UNITED NATIONS

DEVELOPMENT

PROGRAMME

GOVERNING COUNCIL
Twenty-ninth session
June 1982
Agenda item 6 (b)

SUPPORT

OTHER FUNDS AND PROGRAMMES

UNITED NATIONS FUND FOR POPULATION ACTIVITIES

Report of the Executive Director on

the UNFPA experience with the system of priority countries

Summary

This report of the Executive Director on the system of priority
countries is in response to Paragraph 7, decision 81/7 of the
Governing Council at its twenty-eighth session. This paper
calls for action on the part of the Council in regard to
proposed changes in the system of priority countries as well
as other matters.

CONTENTS

I. Introduction

1.   Following discussions at previous sessions, the Governing Council at its twenty-eighth session requested the Executive Director to report to the Council on the experience of the UNFPA with the system of priority countries and to explore the possibilities for introducing additional criteria to be applied in any future revision of the priority system[1].

2.   The present report, which is being submitted in response to this request by the Council, briefly reviews the development of the priority system and provides an analysis of the UNFPA experience with the priority system in regard to the allocation of resources to priority countries, borderline countries and other countries, the allocation of resources among major programme areas by priority status of countries, and a regional analysis of the priority system. A separate section is devoted to an assessment of existing criteria as well as additional criteria which the Governing Council may wish to consider for the determination of priority status for countries.

II. Background

3.   Prior to the introduction of the priority system, the UNFPA's allocation of resources among countries was based largely upon the extent to which governments had made requests to the Fund, the types of programmes for which assistance had been sought and the extent to which internal and other external resources were available.

4.   As the demand for assistance, especially after 1975, far exceeded the available resources, the Fund considered various alternatives for a system of allocating resources on an equitable basis among developing countries, taking into consideration their programme needs as well as their financial requirements. The approaches studied were: a) allocation of resources on the basis of indicative planning figures (IPF) system for countries; b) allocation of resources among major developing regions or regional IPFs rather than IPFs for individual countries; c) priority in the allocation of resources to least developed countries; d) priority in the allocation of resources to countries designated as most seriously affected; and e) allocation of resources based on a system of priority countries for population assistance (PCPA).

5.   After considering the various alternatives, the Council at its twenty-second session approved, in principle, the system of priority countries for population assistance (PCPA) according to which special attention was to be given to those with the most urgent population problems[2]. The Economic and Social Council at its sixty-first session[3] and the United Nations General Assembly at its

---

1/   Decision 81/17, paragraph 7.
2/   Governing Council decision 76/42.
3/   Economic and Social Council resolution 2025 (LXI).

thirty-first session[4]/ requested the Executive Director of the United Nations
Fund for Population Activities to apply the criteria for the establishment of
priorities taking into account the decision made by the Governing Council.

6.   In applying the criteria in order to determine those countries qualifying
for priority assistance, four demographic indicators (population growth rate,
gross reproduction rate, infant mortality rate, and density of agricultural
population on arable land) were selected which, in general terms, were
indicative of major population problems and, to some extent, also associated with
the level of development and welfare. By applying certain threshold levels for
these indicators and by introducing an upper limit for the level of per capita
gross national product (GNP), a group of 40 countries was selected as priority
countries. Of these 40 PCPAs, 16 are in the sub-Saharan Africa region, 14 in
Asia and the Pacific region, 6 in the Middle East and Mediterranean region and
4 in the Latin America and Caribbean region. In addition to the 40 priority
countries, 14 other countries were designated as borderline countries in view of
the fact that if a two per cent variation from the threshold levels were allowed,
they would also qualify as priority countries. The two groups of priority and
borderline countries consisted of 54 countries in all.

7.   At its twenty-third session, the Governing Council took note of the report
of the Executive Director on the application of criteria for establishing
priorities including the recommendation that up to two-thirds of total programme
resources available to the UNFPA for population activities at the country level
be established as a goal or ceiling for assistance to these priority countries
as a group[5]/. Furthermore, as proposed by the Executive Director and noted by
the Governing Council, the concept of priority countries for population
assistance was to be applied by the UNFPA in a flexible manner.

