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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR TRINIDAD AND TOBAGO

UNDP assistance requested by the Government of Trinidad and Tobago for the period of 1983-1986

Illustrative IPF for 1982-1986: \$ 5 million

INTRODUCTION

1. The second country programme for Trinidad and Tobago originally covered the period 1979-1981 but was subsequently extended until the end of 1982. The present third country programme covers the four-year period 1983-1986.
2. The resources taken into account for the present country programme are composed of Government cost sharing and the relevant portions of the third cycle IPF, i.e. the period 1982-1986. The real input of IPF funds will depend on the developments over the period with regard to voluntary contributions to UNDP. Although expenditures are planned on the basis of 55 per cent of the illustrative IPF, a target figure of 80 per cent is maintained for country programming purposes. This amount, plus the unspent balance of the 1977-1981 IPF would mean an IPF input of slightly less than \$3.5 million. The Government programme cost sharing for the period is currently planned to reach the amount of \$10.5 million. In addition to

*In accordance with decision 81/15, adopted by the Governing Council on 27 June 1981 (E/1981/61/Rev.1, Annex I), the third country programme for Trinidad and Tobago is being submitted to the Council without an accompanying note by the Administrator. The previous country programme for Trinidad and Tobago and the accompanying note by the Administrator were issued under the document symbols DP/GC/TRI/R.2/ and DP/GC/TRI/R.2/RECOMMENDATION, respectively.

the projects contained in this document, the Government, during the course of this cycle, will also be considering other high priority projects. Should additional resources for the financing of such projects be deemed necessary, the Government would provide additional funds under programme cost sharing arrangements. The Government of Trinidad and Tobago, in increasing its level of cost sharing contribution by at least 100 per cent from 1979-1982 to 1983-1986, is thus making a great effort not only to compensate for the reduction it is suffering in the allocation of UNDP resources in comparison with previous periods, but also to secure increased assistance from the United Nations system.

3. The Ministry of Finance and Planning, after due consultation with sectoral ministries, has assumed the main responsibility for establishing the priorities to be considered in the country programme. In addition to the programming support provided by UNDP, use has been made of a variety of reports and recommendations produced by United Nations system organizations over the last couple of years, especially those based on missions by the Food and Agriculture Organization of the United Nations and the United Nations Industrial Development Organization.

4. The national development objectives on which this programme is based remain, in principle, the same as those taken into account in the previous programme, and it should be noted in this connection that almost half of the new programme, in financial terms, is made up of ongoing projects. Nevertheless, it is most important to mention here that the country's development experience in the seventies and the problems attendant thereon, as well as the challenges of the eighties and the uncertainty of the international economic situation indicate the need for a re-appraisal of the policy measures which have been adopted to date to achieve the development objectives. In particular, the dramatic impact on Government revenues of the decline in the domestic output of petroleum, and the softening of petroleum prices on the international markets prompted the Government to appoint a task force for the referred purpose. This task force is now active, and its appraisal, which should be ready some time in 1983, is expected to include, inter alia, determinations as to whether the country should continue to allocate national resources to the energy-based industrial sector in the same amount as before; more effective measures to develop the non-oil sector and to achieve maximum self-sufficiency in food; and recommendations for putting the infrastructure development programme on a more efficient and manageable basis. The present country programme is fully consistent with the above objectives.

5. The programme reflects the Government's concern with such global development objectives as increased food production, increased share of developing countries in industrial production, and environmental protection.

6. The strong trend towards concentration of projects in a few key sectors should be observed. While ongoing projects are to be found in 11 different sectors, the new projects are located in five sectors only (general development issues, policy and planning; natural resources; agriculture, forestry and fisheries; industry; and transport and communication).

UNDP TECHNICAL CO-OPERATION ENVISAGED
IN SUPPORT OF NATIONAL DEVELOPMENT PRIORITIES

Review of previous country programme

7. The main thrust of the Government's development strategy during the period 1979-1982 was the fostering of more effective management and exploitation of the hydrocarbon resources and the restructuring of the economy so as to reduce dependence on the petroleum sector. In this respect, the Government has been directly involved in the establishment of several heavy, energy-based, export-oriented industries with a view to maximizing foreign exchange receipts and revenues and creating employment opportunities. The result of this strategy has been a relatively significant increase in the participation by the Government in the socio-economic development of the country. In the context of its primary objective of restructuring the economy, the Government has been utilizing some of the financial surplus generated by the petroleum sector to stimulate and promote growth in the other sectors of the economy.

8. UNDP assistance has been utilized to support the Government's development strategy, particularly the diversification of the economy and the improvement of the country's social and economic infrastructure. To this end, emphasis has been placed on training and development of human resources.

