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Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR SRI LANKA

UNDP assistance requested by the Government of Sri Lanka for the period 1984-1986

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*The previous country programmes for Sri Lanka were issued under the document symbols DP/GC/SRL/R.1 and DP/GC/SRL/R.2.

INTRODUCTION

Context

1. By the time this programme is presented to the Governing Council of UNDP for approval in June 1983, the present Government will have completed nearly six years in office.
2. The Government of Sri Lanka, by virtue of its membership in the Governing Council over the three years 1980-1982, has been able to follow closely the debate on country programming that has taken place within the Council since the submission of the Administrator's report on the matter to the twenty-seventh session in June 1980. The Government is thus familiar with the Council's expectations concerning country programming, both as to the need to keep the country programme document as short and simple as possible as well as to the need to adopt and pursue a "continuous programming" approach to planning the utilization of UNDP resources. These recommendations of the Council could not be more in line with the Government of Sri Lanka's own views. The concept of "continuous programming" exactly mirrors Sri Lanka's system of rolling five-year public investment plans through which government priorities are adjusted and resources reallocated, annually. Thus, the maintenance and strengthening of the excellent dialogue already achieved between the Government and UNDP, in order to put into practical effect and harmonize the Council's decision on "continuous programming" with the Government's own approach, is considered to be by far the most important feature of the country programming process.
3. Thus, it is anticipated that this programme will be updated and adjusted on an annual basis to ensure that UNDP resources are still being deployed in an effective and relevant manner. In fact, in Sri Lanka, "continuous programming" has already been adopted - and its adoption has greatly facilitated the introduction by UNDP of annualized resource ceilings and by the decision not to permit the automatic carry-over of funds from one year to the next. This forced a much needed sense of fiscal discipline into the programming process which is appreciated by all concerned. In the light of the continuing uncertainty governing the UNDP resources base, it is the only sensible way to proceed. Indeed, even as this programme was being prepared, the continued strengthening of the US dollar vis-a-vis currencies of other donors led to a further erosion of the UNDP resources likely to be available for Sri Lanka's technical co-operation projects. This only seemed to underscore the need to maintain a realistic perspective in the design of the programme to avoid raising the expectations of sectoral ministries by the firm allocation of non-existent funds for specific projects.

Time-frame

4. Sri Lanka's previous country programme, currently in operation, covered the exceptionally long period 1977-1983. The programme under submission, Sri Lanka's third, covers the period 1984-1986. It is thus co-terminous with the third UNDP programming cycle as well as with the Government's five-year public investment programme for 1982-1986. As mentioned above, the Government revises its five-year plans annually on a rolling basis; it is the intention to continue this system and subject the UNDP country programme to the same approach.

Resources framework

The approved illustrative indicative planning figure (IPF) for Sri Lanka for 1982-1986 is \$76 million. The 20 per cent reduction necessitated by resource constraints reduces the level available for programming purposes to \$60.8 million. From this has to be deducted an over-expenditure of \$1,581,000 in the second IPF cycle as well as the authorized budget levels for 1982 and 1983 of \$10,990,000 and \$11,500,000, respectively. Thus, for the programme period 1984-1986, approximately \$36.7 million is available for programming from IPF resources. Normally, some allowance would be made for programme slippage by adding an "adequate programming" provision to this figure. In view of the indication given by the Administrator to the twenty-ninth session of the Governing Council that actual expenditures in the third cycle may have to be contained within 60 per cent of IPF resources, the Government of Sri Lanka does not consider it prudent to build such an allowance into its calculations. Moreover, for the reasons given in paragraphs 1-3 above, it was decided to leave a much larger unallocated reserve than would normally have been the case.

6. In addition to IPF resources, Sri Lanka hopes to continue to benefit from other funding sources, such as the United Nations Financing System for Science and Technology for Development, the Special Voluntary Fund for the United Nations Volunteers (UNV) Programme, Special Industrial Services (SIS), the Energy Account, the United Nations Revolving Fund for Natural Resource Exploration (UNRFNRE), etc. However, in view of the uncertainty over the flow of funds into these different programmes, no expectation of additional resources being available from them is made for the purposes of this document. In any event, their relatively modest magnitude makes it possible for them to be programmed on an ad hoc basis.

7. Despite the fact that Sri Lanka remains, in per capita income terms, amongst the poorest countries in the world, it is the intention of the Government to continue supplementing UNDP/IPF resources on a cost-sharing basis whenever this is considered appropriate. One of the Government's principal policy objectives is to create an economic and administrative climate favourable to the development of a healthy and aggressive private sector and, where this is not possible for strategic or national considerations, to ensure that public sector corporations operate on sound commercial-business lines. Both public and private sector profit-making enterprises in a country at Sri Lanka's stage of development can benefit considerably from technical assistance from the United Nations system. However, to be consistent with government policy, such enterprises should expect to pay for at least part of the cost involved from their own profits. This will also ensure full use of the assistance given. Similarly, in the field of private investment promotion, in which UNDP is already heavily involved through programmes of assistance to the Greater Colombo Economic Commission (GCEC), the Foreign Investment Advisory Committee (FIAC), the Export Development Board (EDB), the National Development Bank (NDB) and the Bank of Ceylon, there should be scope in the future for arranging such assistance on a cost-sharing basis.

3. The Government also hopes to benefit modestly from the decision of the Governing Council concerning the "add-on" provision for government executed projects.

National policy framework

9. In keeping with the latest instructions on country programming, the Government's development policies and Sri Lanka's economic record will not be expounded upon in this document. This information is already available elsewhere, principally in the Government's 1982-1986 Public Investment Programme, in the regular quarterly and annual

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publications entitled "Performance", of the Ministry of Plan Implementation, and in the monthly bulletins and annual reports of the Central Bank. The major externally produced source of information is, of course, the annual economic report produced by the World Bank for the Sri Lanka "aid donors" meeting. The 1982 version of this report was accompanied by a separate report entitled "Issues and Options in the Energy Sector", which was financed by UNDP from the Energy Account. Appropriate reference will be made to the national policy framework in the description of the programme to be supported by UNDP in the main body of this document.