8.   Developing countries which were not included in the high priority group were
not to be excluded from receiving assistance from the UNFPA but the amount of
assistance would be more limited and allocations more selective.

9.   Although the system of priority countries for population assistance was
approved in principle at the twenty-second session of the Council, the final
criteria and threshold levels were noted by the Council at its twenty-third
session in January 1977[6]/.

III.   The UNFPA experience with the system of priority countries

A.   General trends

10.   The nature and extent of the UNFPA country programming have undergone rapid
changes since the start of the priority system in 1977. Not only have there been

---

4/   General Assembly resolution 31/170.
5/   Governing Council decision 77/5.
6/   Ibid.

accelerated programming in the priority and borderline countries, but also a
change in the strategy from a project-oriented to a comprehensive programme-
oriented approach. By the end of 1981, the Fund had sponsored needs assessment
missions to a total of 64 countries, including missions to 38 priority countries,
10 missions to borderline countries, and 16 missions to other countries. Also
by 1981, the UNFPA had provided large scale assistance to 38 priority and 13
borderline countries [7] .

11.   The UNFPA experience with the system of priority countries is reviewed in
terms of resource distribution to the priority countries, borderline countries
and other countries, distribution among major programme areas by priority
status of countries, and regional analysis of the priority system.

12.   Period data rather than year-to-year data were used in the analysis. Trends
by individual years tend to highlight variations due to a unique set of circumstances
that may characterize particular years and thus distort the actual picture over a
period of time.

13.   The analysis of data relating to country programmes was undertaken using
information on actual project expenditures rather than allocations in order to
avoid difficulties related to rephasing which have varied considerably by
country and programme sectors reflecting largely the differential levels of
implementation ratios.

14.   Since the priority system was introduced in 1977, that year was taken as
a cut-off date for the purpose of analysing data. The expenditure data for the
period 1969-1976 are contrasted with the expenditures for the period 1977-1980.

Table I. Distribution of expenditures by priority status
of countries 1969-1976 and 1977-1980
(per cent)

Priority status	1969-1976	1977-1980
Priority countries	38.7	49.4
Borderline countries	11.0	10.3
Other countries	50.3	40.3
All countries	100.0	100.0

7/   Countries which have not received assistance since the initiation of the
priority system are: Democratic Kampuchea and Laos People's Democratic
Republic among priority countries, and Namibia among borderline countries.

According to Table I, expenditures in priority countries have increased from
38.7 per cent to 49.4 per cent between the two periods. If, however,
expenditures in borderline countries are added to those in priority countries,
the percentage would increase from 49.7 per cent to 59.7 per cent. It is clear,
therefore, that there has been a substantial increase in the allocation of
resources to the priority and borderline countries between the two periods.

B.   Assistance to priority and borderline countries: within regions

15.   While the previous analysis shows that nearly 60 per cent of resources
have been given to the priority and borderline countries, a more detailed analysis
of data in Table II (see page 17) shows important regional variations. Between the
time-periods 1969-1976 and 1977-1980, the proportionate expenditures in
priority and borderline countries have increased from 70.6 per cent to 78.7
per cent in Asia and the Pacific, from 30.0 per cent to 37.4 per cent in the
Middle East and Mediterranean, and from 14.3 per cent to 23.2 per cent in the
Latin America and Caribbean region. By contrast, the proportionate
expenditures in priority and borderline countries have declined somewhat in the
sub-Saharan Africa region from 74.6 per cent during 1969-1976 to 67.2 per cent
during 1977-1980. While there are regional differentials in proportionate
assistance to priority and borderline countries, such assistance has been
increasing over a period of time in every region except in sub-Saharan Africa.

C.   Assistance to priority and borderline countries: among regions

16.   The regional differentials in resource allocations to priority and borderline
countries are presented in Table III (see page 18). Of the 54 priority and
borderline countries, 24 are in sub-Saharan Africa, 17 in Asia and the Pacific,
7 in the Middle East and Mediterranean, and 6 in Latin America and the
Caribbean.

