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S U P P O R T

PROGRAMME PLANNING
COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Implementation of selected country programmes in the Arab States region, 1985

Report of the Administrator

Summary

During the year under review Governments in the region and UNDP concentrated their efforts on guaranteeing a smooth transition of country programmes from the third into the fourth cycle. While only three countries held a formal annual review of their country programmes, namely Somalia, the Sudan and the Libyan Arab Jamahiriya, assessments of 11 country programme experiences were made in the context of country programming for the fourth cycle.

Based on these assessments, new programme orientations were developed and new, more cost-effective project implementation modalities proposed to the Governments concerned.

Two countries in the region, the Sudan and Lebanon, continued to see a curtailment of their programmes for reasons beyond UNDP control. However, in the Sudan at least programme activities picked up again in the latter half of 1985 with new projects being identified and processed for approval.

In some of the high and middle-income countries representing 15 out of the 20 countries in the region, the process of continuous programming slowed temporarily down because of the uncertainty surrounding future IPF allocations and the decline in Government revenues. This and other factors contributed to the fact that overall programme delivery in the Arab States region in 1985 was exceptionally low. Close financial monitoring during the last quarter of 1985 of the performance of ongoing projects and the accelerated approval of new projects is expected to bring up the implementation rate to its normal level in 1986.

INTRODUCTION

1. This report has been prepared in accordance with Governing Council decision 81/15.
2. The overall implementation of country programmes in the Arab States region continued to be affected by the situation in some countries which demanded either a scaling down of technical co-operation activities (Lebanon) or a total reorientation of ongoing programme activities in order to meet newly identified needs for UNDP-funded technical assistance (Sudan). Given the prevailing circumstances a temporary reduction in programme delivery was unavoidable. While the situation in Lebanon has remained unchanged throughout the year, the core programme activities in the Sudan were stepped up in the latter half of 1985 with a significant number of new projects being identified and under active preparation. Yet, only a shorter than normal lead-time will allow for their implementation in 1986. Most of the newly identified projects are in support of the massive post-emergency efforts the Sudanese Government is now embarking upon in parts of the country where the security situation allows. The external assistance is intended to strengthen national efforts to rehabilitate the livelihood of resident and refugee populations who were most severely affected by the recent drought and famine. Simultaneously, efforts are being made under the UNDP core programme, as well as a large-scale Italian aid programme implemented by OPE under a management services contract, to strengthen the existing infrastructure. It is expected that this will facilitate more successful monitoring of, and early preparedness in, handling such recurrent disasters.
3. During the period under review, the Regional Bureau for Arab States Headquarters continued to evaluate the performance of its field offices in monitoring and backstopping the ongoing programmes and to give new directions to UNDP operations throughout the region during the fourth programming cycle, while respecting at the same time country-specific technical co-operation requirements and available financial resources. The Governing Council decision on fourth cycle indicative planning figures (IPFs) in June 1985 paved the way for many resident representatives formally to open a dialogue with the respective Governments on future UNDP country programmes, and the Bureau initiated discussions with its field offices and Governments on the timing for presentation of their programmes to the Governing Council. In eight countries, resident representatives had submitted to Governments notes conveying UNDP's views and thoughts on the programme in their respective countries.
4. Throughout the region, utmost attention was paid to assessing the nature and scope of ongoing projects with a view to restructuring them in response to increased demands by Governments to observe cost-effectiveness and to limit UNDP's support strictly to those activities and inputs which Governments felt were indispensable. In this connection, many projects saw a further reduction in the number of long-term experts and a shift to short-term expert services. Some countries, e.g. Egypt and Morocco, reverted to the employment of short-term national professionals. All of these changes are aimed at preparing the ground for more effective fourth cycle country programmes in terms of substantive concentration as well as revised modalities which are in line with existing institutional capacities, technological innovations and available national manpower resources.
5. In the following sections, the report will highlight, on a selective basis, management actions undertaken to bring about these changes.