International policy framework

10. Although also enjoined to limit references to the international policy framework to the absolute minimum and to provide this information only in relation to concrete proposals for UNDP technical co-operation, in view of the Government's decision to adopt whole-heartedly the Council's flexible concept of "continuous programming", it was felt necessary and useful to highlight some of the significant external policy features which will determine the use to which UNDP resources will be put over the programme period. To do otherwise would be to ignore the extensive attention that has been paid to such considerations by the Governing Council, especially at its twenty-ninth session, which immediately preceded the preparation of this country programme.

11. Sri Lanka's delegation to the Council has closely followed and actively participated in these policy discussions. Therefore, it is felt appropriate to present below, albeit briefly, how some of the concerns expressed will be reflected in the implementation of the country programme:

(a) Providing for the basic needs of the mass of its population has been, and will remain, the foundation of Sri Lanka's development efforts. It would not be immodest to record the fact that although Sri Lanka had an annual per capita gross national product (GNP) of only \$270 in 1980 (latest World Bank estimate), it has achieved a quality of life for its people, as measured by various quantifiable social indicators, equivalent to countries of several times its wealth. UNDP resources will be applied to improving basic needs performance further by supporting government social programmes in primary health care, water and sanitation, primary and secondary education, human settlements, food production and nutrition. In all these programmes, the emphasis will be on the rural sector;

(b) Although Sri Lanka has made considerable use of UNDP resources for pre-investment purposes in the past, this is not likely to be the case to the same degree in the future for several reasons. First, there has been a significant growth in resources available to Sri Lanka for pre-investment activities from sources other than UNDP. Second, the need for further pre-investment studies is not as acute now as before; there are enough major projects under implementation and in the pipeline to see Sri Lanka through to the end of 1984, with only room in the public investment programme for limited additions thereafter. Third, Sri Lanka fully shares the view expressed by the Administrator in the introduction to his 1980 Annual Report that human resource development is of much greater significance than hitherto realized in the development equation; the shortage of trained manpower rather than of financial resources or capital stock is certainly now the single biggest constraint to the rapid

and economic execution of Sri Lanka's ambitious development programmes. The Government would therefore prefer to deploy technical co-operation funds for technical co-operation per se. However, it will seek to promote joint or co-operative funding arrangements under which UNDP grant funds are used to finance the technical assistance components of large-scale capital aid projects funded by the development banks and bilateral donors;

(c) Sri Lanka, with the encouragement and support of the local UNDP office, has been at the forefront of the attempt to apply the principles of new dimensions of technical co-operation to the UNDP programme in a manner which will further self-reliance in development. This has included innovations such as use of national professionals, government execution, national project management and increased financing of local costs. Although Sri Lanka would wish to continue to pursue such mechanisms, it recognizes the fact that most donors would still prefer to see UNDP resources primarily used to finance the external costs of technical co-operation. This will also be borne in mind in the development of the proposal for technical co-operation among developing countries (TCDC) contained in this country programme.

(d) Because of its close association with all major global priority-setting forums, as mentioned above, Sri Lanka gives very special attention to these in all of its development programmes, UNDP-supported or not. Thus, whether it be the role of women in development, the environment, food security, youth, the disabled, the aged, the homeless or the poorest, it will be found that these concerns have been integrated into the Government's development programmes, wherever possible and appropriate, in addition to the separate projects that have been specially sponsored for these groups.

12. In this section, the Government of Sri Lanka wishes to place on record its views on achieving greater coherence in the planning and implementation of development co-operation from the United Nations development system. While welcoming the designation of the UNDP Resident Representative as Resident Co-ordinator at the country level and while observing that, in Sri Lanka, UNDP and the executing agencies co-operate together very effectively under the leadership of the Resident Co-ordinator, it will not be possible to make any further tangible progress towards the integration of activities which the Government of Sri Lanka would like to see achieved until further far-reaching legislative and administrative restructuring of the United Nations development system is undertaken. Thus, at the same time as the Government was preparing the UNDP country programme, the World Health Organization (WHO) and the United Nations Children's Fund (UNICEF) were also preparing their country programmes for Sri Lanka for the period 1984-1985 and 1985-1988, respectively. This was a coincidence of timing among the organizations concerned; all three have different programme periods (only that of UNDP being determined by the Government) and each has very different programming procedures (that of UNDP perhaps being the simplest and least elaborate despite the fact that it is multisectoral and, in financial terms, the most important). Co-ordination of the United Nations system at the field level is attempted through mutual consultations and attendance by the representatives of United Nations agencies at each others programming sessions; this may lead to greater coherence, but not to the integration of programmes and resources.

13. It should be recorded that the Government has noted the effective manner in which the Resident Co-ordinator has acted as a neutral forum for a regular but informal exchange of views and information among donors, and between donors and the Government,

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at the country level. There are two principal instruments for this. One is the preparation by the UNDP field office of the annual report on development co-operation covering all donors and of the monthly report on visiting missions. The second is the regular donor and government monthly business lunch, organized by UNDP, but hosted by different donors.

14. Finally, in this context, it must be mentioned that the Administrator's attempt to inject greater participation by governments in the intercountry programming process, through the series of consultations, at the country and subregional levels, which culminated in the inter-governmental meeting of development assistance co-ordinators in Delhi in February 1981, represented a major breakthrough in bringing coherence and relevance to the UNDP regional programme. In Sri Lanka, it has certainly served to raise the level of interest in the UNDP intercountry programme by the sectoral ministries. This interest has been capitalized on during the country programme exercise by providing each ministry with its own brief on operational and pipeline regional projects within its area of competence.

15. Prior to 1977, the first year of second UNDP country programme for Sri Lanka, there were no UNDP regional projects located in Colombo. There are now five, three of which Sri Lanka has agreed to host since the historic Delhi meeting. The hosting of inter-country projects places a considerable extra burden on the Government's national budget, so such decisions are not taken lightly.

NATIONAL DEVELOPMENT OBJECTIVES AND PROGRAMMES TO BE SUPPORTED BY UNDP

16. One of the implications of the "continuous programming" concept is that a regular and sustained dialogue takes place between the Government and the UNDP Resident Representative on all matters relating to the planning and implementation of UNDP programme. In Sri Lanka, this dialogue has taken place satisfactorily, and hence the need for the Resident Representative's note did not exist and was accordingly dispensed with.

