programme 2: Environmental Institution-Building and Management

38. National programme. The Government is committed to creating institutional structures and human resources for effective environmental management and to developing the necessary human resources required. National environmental policy will be developed in line with international environment agreements and the national Agenda 21.

39. UNDP cooperation. Since 1992, UNDP has closely cooperated with the Government through the National Environmental Management Programme (TUR/90/013) in formulating national environment policies and legislation; training environmental specialists and building a national environmental management capacity for urban environment management, and the drafting and enforcement of environmental legislation. This programme will continue to contribute towards the formulation of a national Agenda 21.

Area of concentration III. Social development and disparity reduction

40. The Government has been actively pursuing a national development policy aimed at social and economic disparity reduction with necessary science and technology development activities being given priority attention as a means to accelerating economic growth. Particular emphasis is being placed on the human development needs of the less developed provinces of Turkey under the seventh five-year development plan.

Programme 1: Integrated Regional Development in South-East Anatolia

41. National programme. Concerned with eliminating the wide development disparities between south-east Anatolia and the rest of the country, the Government embarked several years ago on one of the most ambitious infrastructural development endeavours in the world. The South Eastern Anatolian Project ("GAP", after its Turkish acronym) is a $31 billion undertaking that involves the construction of 22 dams on the Tigris and Euphrates rivers, the irrigation of 1.7 million hectares of land, and the generation of 27 billion kilowatt-hours of hydroelectric power. Water from Ataturk dam, the sixth largest in the world, irrigates the upper Mesopotamia
plain through the Sanliurfa tunnel system, opened on 9 November 1994. The enormous programme entails major socio-economic change for the region, and includes investments in health care, education, agriculture, energy, transportation, telecommunications, and both rural and urban infrastructure.

42. **UNDP cooperation.** UNDP will be involved in downstream pilot projects with a special focus on south-east Anatolia, where new initiatives are being developed jointly with the GAP Administration, focusing in particular at the community level.

### Programme 2: Alleviation of the Impact of Structural Adjustment Reforms on Social Development (TUR/94/010)

43. **National programme.** Following the economic stabilization programme declared on 24 January 1980, Turkey initiated a structural reform process. The stabilization programme has targeted major macroeconomic objectives and other economic management problems that have been difficult to overcome and which have led to constraints in social and human development. Efforts will continue for improved and effective economic management to alleviate problems of high unemployment and inequitable distribution of income.

44. **UNDP cooperation.** UNDP will support the implementation of an umbrella project for the Alleviation of the Impact of Structural Adjustment Reforms on Social Development (TUR/94/010). The aim of this programme is to help to reduce the adverse effects of structural adjustment policies through the creation of social safety net programmes.

### Programme 3: Gender and Development

45. **National programme.** Since the early days of the Republic, it has been the national policy of Turkey to integrate women in the development process, in all spheres of social, economic, political and cultural life. This commitment to the involvement of women in all aspects of society has been strengthened by the creation of the State Ministry for Women and Family Affairs in 1991.

46. **UNDP cooperation.** UNDP cooperates with the State Ministry for Women and Family Affairs under the umbrella of the National Programme for Strengthening Women’s Integration in Turkey’s Development (TUR/92/006). This programme is aimed at enhancing national capacities for gender-specific data collection, national gender-policy development, development of needed human and institutional resources and gender-research activities.

### Programme 4: Science and Advanced Technology Development

47. **National programme.** Turkey’s strong development record in the 1980s has brought it closer to the convergence criteria required for effective integration into the European Union; challenges remain, however, on the economic plane, especially in relation to Turkey’s customs union in 1995. The increasingly developed economy will need further diversification, as well as quality measures to develop and maintain standards of production, particularly as they affect trade in order to sustain and increase economic growth. In this connection, and within the context of its efforts to promote sustainable development, Turkey has...
embarked on important science and technology programmes. New objectives have been set to increase the number of researchers to 0.15 per 10,000 persons and the share of GNP investment in science and technology, which is now below 1 per cent. The institutional infrastructure being developed for science and technology will also strengthen the technological resources available for meeting human development needs.

