I. PROCESS OF THE PROGRAMMING EXERCISE

1. Planning for the fourth country programme began in mid-1984, when the Government of Bangladesh and UNDP agreed that the process of formulating a new country programme should start with a review of technical co-operation needs based on the Government's draft Third Five-Year Plan, which was being drawn up for the period July 1985-June 1990. The document was released in November 1985. In the course of the preparation of the Plan, each line ministry was engaged in determining development targets and assessing budgetary needs. UNDP was actively involved in this process through its funding of sectoral studies in areas such as water resources and energy supply and demand projections. In order to ensure that the fourth country programme could be formulated on the basis of strategies contained in the Third Five-Year Plan and could make use of the results of the sectoral studies, it was decided to extend the third country programme from June 1985 to June 1986 (DP/CP/BDG/EXTENSION/I).

2. In March 1985, the Government published its Memorandum for the Bangladesh Aid Group. Although this document was produced specifically for the meeting with donors held in Paris in April of that year, it nevertheless represented a synthesis of the views of the Government on national priorities and thus served as a basis for proceeding with the design of the fourth country programme.
3. In April 1985, the Resident Representative for Bangladesh submitted a note to the Government co-ordinating unit, the External Resources Division (ERD) of the Ministry of Finance. While reflecting on the experience gained during the preceding five years, the note focused primarily on proposals for the orientation of the new programme. This note was also based on extensive discussions and consultations with the representatives of the principal United Nations agencies and the major bilateral donors. While there was no formal multi-party assessment of the third country programme, a comprehensive desk study was undertaken by the UNDP office in Dhaka. This study was presented for the consideration of the Government.

4. During the same month, a senior official from the Regional Bureau for Asia and the Pacific visited Dhaka and held discussions with senior Government officials on country programme strategies. After these meetings and further consultations with the partners within and outside the United Nations system, the process of programming for the new country programme gathered momentum. The Government co-ordinating unit and senior members of the Planning Commission held meetings with the Resident Representative to apprise him of the Government's most current views on the direction which the Third Five-Year Plan would take. Noting that the situation reflected and underscored the approach taken a short while earlier in the Aid Group Memorandum, it was agreed to use the Memorandum as a key input to the programming process, to be supplemented by sectoral studies as they became available. It was also agreed to design and circulate a questionnaire to all line ministries and the larger United Nations system executing agencies to ascertain their views with respect to areas in which UNDP assistance might be sought.

5. While the Planning Commission reviewed and finalized the various proposals submitted by the sectoral ministries, the External Resources Division of the Ministry of Finance ensured that the outcome was well co-ordinated with other available assistance from bilateral sources. After a mission by a senior headquarters consultant in November 1985 which culminated in a number of meetings with senior officials of the Ministry of Finance and the Planning Commission, the country programme reached the final draft stage. The closing review of the fourth programme took place in UNDP headquarters in November 1985 and in Dhaka in December 1985 and January 1986, where it was critically examined in the context of the draft Third Five-Year Plan document. The final version of the country programme received the assent of the Government in February 1986.

II. THE FOURTH COUNTRY PROGRAMME

6. The five-point development strategy of the fourth country programme is relevant to the major objectives enunciated in the Third Five-Year Plan and emphasizes: (a) higher productivity in agriculture; (b) consolidation and expansion of the industrial base; (c) development of human resources; (d) improved physical infrastructure; and (e) enhanced management of public policy and the economy. A distinguishing feature of the fourth country programme is

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that it has been designed to address objective-related issues rather than adopting the more ad hoc project approach of the past. The objective of achieving higher productivity in agriculture predominates, with the allocation of 36 per cent of UNDP resources. Growing emphasis has also been placed on industrial development (28 per cent) and human resource development (16 per cent).

7. The Government and UNDP intend to appraise and evaluate each new project proposal in the light of this new strategy. Since many existing projects will continue into the new country programme period, the effect of the strategy will be felt progressively. The proportion of new projects in the programme is none the less rather high, at approximately 70 per cent of programmed resources. Taking into account changing priorities and new situations, a certain degree of flexibility is, however, necessary for the fourth country programme. For this purpose, an unprogrammed reserve of $10 million, or about 8 per cent of available resources, has been established.

8. Within the above-mentioned five main objectives, the country programme will pursue the underlying theme of poverty alleviation. Particular attention will be paid to the problems of women who play an important role in rural society but are generally the most deeply entrapped in absolute poverty. Another significant aspect of the country programme, featuring in all five development strategies, is the close linkage which UNDP's technical assistance will maintain with the much larger investment projects of the multilateral development banks.

9. While several sectoral and sub-sectoral studies have been prepared in the past by UNDP, together with various United Nations agencies, as well as by the Government and some bilateral donors, a comprehensive technical co-operation needs assessment has yet to be made. Although UNDP would have preferred to base its programme for the fourth cycle on such an exhaustive study, it was decided not to delay further the preparation of the present country programme. Consequently, the Government has requested that a needs assessment be prepared in the framework of the country programme now submitted. It may be expected that this study will lead to some changes in external technical assistance programmes, including the UNDP country programme. The Government and UNDP therefore propose to continue to manage the Bangladesh IPF in a flexible manner, allowing for shifts of emphasis, both sectorally and at the project level.

III. MANAGEMENT OF THE COUNTRY PROGRAMME

10. During the third country programme, there had been a steady upward trend in the delivery of IPF resources, which rose from $19 million in 1982 to $23 million in 1984 and $25 million in 1985. Since the IPF resources available to Bangladesh under the fourth country programme amount to approximately $24 million annually, and a substantial pipeline of new projects exists, the
process of selecting projects for inclusion in the fourth country programme was difficult. Although efforts will be made to secure additional funds outside the IPF in order to implement other important projects which have been identified, the Government and UNDP will continue to maximize the efficient use of limited IPF resources through their management of the programme. The Government's recently established technical assistance coordination cell and the UNDP field office's initiative in introducing a computerised programme financial management system are expected to bring continued benefits in this regard.

II. As mentioned in paragraph 9, the assessment of technical assistance needs may lead to the identification of new priorities and a new distribution of the ensuing programmes and projects between different donors. Consequently, while the programme will continue to be reviewed on an annual basis, a major mid-term review will be organized once the needs assessment has been completed and evaluated. A full report will be made to the Council to enable it to review any changes which might be proposed for the country programme for the rest of the cycle. The continued review of the country programme will be facilitated by the fact that it is well synchronized with the Government's Third Five-Year Plan.

12. The programme will continue to be closely monitored in accordance with existing UNDP policies and procedures. Triparite reviews of ongoing projects are an important instrument in ensuring the continued relevance and quality of the programme. Furthermore, important projects are regularly evaluated by high-level consultants in order to verify the validity of the technical solutions applied in the attainment of their objectives. In all these endeavours, UNDP co-operates very closely, on a partnership basis, with the Government and the United Nations executing agencies.

13. The Bangladesh IPF is one of the larger ones globally, and the largest of those for the Least Developed Countries. The management of a programme of this size requires a cadre of staff, particularly within the UNDP office, but also in the Government co-ordinating unit, who are not only highly motivated but also experienced and well trained. This is all the more necessary in Dhaka as it is not possible to increase the staff in proportion to the growth which has been taking place in the size of the programme. Consequently, training will be a continuing feature throughout the fourth country programme, and, as in the past, Government and United Nations agencies will be invited to participate.

IV. RECOMMENDATION OF THE ADMINISTRATOR

14. The Administrator recommends that the Governing Council approve the country programme for Bangladesh.