17.   During 1977-1980, Asia and the Pacific region has received the largest
share of 66 per cent, sub-Saharan Africa has received 18 per cent and the
other two regions have obtained roughly 8 per cent each. While there are some
minor changes over a period of time in the relative shares of the various
regions, the relative rankings of the regions have, however, remained virtually
unchanged.

D.   Assistance by programme sectors

18.   In line with the recommendations of the 1974 World Population Conference
as manifested in the World Population Plan of Action (WPPA)[8], and in line with
the various resolutions of the Economic and Social Council[9] and the General

---

8/   United Nations, Report of the World Population Conference 1974 (E/Conf.60/19).
9/   ECOSOC resolution 1763 (LIV) of 18 May 1973.

Assembly[10]/, the Fund has adopted a broad approach to population assistance.
Given the wide variations among developing countries with regard to the
perception of population problems by their governments, their institutional
capacities, their national abilities to mount action programmes in specific
sectors, and their capacities for the absorption of international assistance,
the Fund has attempted to build up national self-reliance for population
programmes. The conceptual framework for population programmes encompasses
assistance to sectors such as basic population data collection, population
dynamics, formulation and implementation of population policies, action
programmes in family planning and maternal and child health, and population
education and communcation activities.

19. Trends in population assistance by programme sectors and differentials by
priority status of countries are quite important in the analysis of the UNFPA
experience with the system of priority countries. Table IV (see page 19) presents
expenditure data by Work Plan category and priority status of countries between
the two periods, 1969-1976 and 1977-1980.

1. Priority countries

20. Expenditures for family planning programmes have increased from US $29.7
million during the period 1969-1976 to US $82.4 million during the period
1977-1980. This represents an increase of 177 per cent. The increase becomes
even more noteworthy in view of the fact that the number of years involved in
the first period is twice the number in the second period. Taking the percentage
distribution among the various sectors of population activities, it may be noted
that family planning, as a sector, has registered an increase from 57.8 per cent
during 1969-1976 to 61.1 per cent during 1977-1980. Between the two periods,
there has been a significant decrease in the proportionate amounts devoted to
basic data collection. Slight increase are noted for formulation and evaluation
of population policies and communication and education activities. At the same
time, there has been an increase in the proportionate amounts devoted to
population dynamics and implementation of policies.

21. In further analysis, it is noted that there are several projects related
to family planning in other categories which are not coded as direct family
planning programmes. For the purpose of this analysis, a survey was undertaken
to determine the nature of projects in the communication and education sector,
and in special programmes related to women which are particularly of relevance
to family planning programmes. If the amounts devoted to these activities are
also added to the existing family planning category, the proportionate amounts
devoted to this area are 62 per cent during the period 1969-1976 and 65.2
per cent during 1977-1980.

10/ General Assembly resolution 31/170 of 21 December 1976.

2. Borderline countries

22. Resources allocated to the 14 borderline countries'have almost doubled between 1969-1976 and 1977-1980 from US $14.6 million to US $28.2 million. Because of very small allocations to a few sectors, the relative growth rates in expenditures in borderline countries by sectors are high compared to priority countries.

23. In borderline countries, family planning continues to be the most prominent category of expenditures followed by data collection and population dynamics. Between the two periods, 1969-1976 and 1977-1980, the proportionate amount devoted to family planning has declined from 64.3 per cent to 50.1 per cent. There has also been a slight decrease in the percentage expenditure for formulation of population policies. Significant increases are seen in the proportionate amounts devoted to population dynamics, communication and education, special programmes and multisector activities.

3. Other countries

24. The pattern of expenditure among the group of "other" countries is similar to that noted for the group of borderline countries. The greatest share of expenditures is noted for family planning programmes. However, a comparison of expenditure data for the periods 1969-1976 and 1977-1980 shows that the relative shares have declined in terms of proportions devoted to this activity. The proportion devoted to basic data collection activities has remained constant, while there has been a slight decline noted for communication and education activities. All the other sectors have increased shares during 1977-1980 as compared to 1969-1976.

E. Trends in assistance by programme sectors, priority status of countries and regions

25. A detailed analysis was undertaken of expenditure data for the two periods, 1969-1976 and 1977-1980 by priority status of countries and programme sectors separately for each region. The main findings of this analysis are presented below.