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I. GENERAL OVERVIEW OF THE REGION

6. Generally, programmes in the region have started to take new shape by focusing UNDP assistance on certain developmental themes, a trend which will be more prominently reflected in country programmes now being prepared for the fourth cycle. Similarly, intercountry projects are being approved on a selective basis that will allow a smooth transition of the regional programme into the next cycle. The programme areas which at present are guiding project selection for regional co-operation are: food security, human resource development, energy, promotion of advanced technologies and technical co-operation among developing countries (TCDC), particularly those from other regions.

7. The greater selectivity exercised by UNDP field offices and the Regional Bureau for Arab States at headquarters unavoidably resulted in a slowdown in project identification, formulation and approval as Governments and United Nations agencies had to be made aware of these new trends. Reformulation of submitted project proposals absorbed a considerable amount of staff time and effort.

8. This, combined with the hitherto prevailing uncertainty of the level of IPF resources that would be available beyond 1986 to middle- and high-income countries in the region (which represent 15 countries out of 20), resulted in a serious interruption of the continuous programming process and the approval of new projects.

9. As the United States dollar rate of exchange against other major currencies continued to remain high during most of 1985, and the inflation rate remained below the budgeted 8 per cent, expenditures on ongoing projects in dollar terms were lower than anticipated in 1985.

10. Country programme reviews conducted during the latter half of 1985 paid particular attention to financial aspects, and it is expected that the new projects approved will be more realistically budgeted and implementation rates will be at the same level as in earlier years of the current cycle.

II. THE COUNTRY PROGRAMMES REVIEWED

11. Formal country programme reviews were conducted in only three countries, namely Somalia, the Sudan and the Libyan Arab Jamahiriya.

12. In Somalia, the review centred around issues that were identified by the UNDP/World Bank technical co-operation assessment mission. In particular, the review concluded that the country programme should serve as a frame of reference for the selection of UNDP projects in order to ensure that these fell within the technical assistance priorities identified by the Government's Public Investment Programme and its annual and five-year plans. Furthermore, the review led to a number of decisions regarding the provision of national and expatriate personnel serving in UNDP-assisted projects; as well as exploring the possibilities of securing the services of Somali nationals residing abroad. Requests for long-term experts will be more carefully scrutinized and, wherever it appears to be more appropriate, external expertise will be requested in the form of repeated short-term consultancy missions.

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13. National personnel will be assigned to projects prior to project implementation, and incentive payments, if made, will be funded by cash counterpart contributions from the Government.

14. The training of national project personnel will, wherever feasible, be carried out in the country, except for training of a highly specialized nature.

15. Lastly, it was decided that the programme should be enhanced through cost-sharing with the Government or third parties.

16. In addition to the review of modalities, the mission assessed the relevance of all ongoing projects and pipeline projects in the light of emerging development objectives. Agreement was reached on projects which should continue as planned, those which should be revised and on a certain prioritization among pipeline projects, during the country programming exercise which commenced immediately following the review.

17. In the Sudan, a review was held in November 1985 at the request of the provisional Government in order to reach an agreement on the future of specific ongoing and suspended projects and to help preliminary discussions on the forthcoming programme.

18. The review concluded that, while UNDP assistance would continue to assist in institution-building, the transfer of technology, and in support of research, the programme should endeavour to make maximum use of the Sudan's available human resources. In this context, an inventory of high-level Sudanese expertise was suggested to the Government - both within the country and abroad - with a view to employing the services of Sudanese residing abroad.

19. Furthermore, it was agreed that mechanisms would be developed through which planning and policy inputs would reach the regional and even the grassroots level, with UNDP providing minimal but effective support to the planning and administrative institutions at the centre.

20. As regards UNDP assistance to southern Sudan, the review confirmed that funding commitments would stay firm although full project operations would be resumed only when the security situation permitted.

21. In the Libyan Arab Jamahiriya, a review was conducted in February 1985 of the United Nations system's development activities, in which all sectoral ministries participated, and the review thus covered projects funded by UNDP as well as projects implemented by agencies under trust fund arrangements.