17. The Government was also of the view that special sectoral studies, reviews or programming missions by executing agencies of the United Nations system were unnecessary since its sectoral policies and priorities were well known and an abundance of material and reports were already available. However, all United Nations agencies were kept fully informed of the programming exercise from as early as January 1982 and invited by the Government to brief thoroughly the missions that they send to Sri Lanka on their agencies' views regarding technical co-operation requirements for incorporation into the planning process. It is hoped that the United Nations agencies will regard this country programme process and the regular reviews that will accompany its implementation as a frame of reference for their own regular and multi-bilateral programmes of assistance to Sri Lanka.

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18. All local agency representatives were invited to attend and participate in the country programme meetings with sectoral ministries (held under the chairmanship of the Department of External Resources) and all did so. These were the Food and Agriculture Organization of the United Nations (FAO), WHO, UNICEF, the World Food Programme (WFP), the United Nations Fund for Population Activities (UNFPA), and the United Nations Industrial Development Organization (UNIDO). In addition, discussions on the education and training sector were held to coincide with missions from the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the International Labour Organisation (ILO) and a senior headquarters' official from United Nations visited Sri Lanka for talks with the Ministry of Finance and Planning and relevant line ministries immediately prior to the commencement of the country programme exercise. The headquarters of some of these and other agencies sent comments on the draft document which was sent to all specialized and executing agencies in August 1982. The final content of the programme is thus the result of an extensive process of tripartite consultations, but with the Departments of National Planning and External Resources as the final arbiters concerning the disposition of resources between competing national priorities as reflected in the sectoral ministries' initial submissions.

19. The office of the Resident Representative conducted an assessment of experience in implementation of the second country programme and made the results of this assessment available to the Government. Two principal findings of this review may be of interest to the Governing Council. First, that the pressure on UNDP, the agencies and the Government to produce quick results in the "goal" or objective-oriented environment in which the system operates leads to an attempt to do too much, too quickly. This often results in less than judicious use of resources, frustration and disappointment. Technical co-operation, especially if it is primarily directed towards institution building, is a long-term, laborious process; the "achievers" in the international development organizations should recognize this, become less impatient and resist the temptation to dismiss long-running projects as inherently bad. Too frequently, when projects are submitted for approval, the stock reaction of the appraisers is to suggest that the objectives be achieved in a shorter time. Thus work-plans and activities are telescoped into an unrealistic financial and temporal framework. These appraisers are very often the same ones who later criticize the same project for not having achieved its objectives in the time allotted.

20. The second finding of the second country programme assessment is that UNDP assistance is very much more catalytic than is generally appreciated. Many UNDP-assisted projects which were not necessarily considered pre-investment in nature, by laying a sound institutional base, have generated large investments from other multilateral and bilateral sources. This has been particularly so in agriculture which, in a country at Sri Lanka's stage of development, is the most important sector of the economy.

21. The presentation of the content of the programme follows the classification system of the Administrative Committee on Coordination (ACC).

A. Development planning and administration

22. Current UNDP assistance to development planning, statistics and public administration will terminate in 1983. This assistance has taken place within the framework of two separate projects, both of which **have** had an impact in developing national

planning capabilities. It is not possible within the limitations of this country programme document to present a systematic or comprehensive account of the projects' achievements. Nevertheless, some of the major accomplishments are listed below:

(a) Readjustment of the macro-level planning approach to bring it in line with achievable reality;

(b) Establishment of a stronger sectoral planning capability, both at the national, macro-level at the National Planning Department as well as in selected sectoral ministries;

(c) Development of policy options to assist in national decision-making;

(d) Production of a trained corps of development planners, administrators and statisticians, at both the central and the district levels; and

(e) Enhancement, qualitative improvement and updating of the data base for development planning through the establishment of a greatly strengthened Department of Census and Statistics.

23. UNDP, with additional inputs from UNFPA, has been a major provider of sustained technical assistance to the Government of Sri Lanka in these key, national policy-making areas. A conscious effort has been made to maximize the use of national professionals, both resident and expatriate, in the implementation process. While the Government has received advice from a variety of other sources, for obvious reasons it does not wish to go outside the United Nations development system and its own resources for long-term assistance in building up national planning capabilities. It should also be noted that full advantage is taken, and will continue to be taken, of the opportunities offered by the UNDP intercountry programme, particularly the Asia and Pacific Development Centre and the proposed interlinked regional macro-economic model in which Sri Lanka is actively interested.

24. It is intended, in the third country programme period, to apply UNDP assistance to the establishment of a simple macro-economic framework to be used for forecasting the effects of policy decisions. Although short-term consultancies will be needed to help construct the elements of this framework, the emphasis will be on practical, on-the-job, in-country and overseas training so that Sri Lanka's own economic planners can learn by doing. There will also be a continuing need to strengthen the central policy development and economic planning role of the Ministry of Finance and Planning by channelling technical assistance through it to sectoral ministries particularly for the development and implementation of district or "sub-national" activities under the Government's decentralized budget and integrated rural development programmes, which are being greatly assisted by many multilateral and bilateral aid programmes. In this connection, it is also proposed to establish a Centre for Regional and Rural Development under the auspices of the Sri Lankan Institute of Development Administration (SLIDA) which will receive support from UNDP under the country programme. Finally, the Ministry of Finance and Planning is proposing to establish a more effective means of monitoring and co-ordinating the commitment and disbursement of external assistance to Sri Lanka as well as to devise a more appropriate and consistent method of reflecting such resources in the Government's annual budget and public investment programmes. The existing mechanisms are insufficient to cope with the task, in view of the fact that annual foreign aid commitments rose from \$195 million in 1976 to \$815 million in 1981.

25. Although the Department of Census and Statistics, thanks to UNDP/UNFPA assistance, will be largely self-sufficient by the end of the second country programme, the Government wishes to participate in the United Nations-sponsored National Housing Survey Capability Global Programme. To this end, following the recommendations of a United Nations review mission, the Department has agreed to undertake three different annual household surveys in each of the years covered by the third country programme. For this purpose it would be extremely useful to obtain expertise from the United Nations in survey design, sampling techniques and data processing to ensure conformity and consistency with the global programme as well as with national requirements. Limited advisory assistance will also be required to complete the processing, tabulation and analysis of the data from the agricultural and industrial censuses undertaken in 1982 and 1983, respectively.

26. As mentioned in the introduction, one of the biggest constraints to development in Sri Lanka is the imbalance that exists between the demand for and supply of skills. Although training capacities have been expanded in recent years, the outflow of skilled and semi-skilled technical personnel to other countries and the rapid acceleration of the Government's own development programmes have greatly contributed to this situation. A modest start was made under the second country programme in developing a labour market information system and manpower strategy to rectify these imbalances and this will continue to be needed in the future.

