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SUPPORT

PROGRAMME IMPLEMENTATION

IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERNING COUNCIL
AT PREVIOUS SESSION

Implementation of the Substantial New Programme of Action
for the 1980s for the Least Developed Countries

Report of the Administrator

SUMMARY

By decision 86/22 the Governing Council requested the Administrator to ensure that the round-table process provides an effective instrument for the implementation of the Substantial New Programme of Action (SNPA), taking into account the views presented in the Governing Council, especially those of the least developed countries (LDCs). It further requested the Administrator to present a report on the progress made in this respect to the Council at its thirty-fourth session. Consequently, the main theme of the report prepared for this thirty-fourth session under the above heading is the round-table process.

While this report focuses briefly on the overall implementation of the SNPA as it relates to the funds administered by UNDP, it primarily centres on the round-table process and the related events that have taken place since the last session of the Council. Although there was no major happening in this area during the last year, two particular international meetings (an Extraordinary Conference of the United Nations Economic Commission for Africa (ECA) in October 1986 and the High-Level Meeting of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) in December 1986) have led to significant endorsements of the UNDP round-table process.

The report also presents the progress made in adapting the round-table process. Several measures for this adaptation had been proposed by the Administrator to the thirty-sixth session of the Council; as explained in the report, these measures are now fully implemented.

Finally, the report outlines some of the measures taken to strengthen the institutions supporting the round-table process in least developed countries, in particular, the Ministries in charge of economic management, planning and aid co-ordination.

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INTRODUCTION

1. At its thirty-third session, the Governing Council endorsed the new arrangements initiated for the management of the Special Measures Fund for the Least Developed Countries (SMF/LDC) and the financing of round-table activities during the fourth programming cycle. Recalling the primary role of each least developed country in the co-ordination of aid activities, it also recognized the need for further improvement of the round-table process. It requested the Administrator "to ensure that the round-table process provides an instrument for the implementation of the Substantial New Programme of Action, taking into account the views presented in the Governing Council, especially those of the least developed countries" and further requested him "to present a report on the progress made in this respect to the Council at its thirty-fourth session". The present report on the implementation of the SNPA accordingly focuses on the adaptation of the round-table process.

2. First, this paper reviews the main events that have taken place since the thirty-third session of the Governing Council concerning the implementation of the SNPA and, more particularly, the new round-table process. It then discusses the progress made since the adoption of the new round-table format in June 1985. Finally, the note presents various steps taken by UNDP to strengthen its institutional support to the round-table process. A schedule of past and forthcoming round-table related activities is given in the annex.

I. REVIEW OF THE SNPA IN THE CONTEXT OF THE ROUND-TABLE PROCESS

3. Over the last year, discussions and negotiations on the implementation of the SNPA and the round-table process have continued. In this respect, the new round-table format now fully implemented by UNDP has recently received two significant endorsements.

4. The first was given at the twenty-fifth High-Level Meeting of the OECD Development Assistance Committee (Paris, 1-2 December 1986). In past years, the DAC and, through it, the major donors, had been kept regularly informed of the new orientations in the round-table process. In the conclusions of this meeting, the donor community firmly endorsed the new features of the round-table process, to quote: "DAC Members are encouraged by the UNDP's recent progress in strengthening the round-table process and enhancing its capacity to perform its co-ordination role more effectively through, inter alia: encouraging developing countries to participate actively; emphasis on policy reforms; the strengthening of UNDP staff; a more selective approach to the choice of countries and participants; improved analysis and in-country follow-up; better preparation and organization of the round-table meetings through closer collaboration with the World Bank; encouraging adequate representation by recipients and donors, and with UNDP chairmanship of the meetings. Round-tables can be further strengthened if, in the first phase of the process, United Nations specialized agencies can be represented by the UNDP and if DAC Members' representatives reflect this position in the appropriate bodies of the specialized agencies."

5. The new round-table format received its second major endorsement at the Second Extraordinary Session of the Conference of Ministers of the Economic Commission for Africa (Addis Ababa, 13-15 October 1986). However, this was not the first time that African Ministers of Planning had endorsed the new round-table format. At a special meeting convened by UNDP (Cotonou, November 1984) on the new format, the Ministers from the least developed countries of Africa had already adopted a resolution supporting these new orientations. The Addis Ababa meeting is of major importance, however, since the new format was endorsed for the first time by Ministers representing the entire African continent, not only the LDCs of the region. This endorsement was also particularly significant since the Ministers had before them positive experiments with the new format in several countries. Finally, the fact that the approval was given in the context of their discussions on the follow-up and monitoring of the United Nations Programme of Action for African Economic Recovery and Development (UNPAAERD) adds a special dimension to this endorsement. In this connection, it is worth noting that the UNPAAERD has given a new impetus to co-ordination efforts in African countries in general and African LDCs in particular. Formal mechanisms of consultations with donors, in the form of World Bank Consultative Groups or UNDP round tables are now in existence, albeit in various stages of activity, in all but one African LDC.

6. Support provided by UNDP to the LDCs is not limited, of course, to the round-table activities. These countries are priority recipients of UNDP core funds, since the IPF formula gives them a higher share of these funds than they would otherwise receive. In 1986, total IPF funding for that year for these countries came to \$234 million. In addition to their country programme funding through their respective IPFs, LDCs are also the prime or sole beneficiaries of other UNDP-administered funds such as the United Nations Trust Fund for Sudano-Sahelian Activities, the Special Measures Fund for Least Developed Countries (SMF/LDC), the United Nations Capital Development Fund (UNCDF) and the Netherlands Trust Fund (NTF). Under these particular funds, commitments made to LDCs in 1986 for that year amounted to approximately \$40 million.