22. A major issue discussed during the review was project personnel. In the Libyan Arab Jamahiriya, many projects retain the character of "direct support" projects employing long-term experts, whose recruitment is often delayed for a variety of reasons. The meeting concluded that both the Government and United Nations agencies would look into alternative forms of providing external expertise under projects during the fourth programming cycle.

III. CONCLUSION OF THE REVIEWS

23. As all the country programmes reviewed in late 1984 and in 1985 are scheduled to be completed by the end of 1986, the reviews undertook assessments of the ongoing programmes in their substantive aspects and the modalities for project execution. The results will provide essential inputs to the current or forthcoming programming exercises.

24. One theme which runs through all reviews is the Governments' desire to ensure that all future technical co-operation activities rely more on national institutional and administrative abilities. While institution-building will continue to be a major function of UNDP-assisted projects in the Sudan and Somalia, nationals will be employed whenever feasible and cost effective.

25. In the middle-income countries, conventional institution-building projects will be succeeded by projects emphasizing support to the programmes and activities of existing institutions. Hence the increased need for short-term experts either to backstop national staff or fill professional gaps in highly specialized professional areas for which national staff are not yet available. In other words, experts will no longer assume routine management functions.

26. In the Gulf countries, which still face a shortage of qualified national staff, UNDP assistance is expected to shift from experts providing direct support services to training national staff and providing advisory services. Another theme which has emerged is the promotion and wider application of advanced technologies, like computerized information systems, remote sensing and bio-technologies.

27. While all these themes are relevant to all economic sectors, they will be applied selectively in each country to priority sectors within the framework of the national development plans. Depending on the size and level of development of the national institution, UNDP assistance will be tailored to the institution's available resources, and will range from immediate and direct transfer of technologies for local adaptation to co-operation between national institutions with similar institutions in developed or other developing countries.

28. Another theme, first identified in Morocco, i.e. maintenance and post-investment, is also being considered by other countries in the region.

29. As the most appropriate form of supporting these theme-oriented and often multisectoral technical assistance requirements, Governments often request UNDP to provide assistance under "umbrella-type" projects which, in some countries are Government-executed in association with the appropriate United Nations agency.

30. Despite continued budgetary stringency in all countries of the region, Government cost-sharing contributions increased by 40 per cent from \$23,195 million in 1984 to \$32,557 million in 1985. While the largest increases were in Algeria (44 per cent) and Saudi Arabia (16.8 per cent), other high-income countries also increased their contributions, thus reinforcing their expressed interest in multilateral technical assistance.

IV. REVIEW OF INTERCOUNTRY PROGRAMMES

31. Within the range of approved priorities for the third cycle, in 1985 the regional programme financed projects that were geared specifically to meeting the manpower needs of the region, with particular attention paid to the needs of the least developed countries. Assistance under such regional projects complemented national efforts in such sectors as development planning and statistics, public administration and education. Furthermore, regional needs with regard to water resources and natural resources exploration and utilization were met by a number of projects. Other projects addressed common problems in agriculture and fisheries and in the packaging and iron and steel sectors. Following the Bureau's initiatives in 1984, co-operation between Arab countries and Latin American and Asian countries was enhanced in such fields as mini-hydropower stations, bio-technological research and packaging. Highly specialized projects in support of the Household Survey Capability Programme in the Arab States region, the Arabization of technical glossaries and the Arab Documentation Center of the League of Arab States formed part of regional activities.

32. Several projects were the subject of in-depth evaluations, and most projects were reviewed in tripartite review meetings. Efforts will continue to prepare an assessment of the ongoing regional programme to be presented to an intergovernmental meeting planned for late 1986. While it is anticipated that the main orientation of the regional programme will probably remain unchanged, further concentration may well occur in order to cover additional activities dealing with human resource development, water resources management and the promotion of new and advanced technologies and TCDC activities.