27. Many Sri Lankans are well aware of the threat that development poses, both culturally and physically, to the environment. They have traditionally been very active in the formation of environmental pressure groups to act as watch-dogs over both public and private investment programmes. However, the rapid pace of development taking place in Sri Lanka today demands that environmental concerns be systematically and professionally built into the economic planning and decision-making process. Hence, in 1981, the Government established a Central Environmental Authority under the legislative mandate given it by the passage through Parliament of the National Environmental Act of 1980. The UNDP field office in Colombo has given strong support to this venture informally as well as through existing UNDP-financed projects in physical planning, conservation, forestry and archeology. It has also sought to encourage the Government's initiative in establishing the South Asia Co-operative Environment Programme (SACEP) and has been instrumental in obtaining intercountry IPF funds for this pioneering activity.

28. Although a modest allocation existed in the second country programme to assist the Central Environmental Authority in preparing a programme of action, a consultancy for this purpose was financed by a bilateral donor in early 1982 and an excellent environmental master plan has been produced as a result. The Government therefore wishes to augment the original second country programme earmarking with an additional allocation in the third country programme to finance the implementation of certain components of this master plan.

29. A total provisional 1984-1986 allocation from UNDP of \$1,650,000 has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

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B. Natural resources

30. A large part of the land and water resources of Sri Lanka is still unutilized, under-utilized or poorly utilized. Four million acres of land, representing 25 per cent of the total land area, is still in the care of the Ministry of Lands and Land Development awaiting settlement. Slightly less than this amount is at present under all types of cultivation, including paddy and plantations. In addition, approximately 4 million acres is under forest or scrub cover. As yet, there is no comprehensive national land-use planning capability in Sri Lanka. UNDP assistance in establishing such a capability was scheduled to have commenced in 1980. After two FAO missions, which advised in the preparation of an appropriate land-use project, final agreement on a suitable proposal has now been reached. Hence, there will be a necessity to make financial provision in the third country programme for this delayed activity. Similarly, the Government wishes to develop a national water resources planning capability for which it may seek UNDP assistance under the third country programme. Both these activities should be of enormous assistance to the massive land and water use investment programmes being undertaken with substantial support from the donor community. Although the subject of mineral resources exploration and exploitation was raised during the third country programme discussions, the Government has decided for the present not to seek UNDP assistance in this sector, principally because of the availability of funding from other sources.

31. Following the extension of Sri Lanka's exclusive economic zone (EEZ) to 200 miles following the Law of the Sea Conference, the National Aquatic Resources Agency (NARA) was created by Act of Parliament in 1981. The functions of NARA are: (a) to develop and manage renewable and non-renewable aquatic resources; (b) to promote and co-ordinate research activities among institutes engaged in the exploitation and development of these resources; (c) to undertake research studies; (d) to provide advisory services on scientific, biological and legal matters relating to the management and development of aquatic resources; and (e) to provide training to scientific and technical personnel.

32. The Government recognizes that this is a very ambitious undertaking and wishes to proceed according to a cautiously phased programme of institution building. In the first instance, it seeks UNDP assistance principally in establishing a trained cadre of personnel without which NARA cannot discharge its mandate. In addition to this, a start will be made in developing a data base on aquatic resources and a pilot study on marine pollution may be initiated.

33. Under the second country programme, UNDP, supported by complementary assistance from a bilateral donor, has been assisting in the preparation of a Coastal Zone Management Plan. Already a Coast Conservation Act has been passed in Parliament, an engineering laboratory established and key personnel trained. In the third country programme, expert advisory assistance will be required to implement two higher priority activities identified in the Plan to halt and reverse coastal erosion that is taking place on Sri Lanka's southern and western coasts. This programme has already been a top priority by the Central Environmental Authority.

34. A total provisional 1984-1986 allocation from UNDP of \$2,375,000 has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

C. Agriculture, forestry and fisheries

35. Agriculture remains, of course, the most important sector in the economy, with its share in the nation's gross domestic product (GDP) remaining quite constant at about 28 per cent. Excluding the traditional tree crops sector (tea, rubber and coconut), the performance of this sector has been remarkably good over the last few years, particularly in paddy (average 1977-1981 annual growth rate of 7.3 per cent), fisheries (11.1 per cent), forestry (7.1 per cent) and minor export crops (20 per cent). The specific goals for agriculture in the 1982-1986 Public Investment Programme are to maximize basic food production, expand earnings from agricultural exports and increase income and employment opportunities in the rural areas. To this end, the investment programme makes fairly massive changes in the direction of Government priorities, with the plantation sector, non-Mahaweli irrigation, rain-fed farming, minor export crops, subsidiary food crops, fruits and vegetables, live-stock and forestry all receiving increased attention.
36. The following sectoral studies have already been completed: the Tea Master Plan; the Rubber Master Plan; the Coconut Master Plan; the Fisheries Master Plan and the Livestock Sector Study. The National Planning Division of the Ministry of Finance and Planning is co-ordinating, with UNDP advisory assistance under the Development Planning project, the preparation of food, agriculture and nutrition strategy which will be the starting point for the development of an integrated national food security plan covering all aspects of food production, processing, marketing, storage, preservation, consumption, nutrition, importation and exportation.
37. UNDP technical co-operation will be required in the third country programme to support all of these priority activities, many of which will be undertaken in association with capital inputs from other donors as well as private investment sources. In food production, assistance will be needed for sugar research, horticulture, roots and tubers and other edible starchy crops, rice production in rain-fed areas, small-scale irrigation, prawn-culture, dairy training and cattle breeding. Some of the above activities are export-oriented as also will be follow-up assistance in the processing and marketing of minor export crops as a logical next phase to UNDPs previous involvement in minor export crops research and development. The UNDP-financed national forest inventory project, started in 1981 as a precursor to a World Bank major credit to finance the preparation and implementation of a national forestry master plan, will continue into the third country programme period. Several other donors are also involved in complementary activities in the forestry sector, the co-ordination of which is undertaken by the Forest Project Co-ordinating Committee, which was established at the suggestion of UNDP. A modest programme in support of previously neglected traditional crops will be started, with special reference to palmyrah and dambala (winged bean). UNDP will be requested, both within and outside these special projects, to continue its support to the education and training of agricultural sector technicians and extension agents. In the plantation sector, the Government wishes to see UNDP assistance deployed for the training of plantation managers within the National Institute of Plantation Management, rubber research, coconut irrigation and the Tea Small Holders Authority extension services.
38. A total provisional 1984-1986 allocation from UNDP of \$6,995,000 has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

