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PROGRAMME PLANNING

Country and intercountry programmes and projects

FOURTH COUNTRY PROGRAMME FOR BARBADOS

Note by the Administrator

I. PROCESS OF THE PROGRAMMING EXERCISE

- 1. The fourth country programme for Barbados was the outcome of close and continuous collaboration between the Ministry of Finance and Planning and the UNDP field office. The Ministry of Finance and Planning, which is the Government focal point for co-ordination of all multilateral and bilateral technical assistance, determined the main features and priorities of the country programme and co-ordinated actions leading to its preparation. This involved, inter alia, consultations with the sectoral ministries involved and with other bilateral and multilateral donors.
- 2. The main contributions of the UNDP field office to the process were the assessment of the third cycle country programme (1982-1986), the submission of the Resident Representative's note which outlined a new framework for technical co-operation, and the facilitation of the active participation and common approach by United Nations agencies based in Barbados. No specific programming missions or sectoral surveys were undertaken by United Nations agencies, since the Government deemed the consultations held with the Barbdos-based agencies as sufficient for the purpose of country programme formulation.

- 3. A noteworthy finding emerging from the assessment of the third country programme and reflected in the Resident Representative's note was that delivery of other United Nations system technical co-operation to Barbados was far in excess of the limited resources of the UNDP IPF for the period. Total resources made available to Barbados were in the order of \$US 4 million, taking into account diverse sources, such as agency regular programme funds; interregional advisory services; the Technical Co-operation Programme of the Food and Agriculture Organization of the United Nations (FAO); and other funds such as the United Nations Voluntary Fund for the Decade of Women and the UNDP Energy Account. Through the assessment exercise, the Government was made more aware of the increased scope for United Nations system activities and became interested in expanding the concept further to incorporate other multilateral and bilateral technical co-operation resources.
- 4. The Resident Representative's note proposed to the Government that the country programme be utilized as a framework for all technical co-operation activities. This approach was warmly adopted by the Government and is fully reflected in the present country programme.

II. THE FOURTH COUNTRY PROGRAMME

- 5. In its Five-Year Development Plan (1983-1988), the Government has indicated its intention to generate growth by pursuing an export-oriented strategy with tourism, manufacturing, export agriculture and services, as the main sources of foreign exchange and employment. All of the objectives to be addressed in the fourth cycle country programme will directly support the Government development efforts.
- 6. The first objective, agricultural diversification, will focus efforts on diversification of crops other than sugar, which has been a traditional mainstay of agriculture in Barbados, but one which has, within recent years, become less economic to produce. New regional and extra-regional markets for agricultural products will be sought so as to generate the additional foreign earnings that formerly were produced by sugar. The second programme objective, industrial diversification, is to strengthen manufacturing and other industries and to establish new industries so as to decrease the reliance of the Government on tourism and sugar production as the main productive sectors of the economy. The major thrust of the industrial diversification programme will be in the areas of furniture, building materials and agro-based industries. The third programme objective supports the expansion, strengthening and streamlining of services. In addition, the Government has included in the programme all other technical assistance activities which cover diverse sectoral needs that are directly supportive of its overall development effort.
- 7. The Government has identified in the programme the totality of projects which it considers essential for fulfilment of its technical co-operation needs. UNDP IPF resources constitute a small but key contribution to be

utilized as seed money in combination with other resources from the United Nations system, as well as from other multilateral and bilateral sources in meeting specific needs identified in the programme. In certain instances, Government cost-sharing will also feature in the funding of selected projects.

- 8. Of the \$US 1,375,000 UNDP IPF for 1987-1991, it has been decided to allocate \$US 480,000 to the programme objective dealing with agricultural diversification; \$US 480,000 to industrial diversification; \$US 40,000 to services; and the remainder, \$US 375,000, to other activities. However, the total resources required to fund the overall technical co-operation programme amount to \$US 17,843,790. The Government has advised that in addition to the IPF contribution of \$US 1,375,000, United nations agencies are expected to contribute in the order of \$US 7,439,525, with the remainder to be provided by other multilateral and bilateral sources. The Government expects these resources to be forthcoming, based on its discussions with donors. It is understood, of course, that UNDP can only give assurance in terms of the IPF.
- 9. It should be emphasized that the approach in the Barbados country programme reflects the ultimate extension of the possibility of using the country programme as a frame of reference for the integration of external technical assistance in the development process. This approach not only enables the Government to have an overall plan of its technical co-operation requirements, but also provides a basis for mobilizing resources in a sytematic fashion in seeking to meet these needs. Moreover, the fact that the country programme is being utilized for this purpose places UNDP at the centre of the process and certainly strengthens the role of the Resident Representative in assisting the Government in the co-ordination of external technical co-operation activities.
- 10. This approach also has another very practical benefit in the case of countries with small IPFS, such as Barbados. The alternative would have been to finance a few projects with the available IPF of \$1.375 million. The Administrator welcomes the Government decision to place the country programme at the centre of the co-ordination of external technical assistance.
- 11. It should also be pointed out that UNDP is one of the sponsoring institutions of the Caribbean Group for Co-operation in Economic Development (CGCED), which is a collective consultative group arrangement, jointly sponsored with the World Bank, International Monetary Fund (IMF), the Inter-American Development Bank (IDB), the Caribbean Development Bank (CDB) and the Organization of American States (OAS). Within this Group, UNDP has been assigned responsibility for the preparation of lists of overall technical co-operation needs in the various recipient countries participating in the Group, which are in turn incorporated in the World Bank Economic Memorandum for the particular country, thus presenting a more complete understanding of the relationship between the public sector investment programme and technical assistance in the development process. The Caribbean Group, which brings together the Caribbean countries as well as the major multilateral and

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bilateral donors, expects UNDP to continue to perform this role. The full integration of this exercise in the country programme document may therefore be seen as a logical development of this process.

12. The Administrator wishes to support this innovative approach, which makes catalytic use of limited IPF resources and ensures a more co-ordinated and systematic approach to the identification and delivery of the overall technical co-operation needs of Barbados. It is also felt that it could serve as a model for preparing the country programmes for the countries of the Eastern Caribbean. It should be emphasized, nevertheless, that the approach, which is relevant to the particular needs of the small countries of the Caribbean, is not necessarily applicable to all developing countries.

III. MANAGEMENT OF THE COUNTRY PROGRAMME

- 13. Review of the country programme will be undertaken jointly by the Ministry of Finance and Planning and the UNDP office. An annual assessment of the status of the programme will be carried out by the Government, utilizing inputs realized from tripartite reviews, evaluations and any other relevant studies carried out by UNDP and United Nations agencies.
- 14. A major resource mobilization effort is being undertaken by the Government of Barbados and the UNDP office in concert with UNDP headquarters and concerned United Nations system organizations. Increasing utilization of the special funds under the responsibility of the Administrator is foreseen, and collaboration with the World Bank and other multilateral and bilateral donors will be continued.

IV. RECOMMENDATION OF THE ADMINISTRATOR

15. The Administrator recommends that the Governing Council approve the country programme for Barbados.