33. In order to achieve these programme objectives, it is intended to strengthen co-operation with the World Bank's investment programmes as well as those of regional funding organizations, some of which have already begun to make contributions available either through parallel funding or through the cost-sharing mechanism. With the World Bank, the Bureau has been co-operating in a project that assesses the training capacity and future needs of vocational technical training institutions in eight countries. In a UNDP/Food and Agriculture Organization of the United Nations (FAO) project, the two organizations are combining investment and technical assistance programmes with a view to improving range management techniques in North African and Middle Eastern countries. It is also intended to set up a project concerning the Arab Information System which will be cost-shared by the League of Arab States and will work closely with similar information systems established by the Economic Commission for Africa's Pan-African Documentation and Information System, the United Nations Centre on Transnational Co-operation (UN/CTC) and the United Nations Industrial Development Organization (UNIDO).

34. The Kuwait-based Arab Fund for Economic and Social Development (AFESD) has provided cost-sharing contributions to a project which undertook a series of feasibility studies for investment projects. One of these was the joint Yemeni geological mapping project for which AFESD provided funding for the capital inputs with UNDP financing the necessary technical assistance. Further co-operation between UNDP and AFESD has been discussed in the field of human resources development, water resources and the development of informatics with the Arab Industrial Development Organization (AIDO). Project proposals which would be

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funded with cost-sharing contributions in the field of packaging and for the preparation of feasibility studies of new industrial technologies are under active consideration.

V. REVIEW OF PROJECTS

35. The Regional Bureau for Arab States had 321 large-scale projects under implementation in 1985. Almost all of these projects were under review on a continuing basis by the three parties involved. In some countries, the Governments preferred to adapt locally the established review mechanisms, e.g. by arranging in addition to tripartite reviews, joint management reviews or meetings of panels of experts. Twenty in-depth evaluations were carried out, mostly for projects nearing completion and for which Governments had requested a continuation of UNDP assistance.

36. The projects described below are chosen from among those which had an in-depth evaluation and where it can be said that the findings and conclusions are felt to be applicable beyond the framework of the specific project.

37. More than half of the projects evaluated were in the second or third phases of UNDP assistance to institutions having received such assistance since their inception. Evaluators discerned a clear trend away from the direct support type of assistance for institutional management and organization towards technical support to institutional programmes and projects.

38. Such trends were more pronounced in countries which provided adequate training opportunities to their national staff and offered attractive appointment and employment conditions upon completion of such training. Such projects had reached a stage where it was recommended that Governments assume full management and technical responsibility, with UNDP support concentrating on technical backstopping and skills upgrading of national personnel through highly specialized, short-term expertise and training activities. In cases where national institutions generated their own income, it was agreed that future UNDP assistance would be funded from Government cost-sharing contributions.

39. A good example of such a trend is the project - Development of Telecommunication Training (JOR/81/004). Under a first phase (JOR/73/007), UNDP/International Telecommunication Union (ITU) provided assistance to Jordan to establish and manage the institute as well as to provide teaching staff, while at the same time training the national counterparts who would take over from the international experts. Under the second phase (JOR/81/004), which was terminated by mid-1985, the project increasingly used national staff to manage the institute and to teach the majority of courses. Although it was felt that the staffing of the institute was insufficient and budgetary procedures were somewhat cumbersome for the smooth running of the institute, the UNDP/ITU inputs were concentrated on expertise, training and equipment procurement from abroad. In its report, the evaluation mission recommended that any future UNDP/ITU assistance should focus on development of training and the integration of courses on newly developed technology and integrated digital networking with computerized control systems.

40. As the institute is training staff for the national telecommunications corporation, the Resident Representative and the Government agreed that such assistance would be funded through the Government cost-sharing mechanism.