D. Industry

39. Prior to 1977, the industrial development strategy in Sri Lanka emphasized import substitution with the growth of public sector manufacturing corporations, which enjoyed a virtual monopoly in the domestic market through an administered package of import, tariff and price controls coupled with a strict industrial licencing system. The result was slow growth, low efficiency, low capacity utilization and, ironically dependence on imports for 70 per cent of raw materials. The main objective of the new policies introduced by the Government in 1977 was to encourage export-led industrial development in the belief that this would result in better resource allocation based on comparative advantage, greater capacity utilization, exploitation of economies of scale (the size of Sri Lanka's domestic market is extremely limited) and improvements in technology stimulated by competition in foreign markets. The export orientation of the new policy also implied that manufacturing industry should be competitive by international standards and that a predominant role would be taken by the private sector. These policies have proven remarkably successful. Industrial output grew at a rate of 7.3 per cent per year from 1978-1981, compared to 2.1 per cent from 1970-1977, and the share of the industrial sector in total exports rose from 15 per cent in 1978 to 36.5 per cent in 1981. Meanwhile, industrial employment has risen by 36 per cent and capacity utilization has increased from 60 per cent to 75 per cent.

40. UNDP assistance during this period has been of some significance in fostering and furthering this new industrial policy. Apart from the industrial planning component of the development planning project (see paragraph 22 above), the Ministry of Industries and Scientific Affairs has also been receiving technical assistance from UNDP in industrial programming and priority setting which will continue into 1984-1985. The Greater Colombo Economic Commission (GCEC) and the Foreign Investment Advisory Committee (FIAC), two new institutions which were established by the Government to promote private foreign investment inside and outside of the free trade zone, respectively, have both benefited from UNDP support. Both GCEC and FIAC have paved the way for a major expansion in export-oriented industrial development. By the end of 1981, GCEC had contracted for total investment of \$168 million (of which \$123 million were from foreign sources), while FIAC had approved \$192 million worth of industrial investment (of which \$108 million are to be from foreign sources). UNDP has also been active in assisting the development of the domestic financial markets for small- and medium-scale private sector industries through co-operative projects with the World Bank, the International Finance Corporation (IFC), NDB, the Bank of Ceylon and the Industrial Development Board. Direct assistance to specific industries has included major growth areas such as textiles, wood products, leather goods and mineral sands. On the management side, the programme of UNDP assistance to the National Institute of Business Management (NIBM), which was originally established with UNDP support in 1967 as the Management Development and Productivity Centre, successfully concluded in 1982. This represents a classical example of the point made in the introduction concerning the patience required in institution building. UNDP has suggested that NIBM provide an information service function for the Public Enterprise Division of the Ministry of Finance and Planning which in turn is to establish a secretariat to service the newly formed Parliamentary Committee on Public Enterprises (COPE), which is to play a key role in ensuring that public sector corporations perform within a framework of market and commercial self-financing objectives.

41. While the Government wishes to see UNDP assistance continue during the third country programme in support of the investment promotion and co-ordination activities of GCEC and FIAC and in the rapidly developing textile and leather products sectors, it has decided to shift the emphasis towards small-scale enterprises and rural/cottage industries which have strong export potentials, are labour-intensive and create self-employment and can provide low-cost component servicing for medium-and large-scale industry, thereby reducing the latter's dependence on imports. There is also an overriding need to establish and enforce quality-control standards in manufacturing. In fact, a project to strengthen the Ceylon Bureau of Standards, although not contained in the second UNDP country programme, has already been introduced on a priority basis and financing will be necessary to continue this through into the 1984-1986 period. Under the third country programme, the Government wishes to establish a national design centre in support of rural-based industries. In addition to the above, UNDP will be asked to assist in the development of the appropriate technology programme being conducted by the National Engineering Research and Development (NERD) Centre. This will be closely associated with the network of regional programmes being financed by UNDP, such as the Regional Centre for Technology Transfer (RCTT) in Bangalore, India, the Regional Energy Co-operation Programme based in Bangkok, Thailand, the Regional Network for Agricultural Machinery in Los Banos, the Philippines, the low-cost building materials technologies and construction project also in Manila, the Philippines, SACEP in Colombo and with UNDP interregional programmes in appropriate technology and alternative energy development.

42. Finally, there will be a need to finance the technical assistance component of the recommendations contained in the UNDP/World Bank energy sector study, particularly those relating to energy conservation in industry, and the Government also wishes UNDP to finance the training of engineers employed by the Mineral Sands Corporation.

43. A total provisional 1984-1986 allocation from UNDP of \$3,480,000 has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

E. Transport and communications

44. Obviously, the rapid pace of economic development already achieved and anticipated in Sri Lanka cannot be sustained without accompanying large-scale Government investment in economic infrastructure. Because of the concentration on the Government's three "lead" projects (Mahaweli, free trade zone and housing) in 1977-1981 period, the economic infrastructure was comparatively neglected. This neglect is beginning to make itself felt in a variety of ways such as telecommunication breakdowns, poor road maintenance and transportation bottle-necks which will act as serious constraints to development as well as adding to its cost. The Government has attempted to rectify this imbalance in its 1982-1986 Public Investment Programme which substantially reduces allocations for the lead projects, particularly for housing construction and urban development, and substantially increases allocations for economic overheads. Between them, transport and communications are expected to receive 14 per cent of total public investment allocations in this period. Despite this, the Government will continue to pursue its policy of lowering the burden on the treasury by transferring, wherever possible, certain activities to the private sector (e.g. civil aviation services at Colombo airport and private bus companies) and encouraging a commercial approach to business and investment decisions elsewhere (e.g. Colombo Ports Authority, telecommunications, and the Central Transport Board).