1. Sub-Saharan Africa

26. Between the two time periods, there has been an appreciable increase in expenditures for family planning in priority and borderline countries, from 13.4 per cent in 1969-1976 to 26.7 per cent in 1977-1980. Similarly, substantial increases have been noted for population dynamics (from 2.8 per cent to 7.9 per cent) and for population education and communication (from 7.0 per cent to 10.4 per cent). By contrast, the relative share of basic data collection had declined from a high 67.4 per cent in 1969-1976 to 42.6 per cent in 1977-1980.

2. Latin America and the Caribbean

27. Substantial increases have been noted over the time periods 1969-1976 and 1977-1980 in expenditures devoted to family planning, from 27.4 per cent to 53.9 per cent, and to population dynamics from 3.6 per cent to 6.0 per cent. By contrast, the percentages have declined from 47.8 per cent to 26.2 per cent for basic data collection, and from 5.6 per cent to 4.4 per cent for population education and communication.

3. Asia and the Pacific

28. Family planning continues to dominate resource allocations by programme sector. While there has been a decline over time from an all-time high of 84.5 per cent during 1969-1976, it still remains quite high at 71.5 per cent. Although the sectors of population dynamics and basic data collection continue to be of minor significance, modest increases have, however, been noted for these categories. The relative share of population education and communication sector has remained almost constant at about 5 per cent.

4. Middle East and the Mediterranean

29. Substantial changes have been noted in various programme sectors. The percentage for basic data collection has declined from a high 76.8 per cent in 1969-1976 to 42.3 per cent in 1977-1980. This has been accompanied by an increase from 20.3 per cent to 35.3 per cent for family planning, from 1.5 per cent to 8.8 per cent for data collection, and from zero per cent to about 2.5 per cent for population education and communication.

IV. A summary of experience with the system

30. While nearly 60 per cent of resources have gone to the priority and borderline countries, there are important regional variations. Of the total amount expended in each region, priority and borderline countries have received the largest share in each of the periods. As between the two periods, 1969-1976 and 1977-1980, the UNFPA assistance to priority and borderline countries has increased in all regions, except in Africa.

31. Comparing the two periods, there has been an increase in the proportionate share of expenditures in the priority countries devoted to family planning. The percentage devoted to family planning activities in the priority countries has increased from 57.8 per cent during 1969-1976 to 61.1 per cent during 1977-1980. There has also been a significant decrease in the proportionate amounts devoted to basic data collection.

32. Further analysis of programme sectors by regions also shows that there has been an appreciable increase in expenditures for family planning in priority and borderline countries of the different regions. Between the two periods under analysis, the percentage of expenditures devoted to family planning has increased from 13.4 per cent to 26.7 per cent in sub-Saharan Africa, from 27.4 per cent to

53.9 per cent in Latin America and the Caribbean, and from 20.3 per cent to 35.3 per cent in the Middle East and the Mediterranean. In Asia and the Pacific, although there appears to have been a decline in the percentage devoted to family planning between the two periods, it still remains quite high at 71.5 per cent.

33. Differentials in allocations by programme sectors and regions were pronounced before the introduction of the priority system. However, since the initiation of the priority system in 1977 there has been an increase in expenditures in the family planning, population dynamics, and population education and communication sectors. Generally, assistance to basic data collection has declined in every region and in both the priority and borderline group of countries. There also appears to be a strong converging tendency among regions towards a more uniform distribution of allocations by programme sectors. It is likely that this trend will continue with the continued application of the priority system.

34. Over-all, progress has been made in the strategy of concentrating resources in countries with the most urgent population problems. As seen from the analysis, the proportionate share of resources going to priority and borderline countries has increased since the introduction of that system. Although the goal of reaching the 66.6 per cent target (two-thirds of resources available for country programmes) was not achieved during the period 1977-1980, it may be recalled that the Executive Director had proposed this only as a tentative goal until more experience was gained in determining the needs for, and capacity to carry out population activities in high priority countries.