9. IPF and cost sharing funds for the period 1979-1982 were, to a large extent, allocated to three previously ongoing projects, namely, Telecommunication Training Centre (TRI/73/005), Development of Tool and Die Production (TRI/78/005), and Institute of Marine Affairs (TRI/72/011). Other projects, although small, have provided vitally needed assistance, including Tax Accountants (OPAS) (TRI/72/003), Law Reform (TRI/72/006), Census Cartography (TRI/79/018), Surveying and Mapping (TRI/74/006), Occupational Classification (TRI/78/003), School of Dental Nursing (TRI/74/004), and Strengthening of the Training Unit of the Water and Sewerage Authority (TRI/74/003).

10. In order to maintain the size and scope of the programme during the period 1979-1982, the Government provided a programme cost sharing contribution of \$5.2 million. IPF funds during this period amounted to \$4 million.

National development priorities and objectives

11. The major national development objectives have remained as follows: (a) diversification of the structure of production; (b) reduction of the dependence on external forces in decision making with regard to investment, production, employment, management, and marketing; and (c) the elimination of persistent unemployment. In order to translate these objectives into concrete realities a number of sectoral policies have been formulated and programmes initiated.

Diversification of the structure of production

12. The Government is attempting to modernize and diversify the agricultural sector. This restructuring has focussed on the reduction of the dependence on traditional export crops and the provision of a greater proportion of domestic

food requirements from domestic sources. Strategies promoted include: an increase in food production (including fish); better distribution and greater utilization of local foods; increase in productivity and income levels in the agricultural sector; promotion of rational exploitation of the forest and wild-life resources; stimulation of employment through greater linkages between agriculture and industry and tourism; promotion of the development of rural communities; increase in the output from the traditional export-oriented agricultural sector through use of modern technology; promotion of export of non-traditional agricultural commodities; promotion of proper land use and natural resources conservation measures; and savings in foreign exchange by import substitution. Among the major programmes initiated to achieve these objectives are the granting of subsidies and incentives, research programmes, administrative reforms, upgrading of infrastructure in agricultural districts, strengthening the institutional machinery and strengthening and expanding the training programmes.

13. In recognition of the tremendous potential of agro-based industries in forging linkages in primary production and in generating growth and development, not only within agriculture but in the economy as a whole, the development of a vibrant agro-industrial sector has remained as one of the central elements of the Government's diversification strategy.

14. In the petroleum sector, the establishment of energy-based projects at Point Lisas (iron and steel, fertilizers) represents the focal point of efforts to achieve a more diversified structure of production. In addition, the Government, mainly through the Industrial Development Corporation, has continued its programme designed to ensure the viability and continued growth of other manufacturing industries.

The reduction of the dependence on external forces in decision-making

15. The objective of reducing the dependence on external forces in decision-making with regard to investment, production, management and marketing has been achieved to a large extent in certain critical areas and continues to be vigorously pursued in others. Cognizant of the need to reduce the level of technological dependence, several measures have been instituted to promote the development of an indigenous technological capacity. Some of these are as follows:

(a) Increased research and development activity by institutions such as the Caribbean Industrial Research Institute (CARIRI) and the Caribbean Agricultural Research and Development Institute (CARDI);

(b) Rationalization of the institutional framework for the development of science and technology, e.g. to establish the National Institute of Higher Education, Research, Science and Technology (NIHERST);

(c) Expansion of opportunities for training in scientific and technical disciplines, such as training in tool and die making.

16. The effort also involves the institution of a programme of import substitution of some of the technological requirements through Government-to-Government agreements which provide on-the-site transfer of technological expertise. In the field of management, emphasis continues to be placed on filling key managerial posts by local personnel. The large-scale involvement of the public sector in production activity has, in a large measure, accounted for the reduction achieved so far in the dependence on external forces.

The elimination of persistent unemployment

17. In the context of the upsurge in economic activity during 1977-1981, the rate of growth of employment outstripped that of the labour force. As a result, the unemployment rate declined continuously under this period and stood at 10 per cent in 1981. Therefore, there was a shift of emphasis from employment-creating strategies to human resource development strategies. In this regard the Government continued its restructuring of the education system with a view to increasing the importance of craft/technical and vocational training. The training and scholarship programmes have been expanded in those areas critical to the developmental efforts. The Government also continued to encourage the production of goods and services which would maximize job opportunities.