48. **UNDP cooperation.** UNDP cooperates with the Government in science and research and in advanced technology development and in the transfer of technological know-how. In this context, and to respond to the needs of universities, other research institutions and small and medium-scale enterprises, an umbrella programme (TUR/92/004) has been developed to provide expertise, training and technical support. It is expected that the programme will support research and development activities with linkages to domestic industries and businesses - particularly those operating in or seeking to invest in the least developed areas of the country. The programme will also help to analyse ways in which to increase investment in research and development and those areas where investment in science and technology will bring the highest dividends to Turkey.

**Area of concentration IV: Strengthening national capacity to provide technical cooperation support to other countries**

49. Turkey has long been one of the more active countries providing assistance to other developing countries. United Nations cooperation with the Government within the TCDC framework began with a TCDC multisectoral programming exercise in 1987. By 1994, a total of 215 TCDC projects had been implemented. A compendium of institutions in Turkey, capable of providing assistance, has been updated and published as part of the TCDC Information Referral System (INRES) database.

**Programme 1: Support to Turkey’s International Technical Cooperation Activities**

50. **National programme.** By virtue of its geographic location, stability and comparative economic strength in the region, Turkey has become a significant donor in the areas of humanitarian assistance as well as technical cooperation and capital and credit assistance. National mechanisms for providing the assistance have also been strengthened and new institutions have been created, as noted in paragraph 9. In addition to the Turkish Agency for Cooperation (TAC), located in the State Planning Organization, and the Red Crescent Society, the Turkish International Cooperation Agency (TICA) was established in 1992.

51. **UNDP cooperation.** Within the framework of an umbrella TCDC project (TUR/87/051), UNDP cooperates with the Government to enhance the national capacity of Turkey to provide expertise and training services to other developing countries. In the fifth country programme, the Government intends to expand its TCDC programme to allow for the increased use of Turkey’s technical cooperation capacity with other countries through the United Nations system global activities. A private enterprise in-plant training programme involving joint venture companies located in Turkey and funded by the Government of France, an expanded United Nations Industrial Development Organization (UNIDO) in-plant training programme, the holding of several TCDC workshops in Turkey,
participation in an OECD/TICA Privatization Training Centre in Istanbul, and an expanded TCDC programme targeted at the newly independent States will continue under this programme.

Programme 2: Turkish UNV Programme

52. National programme. The Government has a keen interest in expanding its own technical cooperation aid in other countries in the region. Accordingly, it regards the United Nations Volunteers Programme (UNV), the United Nations International Short-term Advisory Services (UNISTAR) and the Transfer of Knowledge through Expatriate Nationals (TOKTEN) modalities as effective instruments in facilitating its regional and international cooperation with other developing counties.

53. UNDP cooperation. The UNDP office in Turkey has cooperated with the Government in promoting Turkey's international assistance capacity, principally for the benefit of the Central Asian Republics. Among these are: an initiative to place UNV/Turkish volunteers in the newly independent States (a programme largely funded by TICA).

54. During the fifth country programme, UNDP will be called upon to expand these programmes aimed at further strengthening Turkey's capacity to provide goods and materials as well as technical cooperation support to developing countries.

C. Assistance outside main country programme areas

1. Project implementation services provided by the UNDP country office

55. A special unit has been established in the UNDP office to provide implementation support services to the Government for the more efficient utilization of multilateral and bilateral financial loans. This is being done through the management services modality and has provided assistance to the Government in such areas as health, employment, public sector management, education and privatization.

56. In late 1991, the Government signed a Management Services Agreement (MSA) with the Office for Project Services to assist the Ministry of Health in the implementation of a primary health care project financed from a World Bank loan of $4.5 million. In addition, a fully cost-shared $1.5 million project to support procurement in the health sector was agreed to. These two successful projects have been expanded in 1994 to include an additional $30 million. Both the Government and the World Bank have recognized that the country office role has been a crucial factor in the success of these operations and in accelerating the loan time-frame. In July 1993, a third agreement was concluded to assist in the implementation of a World Bank loan in the area of employment and training, involving the establishment and management of the Project Coordination Unit in the Turkish Employment Organization.
57. The experience gained during the implementation of MSAs has been valuable since the provision of country office project support services to the Government through policy coordination units, created a viable model for the efficient utilization of bilateral resources that would have been otherwise left underutilized. This model also contributed to the creation and development of national capacity that can be utilized in Turkey’s efforts to provide relevant technical cooperation to the countries in the region. During the fifth country programme, the UNDP Office will be discussing with the Government and the World Bank its possible involvement in the implementation of other Bank-financed activities, taking into account the fact that Turkey has a portfolio of undisbursed World Bank resources totalling $2.8 billion.