35. Additionally, it may also be noted that, if the Fund's assistance to the population programmes in the People's Republic of China was also included in the calculation of total assistance provided to priority and borderline countries, the combined percentage would increase from 59.7 per cent to 64.1 per cent during 1977-1980.

36. The concentration of the Fund's resources for support activities in the high priority countries could only have been implemented gradually because commitments were made for most of the resources at the time of the introduction of the priority system and the following years. It has taken considerable time to develop population programmes and activities in many priority countries. Although needs assessments have been undertaken in many countries, translation of the recommendations of the assessments into action programmes and projects has still to be completed in some cases. Moreover, many priority countries, particularly in Africa suffered from a shortage of trained personnel and weak institutional base. The infrastructure in some areas has been weak and thus has resulted in slow programming and implementation. There are signs that many of the early setbacks are being overcome.

V. Criteria for the determination of priority status of countries

A. Analysis of relevant criteria

37. In this section, the continued relevance of the present indicators are

examined and the possibilities of introducing additional criteria in any
future revision of the system are explored. For this purpose, a list of thirteen
socio-economic and demographic variables were considered: a) per capita national
income, b) the proportion of labour force engaged in non-agricultural industries,
c) female labour force participation rates, d) density of agricultural population
on arable land, e) female literacy rates, f) the proportion of population residing
in urban areas, g) population size, h) annual rate of population growth,
i) annual increases in population, j) gross reproduction rate, k) crude birth
rate, 1) level of infant mortality and m) life expectancy at birth.

38. The actual selection of the specific factors as criteria for priority
determination is conditioned by four important considerations. First, the
criteria should be objectively measurable; second, the criteria should have a
uniform meaning and definition; third, data should generally be available for
all developing countries from sources recognized internationally; and fourth,
all data should be recent and available for the same period.

39. A critical examination was made of the nature and availability of data on
the thirteen aforementioned variables for all the developing countries. A brief
summary on the desirability of using or not using each of them is presented
below.

40. The continued use of per capita national income is suggested, given its
primary importance as a screening variable. While this index is far from being
a perfect measure of the level of living in a country and suffers from a number
of conceptual difficulties, it is the only composite index that is uniformly
available for almost all the developing countries. While recommending the
continued use of an income criterion for screening purposes, it is suggested
that the per capita national income estimates of the United Nations be replaced
by the World Bank estimates of per capita Gross National Product (GNP) in view
of the fact that the latter are more complete in coverage. Furthermore, the
Governing Council has also decided to apply the World Bank estimates for UNDP's
Third Programming Cycle, 1982-1986.

41. Among the important characteristics that differentiate the structure of
the economy among countries, the proportion of labour force engaged in
non-agricultural industries is most frequently used, and is a significant
factor in the understanding of population-development interrelations in
national contexts. In spite of its significance, this variable is not suggested
for inclusion for the following reasons: data problems related to definition
and classifications and non-availability of data on a uniform basis for all
developing countries.

42. One important variable often suggested for policy intervention in both the
population and development fields is the female labour force participation rate.
While it is true that the nature and extent of female labour force participation
have tremendous implications for the role, status and contribution of women in
development, as well as for the levels of fertility, infant and child mortality,
and contraceptive practice, the cross-national findings are far from being

definitive. Furthermore, a close look at hard data on this phenomenon clearly demonstrates the conceptual and methodological problems in using them for cross-national analysis. The wide variation in the nature of handling information related to the unpaid family workers in different countries makes the use of this variable difficult for inter-country comparisons.

43. A continued use of the variable on the level of agricultural density on arable land is suggested. In view of the preponderance of agriculture as a way of economic life and of rural residence as a demographic feature of developing countries, density of agricultural population on arable land becomes a vital link between population and development. Mounting rural pressures of population will seriously affect the labour absorptive capacity of the agricultural sector and thus adversely influence development potential. In this context, the need for rural fertility decline assumes greater importance. Given this significant role, it is suggested that density of agricultural population on arable land be continued as a criterion.