45. The demands on civil aviation services have increased rapidly in the last few years. The passenger traffic at Colombo airport increased at a rate of 36 per cent per year between 1977 and 1981. This is a phenomenal rate of expansion and probably has no parallel anywhere else in the developing world, except possibly in neighbouring Maldives. An Airports Authority was established by Act of Parliament in August 1979 and, in October of the same year, a master plan for the development of the airport was prepared with bilateral aid and is now under implementation with external assistance. The Airports Authority, which is responsible for the execution of the master plan as well as the day-to-day management of Sri Lanka's airports, has been staffed at the senior managerial and technical levels by UNDP-financed operational assistance (OPAS) experts with substantial cost sharing from the Government. The Airports Authority is to be replaced in 1983 by a new private limited liability company. The Government wishes this company to have access to International Civil Aviation Organization (ICAO) until it has fully established its own organizational, administrative, operational and planning capabilities. Although Sri Lanka's needs in the civil aviation sector still remain substantial, and despite the wide range of aeronautical communication equipment and navigational aids provided by UNDP under the second country programme, the Government has decided to limit its further call on scarce UNDP funds in the third programme to the establishment of a civil aviation training centre for basic training. In fact, this was considered such a high priority that it has already been started under a cost-sharing arrangement in the last two years of the second country programme.

46. Government infrastructure investment in improving telecommunications services is expected to more than double from \$24 million per year in 1982 to \$54 million per year by 1986 with capital assistance from the World Bank and bilateral sources. Such a large investment programme will require substantial inputs of technical expertise in management, administration, engineering, maintenance and installation as well as in large-scale training programmes for telecommunications technicians. Again, because of the urgency involved, a start has already been made under the second country programme and this will continue on a much larger scale into the next programme.

47. Although the Government has sought to encourage private sector participation in the bus transport business, the Central Transport Board will still have to provide the bulk of road passenger transport services. Its aging fleet is to be substantially rejuvenated under a World Bank International Development Association (IDA) credit agreement. As a complementary activity, the Government may request UNDP financing of the technical co-operation component of a driver training school as well as overseas training in bus operations and engineering maintenance.

48. Another extremely important and potentially lucrative spin-off of the country's rapid economic development over the last few years has been the expansion of the merchant shipping fleet. The Government wishes to commence advance training courses for ship engineers and deck officers to cater for the increased demand for such personnel from its national fleet as well as from other carriers. It also wishes to strengthen the capacity of the Central Freight Bureau through a modest overseas training programme for its senior technical staff.

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49. One of the recurring constraints to efficient implementation of UNDP-supported projects is the lack of synchronization between arrival of experts and arrival of their project vehicles. The Government has decided to solve this problem by asking the Administrator to approve a special transport logistics-support project to be operated by the UNDP Colombo office, which will rationalize the process of vehicle and administration for all projects that UNDP finances in Sri Lanka. This will save IPF resources and eliminate wastage and delays in project implementation.

50. A total provisional 1984-1986 allocation from UNDP of \$3,450,000 has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

F. International trade

51. As already described, export development is one of the Government's highest priorities, and an absolutely critical area for Sri Lanka's long-term growth. The central institution for the promotion of exports is EDB, which is the executive arm of the Export Development Council of Ministers established in May 1979 and headed by the President. The problems of this sector have been analysed both in the Public Investment Programme and in the 1982 World Bank annual economic report on Sri Lanka. A national export development plan, currently under preparation, will be available by the second half of 1982, at which time a decision will be taken on the many policy issues raised in the World Bank and Public Investment Programme documents. Although the World Bank, the Commonwealth Fund for Technical Co-operation and the European Economic Community (EEC) are all prepared to fund technical assistance activities related to export development, the Government would like UNDP assistance to continue during the third country programme, though at a reduced level.

52. A total provisional 1984-1986 allocation of \$750,000 has been made for the above purpose.

G. Human settlements

53. As described in the section on agriculture, 4 million acres, representing one quarter of Sri Lanka's total land area, remain to be settled under the purview of the Ministry of Lands and Land Development and almost another 1 million acres are to be settled under the Accelerated Mahaweli Development Scheme. Although Sri Lanka has had considerable experience in organizing and managing settlement schemes in the past, it has never faced a task of this order of magnitude. Since these new settlements, as well as the existing settlement schemes, will constitute the bulk of the country's rice and food producing area, it is essential that they be properly planned and managed. This requires a massive training programme for settlement planners and managers, who in turn will have to arrange training of settlement officers and settlers themselves, both inside and outside the Mahaweli area. Such programmes will be closely co-ordinated with inputs from other United Nations agencies involved in financing settlement related projects such as WFP, UNICEF, UNFPA and WHO, as well as with the many donor-financed Mahaweli downstream development programmes. UNDP assistance has already started in a limited way under the current country programme, preceded, as planned, by an FAO-financed project preparation phase, and will be considerably expanded in the next programme period.

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54. One of the largest current UNDP-financed projects is assisting in strengthening the Urban Development Authority. This is scheduled for completion in 1983, by which time the Authority will be self-sufficient in trained manpower and managerial competence. One of the major shifts in the new Public Investment Programme has been to redress the imbalance between housing and urban development and the rest of the social overheads sector, particularly health (including water supply and sanitation) and education. Allocations for the former have been reduced from 5 per cent to 3.8 per cent of the total, while those for the latter have increased from below 5 per cent to over 14 per cent. Indeed, beyond 1982, the Public Investment Programme does not provide any resources for the Urban Development Authority. The Government wishes, however, to make a modest allowance in the third country programme for technical support to the Authority, particularly for its slum and shanty upgrading programmes which are being carried out in association with a major bilateral donor.

55. A total provisional 1984-1986 allocation from UNDP of \$1,550,000 has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

H. Health

56. As mentioned above, health and water supply programmes receive a big boost in the new investment plan. The Government has particularly appreciated previous UNDP involvement in this sector, both its unparalleled provision of over 200 doctors from the UNV programme to tide the country over its short-term deficiency in medical personnel as well as its sustained institution-building support to the National Water Supply and Drainage Board and to the National Institute of Health Sciences.

57. The Government is totally committed to the goals of the Water Decade and to the "Health for All by Year 2000" programme. It has developed its own national programmes for both of these internationally sponsored campaigns, initiated a reorganization of the health services to put greater emphasis on preventive health care and established a mini-consortium known as the "Health Resources Group" to facilitate the channelling of aid to primary health care/water/sanitation projects. A major Asian Development Bank (AsDB) project for upgrading rural health facilities has just commenced. The Government will continue to require UNDP support in the implementation of these programmes throughout the 1984-1986 period. The emphasis will be almost exclusively on primary health care, including water supply and techniques of traditional medicine, but a small project is envisaged to assist in the development of a national health information system.