2. Humanitarian programmes

58. Over the past few years, Turkey has played a central role in offering relief to a number of human and natural disasters. In 1988, the country served as a refuge for hundreds of thousands of Kurds fleeing from Iraq. In 1989, it sheltered equally large numbers of Bulgarian ethnic Turks. In 1991, it received massive numbers of people fleeing the Gulf War and the problems that followed that conflict. In 1992, another earthquake hit the eastern region of Turkey, causing major damage and loss of life. The UNDP Office and Office of the Resident Coordinator were closely involved in dealing with these crises in all phases of the disaster management continuum.

59. A major relief-management responsibility for UNDP Ankara arose in September 1992, after the Gulf War, when a decision was made by the international community to send humanitarian assistance to northern Iraq through Turkey. In November 1992, the UNDP/Department of Humanitarian Affairs (DHA) Office set up the Convoy Coordination Unit (CCU). On behalf of DHA since that time, the UNDP Office has been administering the CCU, which is based in the Southeast of Turkey (Silopi).

60. The shortcomings in disaster preparedness were discussed through the Disaster Management Training Programme, supported by UNDP, which resulted in a project with the Turkish Ministry of Foreign Affairs for the establishment of an emergency management centre to enhance the Ministry’s emergency response and coordination ability. A Special Programme Resource (SPR)-financed project in the amount of $133,000 was approved for this project (TUR/92/003). UNDP is assisting in the improvement of the managerial and disaster-preparedness capacity of the Turkish Red Crescent Society through SPR-funded and cost-shared resources totalling an amount of $576,000 under project TUR/92/009.

61. In view of this and since Turkey is one of the group of countries identified by the United Nations system as being disaster-prone, the UNDP programme, along with those of other United Nations organizations and agencies, can provide valuable assistance to the Government in further developing its capacity to deal with humanitarian programmes as well as being a more effective partner of the Government when disasters occur. The Disaster Management Team has been established to facilitate this cooperation and UNDP cooperation will be provided through both IPF and cost-sharing continued under the fifth country
programme. UNDP cooperation will also be sought within the framework of a technical cooperation project to improve Turkey’s Disaster Management System.

3. **Servicing of international, regional and national activities of technical cooperation benefit to other countries**

62. In view of Turkey’s geographic location and comparatively developed infrastructure, UNDP cooperation with the Government is expected to help to strengthen the role of Turkey as a development servicing centre in the region. Turkey is already playing an active role as host to the Organization of the Islamic Conference (OIC), the Black Sea Economic Council, the Economic Cooperation Organization (ECO), Central Asian Republics Meetings and other regional and global forums. This role may be further enhanced by the recent launching of TURKSAT, which will make Turkey a major provider of communication services in the region. In addition, the facilities that will be developed by Habitat II can be converted after 1996 to house the offices of regional and international institutions. Consequently, the Government will continue to encourage the establishment of regional servicing facilities patterned after similar facilities established elsewhere (e.g., Malaysia and Kenya).

4. **Supporting UNDCP drug control programme in Turkey**

63. Within the framework of the UNDCP-financed ($1,855,053) project entitled "Development of a Balanced Drug Control Programme in Turkey - Strengthening Individual Agencies and Improving National and Subregional Cooperation Capacities" (AD/TUR/94/894-5), UNDP/Ankara will provide services for the implementation of envisaged activities. A national project coordinator fully financed by the project will be housed in the UNDP Office and support services will be provided. The project will provide training support to UNDCP programmes in Central Asia.

D. **Implementation and management arrangements**

64. Under the overall coordination of the State Planning Organization and Ministry of Foreign Affairs, as two main government counterpart agencies, the programme approach will be followed in all future UNDP activities in Turkey and efforts will continue towards reaching full national execution of all projects. Government implementing agencies will be encouraged to utilize national experts, expatriate Turkish specialists (through TOKTEN), private sector cost-effective experts (through UNISTAR), NGOs as well as internationally available expertise from the United Nations system, local procurement, bilateral programmes and the private sector.