UNDP technical support, by sector

A. General development issues, policy and planning

18. Since the growth of the economy due to increased revenues from oil, has surpassed the rate of development of manpower skills, UNDP assistance is requested to strengthen a number of crucial areas in the country's administration. The ongoing activities in this sector include the provision of expertise in Legislative Reform (TRI/82/006), while new projects are introduced in Development of National Accounts (TRI/81/005), Legal Drafting (TRI/81/007), and Tax Law (OPAS) (TRI/82/005). A project in Programme Support (TRI/81/008) is also included to maintain the capacity of the UNDP office in Port-of-Spain to handle a programme which is growing, due to increased input of cost sharing resources. Consideration may be given at a later stage to a project for assistance to the Town Planning Division.

B. Natural resources

19. In the process of development, continuous exploitation of natural resources and environmental changes occur. There is need for proper management of these resources and for maintenance of the country's environs.

20. The coastal areas of Trinidad and Tobago are under extensive pressure generated by increasing population and continual intensification of development activities. Information on coastal water circulation patterns is not adequate

to assess the dispersion of pollutant materials from agricultural and industrial waste. The three mountain ranges in Trinidad divide the country into several drainage basins or watersheds, and rational development of the upper portions of these watersheds and detailed land use management plans are required. There is consistent and drastic depletion of wildlife in the country, and the Government requires assistance in training of staff for investigations, preparation of management plans, etc. In this sector, the Government requests continued UNDP assistance in Marine and Coastal Protection (TRI/79/012), Environmental Standards (TRI/79/013), Upper Watershed Management (TRI/79/009), Evaluation and Development of Wildlife Resources (TRI/79/011), and Hydrographic Surveying (TRI/79/008). New projects requested refer to Remote Sensing Technology and Development of the Caroni Swamp Water Resources.

C. Agriculture, forestry and fisheries

21. The agricultural sector is a focal point in the Government's efforts to promote overall economic growth and development. As already pointed out under the development objectives of the Government, the primary purpose is the diversification and strengthening of this sector to make the country as self-sufficient as possible in the production of food. To this end, the Government has embarked upon a strategy which involves the application of science, technology and training in the agricultural sector. Ongoing UNDP/FAO assistance is in the field of Animal Production and Marketing Systems (TRI/80/001), Intensive Production of Pasture and Forage (TRI/79/010), Farm Management for Small Farmers (TRI/82/002) and Advisory Services to the National Fishing Company (TRI/77/004). New activities will be in Development of Artisanal Shark Fishery (TRI/82/003) and Strengthening of Agricultural Engineering Services (TRI/79/003). An Agricultural Land Registration Pilot Project for Tobago has been considered for possible future inclusion in the programme.

D. Industry

22. In the 1970s the country experienced a rapid growth in the economy due to increased revenue from the petroleum sector. The Government had identified the need to diversify the industrial sector, even prior to the oil boom. However, with the projected decrease in the nation's oil reserves, the Government has seen the need for intensifying its efforts towards industrial diversification. UNDP assistance is required to aid in the development of other industries in order to help boost the country's self-reliance. The ongoing or already approved projects are: Establishment of an Industrial Property System (TRI/79/006), and Development of Tool and Die Production (TRI/78/005).

23. The new projects requested are: Training for the Sawmilling Industry (TRI/82/004); Development of Prefabricated Timber Construction (TRI/79/005); Manufacture of Agricultural Tractors (TRI/77/002); Assistance to the Trinidad and Tobago Lime Co. and Development and Promotion of Capital Goods Industries, the last one being related to one of the major undertakings of the Government over the next few years.

E. Transport and communication

24. Resulting from the unprecedented industrial and commercial growth, there has been an increased demand on the country's port and telecommunication services. The Government has allocated large sums of money to all the utilities, especially transport and communication. Presently, the Port Authority is short of trained personnel, especially at the top and middle management levels. Similarly, the Telephone Company, which has embarked on an expansion programme, has also an immediate need for management and technical training. The two ongoing projects are Telecommunication Training Centre (TRI/73/005) and Assistance to Trinidad and Tobago Telephone Company (TELCO) (TRI/78/002), while new projects will be requested for Training of Merchant Marine Engineering Officers and Port Development and Training. A small project for Assistance to the Post Office Division has been prepared and may be considered at a later stage.

F. Health

25. Trinidad and Tobago has accepted the goal of Health for all by the Year 2000. In addition, there is agreement that the methodology for achieving this goal should be the primary health care approach which concentrates on the preventative aspect of health. This approach is regarded as the most effective way to utilize scarce resources to meet priority needs. The two ongoing projects are School of Dental Nursing (TRI/74/004) and Strengthening the Training Unit of the Water and Sewerage Authority (TRI/74/003). Assistance to the Solid Waste Company may possibly be included in the programme later on.