44. Several studies in the past have indicated that female literacy is important for child bearing, health practices, contraception, mobility, employment patterns, relative status of women in society, and a number of other macro features of a society. In view of the significance of female literacy for demographic transition, serious attention could be given to the inclusion of this variable as a criterion for the determination of priority status of countries. Unfortunately, at the present time, estimates and projections of female literacy are not available for all developing countries. The inclusion of this factor may be considered when data on a uniform basis for all developing countries become available.

45. The degree of urbanization, measured as the proportion of total population living in urban areas, is generally associated with population and development features of a country. Given the nature of demographic differentials between rural and urban areas, and in view of the rapid urbanization that is under way in many developing countries, the extent of urbanization can indirectly measure the magnitude of rural-urban migration and the prospects for fertility decline. While data are available mostly for the census years, the problems related to the definition of "urban areas" and "urbanization" persist. A variety of measurement techniques are used singly or in combination, to define "urban localities" in different countries. The definition of urban places could be based on administrative, economic, geographic, demographic or other criteria. Even when a definition of an urban place is limited to population size, there are difficulties of fixing limits. Apart from these difficulties, there are also problems related to the delineation of boundaries for such places.

46. In view of the fact that the priority system is for population assistance, demographic criteria were examined in depth. As can be expected, the criteria considered reflect situations dealing with population size, growth, fertility and mortality. The first obvious demographic measure is naturally population size. While there is no great difficulty in the inclusion of population size, it should be recalled that the Council decided at its twenty-second session

against the use of population size as a criterion in the determination of
priority countries[11].

47. It is clear that the priority system should include at least one indicator
reflecting the level of fertility in developing countries. While there are a
large number of indicators which may be used, it is suggested that the gross
reproduction rate is adequate in describing fertility variations among the
developing countries. Furthermore, gross reproduction rate is one of the very
few indices that signify the long-term implications of fertility for population
growth. Additionally, uniform data are available from United Nations sources.
In view of both the long-term and the short-term considerations of population
assistance, a continued use of gross reproduction rate appears justified.

48. The annual rate of population growth is often used to estimate the future
size of population. It is very closely correlated with the level of gross
reproduction in most developing countries. In view of the recommendation for
the continued use of gross reproduction rate, the advantage of using population
growth rate is reduced.

49. The annual increase in population in a country is an important criterion
in view of its significance as a composite variable involving both population
size and rate of population growth. Absolute increments of population by
themselves constitute population problems in a large number of developing
countries. Increments to population in absolute numbers indicate most obviously
the need for all types of services in quantifiable terms. It may be recalled
that the Governing Council at its twenty-eighth session recommended the use of
this criterion in UNFPA resource allocation[12]. It is recommended that annual
increments to population be considered as a substitute criterion for the annual
rate of population growth in any future revision of the priority system.

50. The crude birth rate is a useful indicator for inclusion in the priority
system in view of its simplicity and general availability. However, its
applicability as a fertility indicator is hampered by its sensitivity to
differences in the age-sex structure of the population. In light of the
continued use of the gross reproduction rate as one of the criteria, there does
not appear to be any need for the use of the crude birth rate as an indicator.

51. The continued use of the infant mortality rate is suggested in view of its
important role in fertility decline. In addition, it serves as an appropriate
indicator for the social and health conditions in a population and assumes a
pivotal role in any population and health strategy. Also, the World Population
Plan of Action called attention to high infant mortality as a problem in
developing countries and suggested a reduction of infant mortality rate to a
level of 120 per 1000 live births as a global goal.

11/ Decision 76/42, paragraph d (iv).
12/ Decision 81/7, paragraph 8.

52. Life expectancy at birth is a valid indicator for inclusion. It can adequately reflect the health conditions of a population. However, in view of the continued use of infant mortality, with which it is closely associated, it is not recommended for inclusion.

53. The Council had requested the Executive Director, in connection with the disbursement of UNFPA resources, to take into account a list of factors in making project allocations. Two of them can be explored for inclusions as additional criteria in the priority system: a) policies and programmes of governments and b) the commitment of governments to stated population policy.