41. Another group of projects evaluated during 1985 dealt with applied agricultural research and the replication of research results - proven successful in pilot schemes - on a wider scale and by a large number of agricultural producers. One example of such a project is Vegetable Protection (ALG/81/010) in Algeria. This project assisted the Government in establishing a national research-cum-extension service capacity. The project, being a second phase of an earlier institution-building project, succeeded in identifying locally suitable protection measures and in enabling a certain number of nationals to specialize in these areas of research. The time required for such training and the availability of national staff, however, particularly in the extension services, has not permitted the desired number of agricultural producers to receive the benefits of these activities. The Government and UNDP are presently discussing which form future UNDP assistance should take in order to have the national researchers and extension workers assume greater responsibility in continuing the various work programmes initiated by the project.

42. Similar projects were carried out in Egypt dealing with the amelioration and development of deteriorated soils (EGY/79/020) and improved farming systems for the Nile Valley (EGY/81/040). The evaluation mission's findings were that both projects were well designed to address problems relevant to increased productivity and improved socio-economic conditions within the country's agricultural sector. Both projects were implemented as planned and resulted in adapting a known technology and integrating it into functional packages applicable at the farm and community levels. As a follow up to these evaluations and in the light of the experience gained in other agricultural projects, the Government requested UNDP to mount a mission to assess the technical assistance needs of the agricultural sector. The mission, which was jointly carried out by UNDP, the World Bank and FAO under UNDP leadership, resulted in identifying a number of areas for future multilateral technical assistance which would be incorporated in the next country programme.

43. Finally, a case from one of the region's least developed countries (Democratic Yemen) namely, Management Support to the National Corporation for Fish Marketing (PDY/81/018). The emphasis of the project was institution-building with the expressed objective of setting up a series of management systems within the Corporation dealing with planning, maintenance of assets, financial management and cost accounting, marketing and product-handling. The evaluation mission's findings revealed that the UNDP-funded long-term resident experts designed the required management systems and submitted them for approval to the senior management of the Corporation. Although not all systems were adopted as originally designed, significant improvements in the respective management areas were achieved. The mission recommended that the Corporation continue to adopt the proposed management systems which are a prerequisite for further staff training and management consulting work.

VI. OTHER MANAGEMENT ACTIONS TAKEN

44. As in the two preceding years, the Regional Bureau for Arab States and the Central Evaluation Office continued to review and analyse jointly the management actions on evaluations and tripartite reviews. From the evaluations carried out in 1984 it could be seen that the majority of recommendations made in the review of projects evaluated in 1983 had been followed and that the 1984 evaluations were specific enough in their findings and recommendations to allow for an assessment of the projects' achievements as well as concrete follow-up action. The study was shared with all field offices, as was the one on tripartite reviews which, based on a random sample of 36 projects drawn from all countries of the region and covering all agencies, brought into focus some weaknesses in applying the general procedures governing the tripartite review mechanism. For instance, it was found that, generally, Government authorities saw the utility of review meetings only when they were scheduled regularly and once they became familiar with the whole process. This was particularly true for projects with substantial Government cost-sharing contributions.

45. The recommendations of all these reviews were discussed in a regional workshop on project design, evaluation and monitoring, which was organized in October 1985 for all deputy resident representatives, who also serve as field-level evaluation co-ordinators in the Arab States countries.

46. In addition to these review studies and the region specific training workshop, Bureau headquarters backstopping of field offices concentrated on streamlining the financial monitoring systems used at both ends, the accelerated acquisition of computers in field offices with the aim of having 17 out of 20 offices computerized by mid-1986 and the avoidance of prolonged vacancies of international Professional posts. Furthermore, all draft notes of resident representatives were systematically reviewed and commented on as were all draft country programmes by a Bureau internal review committee.

VII. CO-ORDINATION OF ASSISTANCE

47. High-level efforts at increasing co-ordination between various United Nations-funded programmes, between UNDP and the World Bank and between bilateral donors and UNDP have positively influenced co-ordination at the country level.