65. In accordance with the new monitoring process principles identified in the CSN, the State Planning Organization and the Ministry of Foreign Affairs will schedule jointly chaired annual coordination meetings. The purpose of these meetings will be to ensure effective overall coordination of technical cooperation programmes and to monitor effectively the larger and more complex programmes jointly implemented by the Government, UNDP and other United Nations
specialized agencies, including UNICEF, UNFPA, the International Labour Organization, the World Health Organization, the Food and Agriculture Organization of the United Nations and the World Food Programme.

66. A mid-term review of the fifth programme will be conducted to identify the impediments encountered and devise ways of overcoming them, as well as the consolidation of programme benefits for the attainment of national development objectives.
Annex I

FINANCIAL SUMMARY

I. ESTIMATED RESOURCES (IPF + cost-sharing) TAKEN INTO ACCOUNT FOR PROGRAMMING

(Thousands of dollars)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Carry-over from fourth cycle IPF</td>
<td>(340)</td>
</tr>
<tr>
<td>Fifth cycle IPF</td>
<td>9 255</td>
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<tr>
<td>Actual expenditure 1992 and 1993</td>
<td>(4 681)</td>
</tr>
<tr>
<td>Estimated expenditure 1994</td>
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<td>Projected IPF funds for 1997-1999</td>
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<tr>
<td><strong>Subtotal IPF</strong></td>
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</tr>
<tr>
<td>Project cost-sharing (Government)</td>
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<tr>
<td><strong>Subtotal cost-sharing</strong></td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>14 043</strong></td>
</tr>
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</table>

II. ALLOCATION OF RESOURCES (IPF + cost-sharing) BY AREA OF CONCENTRATION

<table>
<thead>
<tr>
<th>Area of concentration</th>
<th>IPF</th>
<th>Cost-sharing</th>
<th>Total</th>
<th>Percentage of total resources</th>
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</thead>
<tbody>
<tr>
<td>Implementation of the Global Agenda for Development</td>
<td>802</td>
<td>602</td>
<td>1 404</td>
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</tr>
<tr>
<td>Urbanization and Habitat II</td>
<td>2 408</td>
<td>1 805</td>
<td>4 213</td>
<td>30.0</td>
</tr>
<tr>
<td>Social Development and Disparity Reduction</td>
<td>3 210</td>
<td>2 407</td>
<td>5 617</td>
<td>40.0</td>
</tr>
<tr>
<td>Strengthening National Capacity to Provide Technical Cooperation Support to Other Countries</td>
<td>1 605</td>
<td>1 204</td>
<td>2 809</td>
<td>20.0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>8 025</strong></td>
<td><strong>6 018</strong></td>
<td><strong>14 043</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
### III. COMPLEMENTARY ASSISTANCE FROM OTHER SOURCES USED IN UNDP AREAS OF CONCENTRATION

(Thousands of dollars)

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td><strong>A. UNDP-administered funds</strong></td>
<td></td>
</tr>
<tr>
<td>SPR</td>
<td>85</td>
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<tr>
<td>UNCDF</td>
<td></td>
</tr>
<tr>
<td>UNSO</td>
<td></td>
</tr>
<tr>
<td>UNIFEM</td>
<td></td>
</tr>
<tr>
<td>UNRFNRE</td>
<td></td>
</tr>
<tr>
<td>UNFSTD</td>
<td></td>
</tr>
<tr>
<td>Global Environment Facility (GEF)</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>1,832</strong></td>
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<td><strong>B. Other United Nations resources</strong></td>
<td></td>
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<tr>
<td>JCGP participating agencies</td>
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<td>Other United Nations agencies (non-UNDP financed)</td>
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### Annex II

**PROGRAMME MATRIX**

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<th>Area of concentration</th>
<th>Poverty eradication and grass-roots participation</th>
<th>Environment and natural resource management</th>
<th>Management development</th>
<th>TCDC</th>
<th>Transfer and adaptation of technology</th>
<th>WID</th>
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<tbody>
<tr>
<td>I. IMPLEMENTATION OF THE GLOBAL AGENDA FOR DEVELOPMENT</td>
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### Area of focus a/

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*a/* Asterisk indicates major links only.