54. The seriousness of a government's "population consciousness" is reflected in many instances, in the form of a stated population policy. The United Nations Population Division has collected the most recent information on national perceptions of population problems and on the specifics of national population policies in the Fourth Population Enquiry. Data are generally available on a large number of developing countries. The main problem in using these data as criteria for the determination of a priority system is the difficulty in deciding on what constitutes a population policy--a stated perception or a specific policy. If the latter is the case, not only is the number of countries fewer for which data are available, but more importantly, is the difficulty in deciding on the specific component of population policy for consideration. Different policies to deal with different aspects of population problems as they relate to fertility, mortality, spatial distribution, internal and international migration and structure of population have to be identified. Furthermore, there is no simple way of taking all these divergent policies into account in the determination of the priority system.

55. Additionally, commitment of governments to stated population policy is beset with considerable problems. Several indicators are possible, but none quite adequate: the existence of population programmes, the amount of national resources budgeted for population activities, the level of national counterpart contribution to internationally-supported programmes. In general, there is no adequate information in all developing countries on this aspect of population policy.

B. Selection of criteria

56. Although the relevance of a large number of additional criteria were considered in the foregoing analysis, it is methodologically preferable to make a selection of criteria that are most appropriate for the identification of countries with the most urgent population problems, and that are not duplicative as indicators of population problems.

57. The population problems faced by countries may be manifested in sectors like fertility, mortality, population increase and labour absorption. For example, it has been noted above that the gross reproduction rate is an important measure of fertility and that the inclusion of the crude birth rate may not add anything more to the determination of the problems related to fertility. The severity of the problems related to mortality is best exemplified by infant

mortality rate. Expectation of life at birth, although a suitable measure of the general level of mortality of a population, does not adequately reflect the infant mortality which is closely associated with levels of fertility. The density of agricultural population on arable land is likewise a suitable measure of the population and employment problems as related to the agricultural population. Since most of the developing countries contain a high proportion of the population in their rural areas, the continued importance of this variable should be taken into account. As far as the increase of population is concerned, it would appear that the absolute annual increment of the population of a country is more suitable than the rate of increase as such. The absolute increment of population does not merely take into account the size of a population but also the rate of growth.

58. Most of the other variables that were considered are correlated with the variables considered above, namely, gross reproduction rate, infant mortality rate, density of agricultural population on arable land and annual increments to population. These, together with an economic criteria such as the GNP per capita, would appear to be the most suitable criteria to be used in the determination of priority status for countries.

C. Threshold levels for selected criteria

59. In DP/530, submitted to the Governing Council at its twenty-eighth session, the Executive Director outlined various alternatives for a revision of the threshold levels of the criteria to be used[13]. After a careful review of the alternatives, he recommended the adoption of Alternative Four. In this, he recommended raising the threshold level for per capita GNP to US $500 to take into account the impact of inflation in recent years. This was also the level to be applied by UNDP in the Third Programme Cycle. With regard to the demographic indicators, recent changes in the population situation in many developing countries have taken place which make it advisable to lower the threshold levels for all indicators chosen. At the time of submission of the report, DP/530, the Executive Director used the data then available as of 1978 to determine the threshold levels. In the present report, use is made of the latest population data that are available[14].

60. For countries to be designated as priority countries, it is recommended that they satisfy the GNP per capita criterion of US $500 or less and any two of the following:

- Annual increment of population of 100,000 or more.
- Gross reproduction rate of 2.5 or more.
- Infant mortality rate of 160 or more per 1000 live births.
- Density of agricultural population on arable land of 2.0 persons or more per hectare.

13/ The threshold levels indicated here are the same   the recommendation of Alternative Four described in DP/530 except for the criterion of annual increment of population, which is a substitute for the rate of population growth.

14/ World Population Prospects as Assessed in 1980 (United Nations publication, Sales No. E. 81.XIII.8)

VI.   Implications of adopting revised criteria

61.   If the aforementioned criteria were applied currently, there would be 53 countries qualifying as priority countries for population assistance.   Forty-nine of these countries meet the criterion of fertility; 39 countries satisfy the criterion of density; 35 countries meet the criterion of annual increments to population; and 17 countries satisfy the criterion of infant mortality.