G. Science and technology

26. The Government has long recognized the important role of science and technology in the development process and of the vital need to develop an indigenous capability in this field. This awareness has been reflected in the establishment of centres of research in various fields - agriculture, industry, marine science and associated technical training in industrial arts, agriculture, construction, labour studies and management studies. These initiatives have complemented regional efforts in which the Government has been an active participant: university education, health, meteorology, agriculture and food production. UNDP assistance has been provided and is requested to continue to the Institute of Marine Affairs (TRI/72/011) and the National Institute for Higher Education, Research, Science and Technology (TRI/78/006). Under this sector, the Government would also consider, at a later stage, the possible inclusion of projects for Assistance to the National Meteorological Services, Assistance to the Caribbean Industrial Research Institute (CARIRI) and in Ocean Technology.

H. Other sectors

27. The following ongoing small-scale projects in other sectors are requested to continue into the 1983-1986 period, but most of them will terminate at a rather early stage: National Occupational Research and Information (TRI/78/003);

Caroni Job Evaluation Exercise (TRI/79/015); Transfer of Know-How through Expatriate Nationals (TOKTEN) (TRI/80/007); Consultancy in Census Cartography (TRI/79/016); and Technical Education Planning (TRI/82/007). Under this heading, only one new project, Reorganization of the Credit Union Co-operative Bank, may be considered in the future.

Technical Co-operation among Developing Countries

28. Trinidad and Tobago has continued to participate actively in Technical Co-operation among Developing Countries (TCDC) ventures, both in the Caribbean and further afield.

29. In some instances, these efforts at promoting TCDC have been joint efforts of the Government of Trinidad and Tobago and bilateral agencies. Additionally, under the Commonwealth Caribbean Technical Assistance Fund and the Caribbean Aid Council training programmes, expertise and loans have been made available by Trinidad and Tobago to other Caricom States.

30. Outside of the Caribbean, technical co-operation agreements have been signed with the Government of Mexico and the United Republic of Tanzania, among others.

Other external assistance

31. Due to Trinidad and Tobago's relatively high level of income per capita, the inflow of aid funds is comparatively modest, and the Government provides, to a very large extent, its own funding to cover technical assistance needs. There is, however, some bilateral co-operation forthcoming from a few countries and international organizations such as the European Development Fund, the Inter-American Development Bank and the Organization of American States are active in the country. Co-ordination of the activities of all aid donors is undertaken by the Ministry of Finance and Planning, as well as through direct contacts between the donors themselves, both at field office level and within the framework of the Caribbean Group for Co-operation in Economic Development.

UNDP regional programme

32. Trinidad and Tobago participates actively in a number of regional projects and has functioned as host country for some of them, for example, in the fields of civil aviation training and meteorology and hydrology. It is expected that UNDP will provide some funding for a regional project in support of the Caribbean Food Corporation, which is headquartered in Trinidad. Nevertheless, there is still a considerable margin for increased participation of Trinidad and Tobago in the UNDP Regional Programme for Latin America and the Caribbean.

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Annex
FINANCIAL SUMMARY

A. Resources

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IPF and other resources

(i)	Illustrative IPF for 1982-1986	5 000
(ii)	Less unprogrammed balance ^{a/}	(1 000)
(iii)	Less authorized budget level for 1982	(720)
(iv)	Previous IPF cycle balance	186
(v)	Other resources (Government cost sharing)	10 500

Total resources available for programming: 13 966

B. Use of resources

(a) Programmed

(i)	Ongoing projects	6 535
(ii)	New projects and new phases of ongoing projects included in the country programme	7 285
(iii)	Earmarked for specific objectives and activities for which projects are to be worked out at a later stage	-

Subtotal: 13 820

(b) Reserve 146

Total programmed plus reserve: 13 966

C. Financial distribution of programme, by sector

	<u>Sector^{b/}</u>	<u>Ongoing projects</u> \$	<u>New projects</u> \$	<u>Sectoral earmarkings</u> \$	<u>TOTAL</u> \$
02	General development issues				
	policy and planning	185	1 240	-	1 425
03	Natural resources	1 490	790	-	2 280
04	Agriculture, forestry and fisheries	750	1 375	-	2 125
05	Industry	1 060	1 355	-	2 415
06	Transport and communications	1 610	2 525	-	4 135
08	Population	20	-	-	20
10	Health	675	-	-	675
11	Education	20	-	-	20
12	Employment	195	-	-	195
15	Culture	25	-	-	25
16	Science and technology	505	-	-	505
	TOTAL	6 535	7 285	-	13 820

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

b/ According to ACC classification.