48. In the five least developed countries of the region, each Government has seen UNDP's co-ordination role in a different fashion. In the Sudan, the Resident Co-ordinator was called upon to assist the Government in co-ordinating the massive external emergency assistance programmes following the drought and famine and the influx of refugees from neighbouring countries. Such co-ordination efforts extended well beyond the assistance provided by the United Nations system since the Government of the Sudan set up a Relief and Rehabilitation Commission reporting to a high-level Relief and Rehabilitation Committee chaired by the Prime Minister which channels all emergency assistance to the affected regions of the country and monitors its distribution and utilization. The Resident Co-ordinator, in his capacity as Special Representative of the Secretary-General of the United Nations, has assisted this Commission in its work, paying particular attention to the need for complementarity between bilateral aid packages and speedy delivery of multi-

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lateral aid. Longer-term rehabilitation and development efforts are now concentrated on the region of North Darfur through the UNDP/Italian management services programme; there, a small sub-office has been set up in El Fasher to facilitate on-the-spot co-ordination among the various sources of assistance. In Somalia, the Resident Co-ordinator assisted the Government in a similar way to co-ordinate external assistance to drought-affected areas and ensured the prompt provision of medical supplies during a brief outbreak of cholera. Co-ordination with regard to longer-term development assistance was greatly facilitated by the joint UNDP/World Bank technical co-operation assessment mission report which was one of the conference papers of the last Bank-sponsored Consultative Group Meeting in Paris, in November 1985. As one result of such enhanced aid co-ordination, there are now donor group meetings at the country level under the alternate chairmanship of UNDP and the Bank which discuss regularly various issues of external aid co-ordination.

49. In Yemen the Government followed a two-pronged approach. UNDP and the World Bank were requested to strengthen the appraisal and monitoring ability of the Central Planning Office. UNDP was also asked to convene sectoral co-ordination meetings for agriculture and for water development - each chaired by the Central Planning Office and bringing together all multilateral and bilateral donors providing assistance in these two sectors.

50. In Democratic Yemen, preliminary discussions took place for the organization of a round-table meeting, while Djibouti started preparations for the organization of another round-table for its energy sector development.

51. In most of the middle-income countries, Governments have assumed the co-ordination function for their various external assistance programmes. Consequently, UNDP efforts concentrated on joint programming of programmes funded by United Nations agencies (especially the United Nations Fund for Population Activities (UNFPA), the United Nations Children's Fund (UNICEF), and the World Food Programme (WFP). Other ways of co-ordinating external assistance to the benefit of development efforts of these recipient countries are parallel financing or third party cost-sharing with other donors, in particular the World Bank.

52. Still another situation prevails in the Gulf countries where projects are closely linked to sectoral priorities. Requesting ministries are thus motivated to make cost-sharing contributions available for projects they consider high on their agenda. Co-ordination in the sense that individual projects should become a part of an overall programme governing external assistance has posed a problem in the past. Faced with declining revenues, however, Governments in this subregion are taking a fresh look at their overall technical assistance needs and have shown increased interest in using the country programming exercise as a frame of reference for planning purposes.

53. Co-ordination between UNDP country programming and the World Bank's technical assistance strategies was a dominant theme in the second annual consultations with the World Bank, which were held in November 1985 in New York. While the Bank's focus on technical assistance might be narrower than UNDP's, there is considerable room for co-operation and co-ordination between the two institutions to the benefit of the countries concerned. An agreement was reached that, as the Bank shifts technical assistance funded under its loan programmes

towards enhancing national capacities for carrying out structural adjustment programmes, UNDP under its own country programme will fund technical assistance for development projects having an impact on the long-term maintenance of adjustment and restructuring measures adopted by Governments. Specific cases were identified where UNDP could fund or handle the execution of technical assistance in preparation of or parallel to Bank projects.

54. In summing up, it can be said that while country programme management actions were concentrated on preparations for the transition into the next cycle, normal project and programme monitoring continued. Considerable time and effort was also spent on giving new directions to UNDP assistance in the region. This to a certain extent affected programme implementation negatively, however, as Governments and resident representatives became hesitant to enter into new commitments before future planning and programme objectives could be clearly defined. Appropriate programme adjustments are, nevertheless, under consideration by Governments, field offices and the Bureau to ensure maximum delivery of UNDP assistance in the region as a whole during the coming year and beyond.