62.   Of the 53 countries that would qualify for priority assistance under the revised criteria and threshold levels, 30 would be in sub-Saharan Africa, 16 in Asia and the Pacific, 2 in Latin America and the Caribbean, and 5 in Middle East and Mediterranean regions.   In 1980, these countries had a total population estimated at 2.5 billion or 75.2 per cent of the population of all developing countries and territories, and accounted for about 59 per cent of the Fund's total expenditures at the country level during 1977-1980.   Several newly independent countries are included.   Twenty-eight out of 31 of the least developed countries as determined by the General Assembly and the Economic and Social Council[15] are also among these countries.   It may be noted that the new list of PCPA countries includes 35 of the present 54 priority or borderline countries.   Out of the 19 which failed to meet the eligibility, a large number of them--17 in all-- did not qualify since their levels of per capita gross national product are higher than US $500, the recommended threshold.

15/   General Assembly resolution 2768 (XXVI) of 18 November 1971 and Economic
      and Social Council resolution 1976 (LIX) of 30 July 1975.

Table II. Distribution of expenditure by priority
status of countries and region, 1969-1977 and 1978-1980
(per cent)

| Region | Priority status | | | | | | All countries | |
| | Priority countries | | Borderline countries | | Other countries | | | |
	1969-1976	1977-1980	1969-1976	1977-1980	1969-1976	1977-1980	1969-1976	1977-1980
Sub-Saharan Africa	51.5	46.5	23.1	20.7	25.4	32.8	100.0	100.0
Asia and the Pacific	55.3	69.7	15.3	9.0	29.4	21.3	100.0	100.0
Latin America and the Caribbean	11.1	15.1	3.2	8.1	85.7	76.8	100.0	100.0
Middle East and Mediterranean	27.1	30.2	2.9	7.2	69.9	62.6	100.0	100.0
All regions	38.7	49.4	11.0	10.3	50.3	40.3	100.0	100.0

Table III. Distribution of expenditures and population in
priority and borderline countries by region,
1969-1976 and 1977-1980

Region	Expenditures			
	1969-1976		1977-1980	
	Amount (thousand US$)	Per cent	Amount (thousand US$)	Per cent
Sub-Saharan Africa	$ 13 249	20.1	$ 28 454	17.5
Asia and the Pacific	41 089	62.1	107 984	66.2
Latin America and the Caribbean	4 795	7.3	12 337	7.6
Middle East and Mediterranean	6 906	10.5	14 219	8.7
All regions	66 039	100.0	162 994	100.0

Table IV. Period expenditure by work plan category and
priority status of countries, 1969-1976 and 1977-1980

Work plan category	Priority Status											
	Priority countries				Borderline countries				Other countries			
	1969-1976 (thousand US$)	Per cent	1977-1980 (thousand US$)	Per cent	1969-1976 (thousand US$)	Per cent	1977-1980 (thousand US$)	Per cent	1969-1976 (thousand US$)	Per cent	1977-1980 (thousand US$)	Per cent
Basic data collection	$ 14 506	28.3	23 530	17.5	$ 3 822	26.2	7 330	25.7	$ 10 875	16.3	17 687	16.2
Population dynamics	578	1.2	5 678	4.2	572	3.9	1 648	5.9	1 462	2.2	8 849	8.0
Formulation and evaluation of population policies and programmes	1 066	2.1	1 809	1.3	362	2.5	384	1.4	1 838	2.8	2 458	2.2
Implementation of policies	–	–	3 419	2.5	–	–	31	0.1	–	–	543	0.5
Family planning programmes	29 666	57.8	82 416	61.1	9 550	64.3	14 085	50.1	45 756	69.0	65 687	59.8
Communication and education	3 203	6.2	7 040	5.2	53	0.4	2 667	9.5	2 770	4.0	5 970	5.5
Special programmes	154	0.3	432	0.3	58	0.4	468	1.6	65	0.1	1 429	1.3
Multisector activities	2 110	4.1	10 490	7.9	342	2.3	1 562	5.7	3 648	5.5	7 165	6.5
Total	51 283	100.0	134 814	100.0	14 759	100.0	28 175	100.0	66 414	100.0	109 788	100.0

Note: A dash indicates no expenditure.