58. As an input to the implementation of the national food, agriculture and food strategy (see paragraph 36 above), UNDP assistance will be needed to support the twin efforts of the Ministries of Plan Implementation and Health in improving food marketing and processing.

59. A total provisional 1982-1986 allocation from UNDP of \$3,291,000 has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

I. Education

60. In increasing the public investment allocation for education from 2.8 per cent to almost 4 per cent of the total 1982-1986 programme, the Government has also sought to redress the imbalance between general education (including technical education) and the universities, with much greater emphasis now given to the former. UNDP assistance in the past has also been almost exclusively to tertiary level education. In accordance with the changed Government priorities, UNDP assistance is to be directed in the future to improving the coverage and quality of primary and secondary education and to technical education. In fact, thanks to the "continuous programming" approach, it has already been possible to make a start in this direction under the second country programme with a major project for curricular reform at the primary and secondary levels.

61. While assistance to university level education will continue, this will be very selective and limited to science and technology, particularly to agricultural science.

62. An allocation of funds in the second country programme for upgrading the training of technicians at the polytechnic level proved insufficient to design a viable project to cope with the enormous increase in demand for such training. It soon became apparent that large-scale investment in this sector was needed, quite beyond the resources and technical assistance mandate of UNDP. Consequently, with support from UNDP, the Government has negotiated a major loan from AsDB which, inter alia, will finance the establishment of a national technical teacher training centre. The Swedish International Development Agency (SIDA) will provide grant assistance for consultants plus some additional equipment not covered by the AsDB loan and UNDP will finance all the overseas training component for the instructor trainers (which itself will require joint collaboration between the ILO and UNESCO as executing agents). An additional allocation of funds from the third country programme will be required to support this unique exercise in multilateral and bilateral capital and technical assistance co-operation.

63. One of the last activities undertaken within the framework of the UNDP assisted NIBM project (see paragraph 40) was a comprehensive study on computer use and computer needs in Sri Lanka. Among the recommendations contained in the report of this study was a proposal to upgrade the six-month, full-time, diploma course of NIBM in computer system design to internationally accepted standards. Since the Computer Services Division of NIBM was largely set up by UNDP, the Government considers it appropriate for this recommendation to be implemented with further UNDP assistance.

64. A total provisional 1984-1986 allocation from UNDP of \$3,120,000 has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

J. Employment

65. Employment creation is a major objective of the Government. The strategy has been to leave the attainment of this objective to the higher levels of economic activity generated by the new liberalized economic framework. This appears to have been successful since the annual rate of growth in employment rose from 2 per

cent in the period 1970-1977 to 7 per cent in the period 1977-1980, while unemployment decreased from 27 per cent of the labour force in 1977 to 15 per cent in 1981. For the first time in two decades, growth in employment rose faster than growth in the labour force - in fact three times faster - a considerable achievement.

66. There have been some indications, however, that in certain sectors, because of the low level of skills possessed by the newly employed, productivity per worker has declined. This has been particularly so in the construction industry, which is why the World Bank has agreed to finance a \$20 million crash technical assistance project to directly train up to 45,000 construction workers and 9,000 skilled artisans between now and 1986. However, since budgetary allocations for housing construction and urban development have been drastically cut in the latest Public Investment Programme and since all of the existing major Mahaweli headworks construction schemes will have been completed by 1985, it seems likely that most of those trained under this project will have to seek employment overseas. This would not be inconsistent with the Government's manpower export development policy.

67. The Government wishes UNDP assistance in this sector to be used to build up the country's own capacity to undertake vocational training in the regular training institutions operated by the Ministry of Labour and the National Apprenticeship Board. Several such technical training projects were to have already started under the second country programme, but were delayed pending clarification of the Government's national policy on vocational and technical training and other donor involvement in the sector. Government policy has now been enunciated in the White Paper on Education and its formal acceptance will clear the way for progress in this area.

68. In addition to the above, UNDP will be asked to assist in the training of port workers employed by the Sri Lanka Ports Authority, which has been modernized and expanded under a large investment programme financed by a major bilateral donor. Since the Ports Authority is now a major income earner, this project may be subject to a cost-sharing arrangement.

69. A total provisional 1984-1986 allocation from UNDP of \$1,750,000 has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

K. Social services

70. Sri Lanka has a long tradition of providing a fairly comprehensive package of social services to its disadvantaged groups such as the indigent, the chronically sick, the disabled, the elderly, the young and the socially handicapped. Under its current programme, UNDP has agreed to assist in rehabilitation of the physically handicapped through the establishment of a prosthetic and orthopaedic workshop. In the next programme the Government would like to make a small IPF allocation for the training of staff, particularly in probation and child care services, to deal with the problems of rehabilitating juveniles in corrective institutions.

71. An amount of \$200,000 has been provisionally allocated for this purpose.

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L. Transfer of technology

72. The Government has established a TCDC unit within the Department of External Resources of the Ministry of Finance and Planning. It has long been conscious of the fact that although Sri Lanka is a major beneficiary of TCDC programmes, both UNDP - and bilaterally - sponsored, it has not found it possible to reciprocate to any appreciable degree. Many UNDP - funded projects in the second country programme operate on TCDC principles, especially those under national project management, because Sri Lanka knows of the wide range of skills and technology available in neighbouring countries. Other countries, however, are probably not so aware of some of the excellent training facilities that exist in Sri Lanka, particularly in health and agriculture, which could be utilized through TCDC arrangements. Having attended the regional TCDC meeting in New Delhi in April 1982, the Government has decided that it would like to set apart a small portion of 1984-1986 programme resources to pay for the external costs of nationals from other developing countries coming to Sri Lanka for training and for Sri Lankan experts to be made available to other countries.

73. Since 1980, Sri Lanka has been operating a TOKTEN (transfer of knowledge through expatriate nationals) scheme with UNDP financial support and has benefited by its attendance at the TOKTEN meeting in Islamabad in January 1982. As explained to that meeting, Sri Lanka's TOKTEN scheme has proceeded rather cautiously because of the need to subject each proposed TOKTEN consultancy to a thorough appraisal to ensure that each request is fully justified and the task outlined cannot be undertaken by an in-country national. For this purpose, a national TOKTEN advisory committee has been established, on which sit several representatives of the Sri Lankan scientific, technological, professional and academic communities as well as representatives from the relevant government ministries. Despite the slow progress to date (only four TOKTEN consultancies have taken place), the Government feels that this programme offers a unique opportunity to tap the considerable technical talent that exists in the expatriate Sri Lankan community for the development of the country. Although there is considerable resistance within Sri Lanka to the scheme, it is hoped that perseverance will gradually breakdown the barriers of suspicion that exist between the resident and non-resident scientific communities, leading, in the long-term, to a fruitful interchange of information and ideas.

