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PROGRAMME PLANNING

Country and intercountry programmes and projects

FOURTH COUNTRY PROGRAMME FOR PERU

Note by the Administrator

I. PROCESS OF THE PROGRAMMING EXERCISE

1. The programming process was formally initiated with the submission of the Resident Representative's note in August 1985, the new Government having assumed office on 28 July 1985. However, the Resident Representative had initiated the process months earlier through personal consultations with some key governmental officials, including officials of the newly elected Government. These personal consultations served to put forth suggestions for programme orientation, bearing in mind the development issues discussed at the Regional Meeting of the Bureau for Latin America and the Caribbean in November 1984. The country programme document presented to this Council is the result of active and long discussions between the UNDP in Lima, the Government and UNDP headquarters. It should be pointed out that the Regional Director visited Lima and participated in discussions, with the Government and the UNDP office, on the Resident Representative's note.
2. In the recommendation put forth by the Resident Representative in his note to the Government on the criteria that should be used for the selection of projects and the modalities to be pursued for greater programme effectiveness, the Resident Representative emphasized the experience, both positive and negative, of the third cycle programme implementation. He stressed, in particular, the need to ensure that projects are carefully selected not only in terms of the degree to which they respond to development priorities but also in terms of the capability of the proposed co-operating government institutions to serve as adequate counterparts in a technical co-operation project.

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3. The fact that a change of Government coincided with the scheduled date for initiating the formulation of the first draft country programme did not allow the carrying out of sectoral reviews. Likewise, there was limited time available to the aid co-ordinating ministry to hold in-depth interministerial consultations on the thrust of the programme and the selection of projects for United Nations system assistance. Nevertheless, some of the new projects are in an advanced state of preparation, and the country programme document contains new project ideas which will have to be developed during the initial stages of implementation. There is a programmed reserve of approximately \$2 million (13 per cent of the IPF) for this purpose. The close collaboration established between the Resident Representative and his staff and the Government of Peru in the country programme formulation process is further evidenced by the fact that this exercise was used by the Government in establishing criteria for the identification of the country's overall technical co-operation needs and priorities. The Administrator notes with satisfaction that, as a result, a document entitled "Cooperación Técnica Internacional" was prepared and has now been approved by the President of the Republic.

4. The UNDP office in Lima had an active exchange of ideas during the programming exercise, with United Nations Fund for Population Activities (UNFPA), United Nations Children's Fund (UNICEF), Food and Agriculture Organization (FAO), United Nations Industrial Development Organization (UNIDO) and Pan American Health Organization (PAHO). At the same time, it has held periodic meetings with the World Bank and the Inter-American Development Bank (IDB). In December 1985, the Minister of Planning of Peru visited several European donors in order to discuss their possible participation in cost-sharing arrangements; it is expected that the visit will facilitate negotiations on third-party cost-sharing in support of priority activities of this programme. The Minister's visit was co-ordinated by UNDP.

II. THE FOURTH COUNTRY PROGRAMME

5. For the reason given in paragraph 3 above, the areas of concentration of the country programme correspond to the priority areas selected by the Government for its overall technical co-operation requirements, which also reflect the critical development issues of public sector management, scientific and technological development, and critical poverty.

6. However, the country programme does not purport to cover the country's entire needs in these three areas. Rather, its intention is to serve as a catalytic mechanism for the mobilization of additional resources focused on these areas and which are expected to supplement or complement the assistance to be provided by UNDP. This main characteristic of the country programme is particularly applicable to United Nations system assistance, where major co-ordination efforts have already resulted in close programming linkages between UNDP, World Food Programme (WFP), UNFPA, World Health Organization (WHO)/PAHO, and International Atomic Energy Agency (IAEA) assistance. It is the Government's wish that these types of linkages be expanded during the implementation of the fourth country programme.

7. Most of the projects under the area of science and technology are not focused on the scientific research aspects per se, but rather on the introduction and application of high- and medium-level technologies to priority sectors of the economy, particularly the industrial and agricultural sectors.
8. The main objective shared by all the projects under the area of strengthening of the public sector is to improve the efficiency and effectiveness of public sector institutions and enterprises by decentralizing their operations at the regional and local levels. This will help to create an environment for more effective private-sector activities.
9. Their main objectives of the projects included under the critical poverty area are to develop programmes for the massive generation of employment and the improvement of public health services in the rural and urban sectors and to design methodologies to support the informal urban sector.

III. MANAGEMENT OF THE COUNTRY PROGRAMME

10. The fact that the fourth IPF period is almost fully co-terminous with the country's medium-term development plan (1986-1990) should facilitate the periodic review process of the country programme. The National Institute of Planning will establish the criteria for the ongoing assessment of the country programme in close co-ordination with the UNDP office in Peru and UNDP headquarters. A formal mid-point review of the country programme is foreseen for 1989, in addition to the annual management reviews of the implementation of the country programme. The programmed reserve will be used during the early stages of programme implementation to formulate projects in the critical poverty and scientific and technological development programme areas.
11. As was pointed out in paragraph 3, the Government of Peru has utilized the experience gained in the country programme exercise for the establishment of criteria for the identification of the country's overall technical co-operation needs and priorities. The compatibility between country programme objectives and national development objectives will facilitate the effective management of projects, with the aim of contributing to the achievement of sectoral objectives. This close co-ordination will improve the management of the programme, and will also affect the cost effectiveness of the programme and its impact.
12. The close collaboration that is taking place among the different Governments in Latin America will ensure more active use of TCDC modalities. Peru could benefit from the experience of other Latin American countries in the fields of public sector management, technological development and food security. Moreover, Peru could transfer its experience in the fields of mining and fisheries to other countries of the region. The interest of Peru in the TCDC modality is reflected by the fact that it has its own project which will be extended into the fourth cycle.
13. Peru is the host country for the Cartagena Agreement Board (Junta del Acuerdo de Cartagena, JUNAC). The following regional projects provide support to JUNAC: RLA/76/015, Andean integration (Phase III); RLA/79/065, Agricultural programming;

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and RLA/79/069, Assistance to the Board of the Cartagena Agreement in Industrial Development. Other regional projects with headquarters in Lima are: RLA/79/026, Development of the Latin American Trade Information Network (RELIC) (Phase II); RLA/82/016, TRAINMAR II, Training development in the field of maritime transport; and RLA/83/002, Regional project of cultural heritage and development. This close co-operation with the regional projects will continue in the fourth cycle, especially since the regional programme, presently under formulation, is expected to pay special attention to reciprocal linkages with country programmes.

IV. RECOMMENDATION OF THE ADMINISTRATOR

14. In the light of the foregoing, the Administrator is pleased to endorse the country programme for Peru and recommend its approval by the Governing Council.

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