74. It is also intended to continue with the very small but very useful "umbrella" allocation for short-term consultancies and fellowship training, which are often of an emergency nature and do not easily fit within the framework of the other projects contained in the country programme, as well as for the small special programme support projects that facilitate the whole process of programme implementation and thus of technology transfer.

75. A total provisional 1984-1986 allocation from UNDP of \$1 million has been made to cover Sri Lanka's technical co-operation needs in this sector in the areas identified above.

76. For the reasons given in paragraph 5, it is felt prudent to leave a much larger proportion (in this case 20 per cent) of programmable resources unallocated than would normally be the case.

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A new perspective in co-operation

77. The third country programme for Sri Lanka has been prepared at a time of great crisis for UNDP. There does not seem to be an immediate prospect that UNDP donors will be prepared to contribute to the Programme's central resources on the scale required to achieve even 60 per cent of third cycle IPF targets. With this in mind, it will be all the more necessary to seek ways of reducing the spiralling costs of technical assistance when planning the individual projects contained within this programme. Apart from the use of national experts and consultants, which will always be relatively limited, the Government of Sri Lanka believes that a promising source of supply for international technical co-operation in the future lies with the UNV Programme.

78. Sri Lanka has been one of the strongest supporters of, and participants in, UNV, both as a major recipient and provider of volunteers as well as acting as the host country for the large-scale, innovative, intercountry UNV project designed to promote technical co-operation between the domestic volunteer services of Asian countries. The Government believes that the type and level of expertise available to it from UNV is in many cases more appropriate to its requirements than the highly paid, highly qualified expert. The country does not lack good personnel at the senior technical or managerial levels; what it does lack is the mid-level personnel to disseminate the latter's knowledge and implement their decisions. UNV could provide this manpower - at least until the economy has reached a stage of development sufficient to reverse the present drain of skilled mid-level manpower to other countries or until this exogenous demand for Sri Lankan personnel begins to recede. The excellent analytical report on UNV prepared for the high-level symposium held in Sana'a in March 1982, at which Sri Lanka's Foreign Minister delivered a key-note address, suggested that a more appropriate project configuration than a team of five expatriate experts at \$75,000 a year each, might be a team of one expert and four volunteers. In Sri Lanka it might be possible to go even further and suggest that a more appropriate team might consist of one national expert and four volunteers.

79. One obvious corollary of such an approach would be a sharp reduction in the cost of expert/personnel component of projects and a corresponding increase in the proportionate share of equipment and fellowship training. While the former might be welcome to the Governing Council, the concomitant proportional increase in the equipment component might be problematic. In any event, it is the Government of Sri Lanka's view that, with the cost of equipment rising faster than the cost of technical co-operation personnel, and with the range of sophisticated training aids available to the modern disseminator of technical skills being much greater now than in the early days of technical co-operation, it is possible to achieve the same objective with less external advisory services. Thus, all other things being equal, the balance between equipment and expert personnel is bound to change over time.

80. That is not to say that Sri Lanka seeks to utilize UNDP assistance to purchase large quantities of equipment nor to change UNDP from a provider of technical co-operation to a provider of capital aid. That much should be obvious from the contents of this document. The Government of Sri Lanka would like to use this opportunity to solidly reaffirm its belief that the basis of all economic progress

lies, not in capital but in human resources. This belief has been reflected in the development programme of all Sri Lankan Governments, of whatever political persuasion as the people of the nation exercise their free democratic choice. UNDP is regarded as Sri Lanka's most important partner in the continued development of the nation's human resources. The Government cannot but believe this feeling is shared by its other partners in the developing world and urges its friends in the developed world to lend their strong support, moral and financial, to this unique experiment of multilateral technical co-operation that has served the developing countries so well over the last 30 years.

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Annex

FINANCIAL SUMMARY

A. <u>Resources</u>	\$
(a) <u>IPF and other resources</u>	
(i) Illustrative IPF for 1982-1986	76 000 000
(ii) Less unprogrammed balance a/	(15 200 000)
(iii) Less authorized budget level for 1982 and 1983	(22 490 000)
(iv) Previous IPF cycle balance	(1 581 000)
(v) Other resources: Government cost sharing b/	1 000 000
Total resources available for programming	37 729 000
B. <u>Use of resources</u>	
(a) <u>Programmed</u>	
(i) Ongoing projects	4 130 000
(ii) New projects and new phases of ongoing projects included in the country programme	17 926 000
(iii) Earmarked for specific objectives and activities for which projects are to be worked out at a later stage	7 905 000
Subtotal:	29 961 000
(b) <u>Reserve</u>	7 768 000
Total programmed plus reserve:	37 729 000

a/ Representing 20 per cent of the illustrative IPF which has not been taken into account for programming.

b/ Rough estimate, representing no firm commitment (see paras. 7 - 8)

C. Financial distribution of programme, by sector

<u>Sector c/</u>	<u>Ongoing projects</u>	<u>New projects</u>	<u>Sectoral earmarkings</u>	<u>Total</u>
	\$	\$	\$	\$
02 General development issues, policy and planning	-	900 000	750 000	1 650 000
03 Natural resources	500 000	1 220 000	655 000	2 375 000
04 Agriculture, forestry and fisheries	-	6 545 000	450 000	6 995 000
05 Industry	1 480 000	700 000	1 300 000	3 480 000
06 Transport and communications	250 000	1 950 000	1 500 000	3 700 000
07 International trade and development finance	-	750 000	-	750 000
09 Human settlements	300 000	1 250 000	-	1 550 000
10 Health	750 000	2 541 000	-	3 291 000
11 Education	250 000	1 370 000	1 500 000	3 120 000
12 Employment	-	500 000	1 250 000	1 750 000
14 Social conditions and equity	-	200 000	-	200 000
16 Science and technology	600 000	-	500 000	1 100 000
TOTAL	4 130 000	17 926 000	7 905 000	29 961 000

c/ According to ACC classification