7. SMF/LDC is in fact exclusively devoted to the financing of activities in the LDCs. In his report on SNPA to the Governing Council at its thirty-third session, the Administrator proposed a new management system for the SMF/LDC, which was accepted. Consequently, the resources of this Fund are now used largely to finance projects in the area of economic management and aid co-ordination, grass-roots development and the promotion of Transfer of Knowledge Through Expatriate Nationals (TOKTEN). In 1986 and again in 1987, after a positive independent evaluation, SMF/LDC has also been used to finance interregional inputs to the UNDP/International Labour Organisation (ILO) Special Labour Intensive Public Work Programme; these inputs are intended to promote and facilitate the use of local resources for labour-intensive investments such as small irrigation systems, roads or drinking water systems. In 1986, total pledges made to SMF/LDC amounted to \$10.98 million; they are expected to reach \$13.85 million in 1987.

II. PROGRESS MADE IN ADAPTING THE ROUND-TABLE PROCESS

8. During its thirty-second session in June 1985, the Governing Council adopted the new format of the round-table process. Round-table activities since then have been implemented in conformity with this new format and its different phases (round-table conference, in-country review meeting, sector and special programme consultations). Round-table conferences have thus been held for Chad and Sao Tomé and Príncipe in December 1985, for Bhutan, Laos, Maldives and Western Samoa in April 1986 and for Cape Verde in October 1986. In-country review meetings took place in Western Samoa (May 1986) and Cape Verde (December 1986). Sector or special programme consultations have been organized in Chad, Gambia, Guinea-Bissau, Lesotho, Rwanda, Sao Tomé and Príncipe, Togo and Western Samoa. A complete list of recent and future round-table activities is presented in the annex.

9. In the report of the Administrator to the thirty-third session of the Governing Council (DP/1986/17), various measures were presented to adapt and improve the round-table process further. These measures concerned the preparation of the round-table meetings (prior agreement between the recipient country and UNDP, co-ordination with the World Bank, technical support), the round-table conferences themselves (venue, participation, agenda, chairmanship) and their follow-up (selection of the themes for the sector meetings, role of the United Nations system agencies).

10. During the last year, UNDP has been implementing these measures in the preparatory work leading to the round-table meetings. High-level missions have been sent to the LDCs which had requested UNDP assistance for the preparation of a round-table Conference (Cape Verde, Equatorial Guinea, Sierra Leone, Niger, Burkina Faso, Central African Republic). The purpose of these missions has been to explain to the Government the new round-table process and to reach an agreement on its various phases, including the participation, chairmanship and content of the meetings. At the request of UNDP, the agreement reached in the course of these missions has been presented in a formal letter sent by the highest authorities of the recipient countries to the Administrator of UNDP. This has proved to be not only a useful device in establishing the policies and setting the tone of the round-table, but it has also helped elaborate the rules and responsibilities of the various participants in the round-table process while dispelling any possible misunderstanding.

11. The co-operation between the World Bank and UNDP in the preparation of round-table documentation has been strengthened and guiding principles for aid co-ordination in sub-Saharan Africa were adopted in February 1986. The Bank and UNDP consult regularly with each other throughout the preparatory phase of round-tables; in particular, the Bank makes available to UNDP and its round-table consultants the Country Economic Memoranda, Public Investment Programme Reviews and sectoral analyses. UNDP consultants working on round-table preparation visit the Bank when they are at UNDP headquarters for debriefing and World Bank staff confer with the consultants when they are on mission in the LDCs. With the approval of the Government, the World Bank receives and comments on round-table documentation. Co-operation between UNDP, the International Monetary Fund (IMF), the regional development banks and the major donor agencies has also been strengthened;

round-table consultants now routinely visit these institutions in the course of a round-table preparation. The increased Bank involvement in the UNDP round-tables has been balanced by a more substantial participation of UNDP in the Bank Consultative Groups. At the request of the Bank, UNDP has taken the lead in presenting the issues of human resources and technical co-operation during the Consultative Group meetings. In Consultative Group countries where UNDP has undertaken a National Technical Cooperation Assessment and Programmes (NaTCAP), the Consultative Group will be used as an opportunity to present this exercise and discuss its implications with the Government and the donors.

12. Technical support for the round-table preparation is also provided by the field economists who are now being deployed throughout the sub-Saharan Africa. One of the main functions of these economists is to monitor the preparation of the round-table documentation so as to assure a greater quality and relevance. In so doing, they work in close contact with the LDC Governments, as well as with UNDP Resident Representatives and headquarters staff concerned. Field economists will also play a major role in the follow-up of the round-table meetings, as well as in organizing UNDP assistance to strengthen the co-ordination and planning capacity of the recipient Governments.

13. A major effort has already been made to follow up and monitor the outcome of recent round-table conferences. In Asia, for instance, as a follow-up to the April 1986 round-table conferences for Bhutan, Laos, Maldives and Western Samoa, a meeting was organized in Bangkok in October 1986 with the aid co-ordinators of each recipient country and the four Resident Representatives concerned, to assess the recent round-table conferences and to organize follow-up activities as well as the monitoring of donor intentions. A systematic procedure has thus been put in place to monitor aid flows and donor intentions in each of these four countries. In African LDCs, similar efforts are being made; in addition, the Regional Bureau has undertaken with the World Bank a comprehensive study to monitor economic data, including aid flows, in individual African countries as a follow-up to the UNPAAERD.

14. Most of the measures proposed by UNDP to the thirty-third session of the Governing Council were related to the round-table conferences themselves. At the time of the writing of this paper, only one round-table conference had taken place since this session. 1/ This Conference, organized in Geneva on 22 and 23 October 1986 for the Republic of Cape Verde was followed by an in-country review meeting for the same country that took place in Praia from 30 November-3 December 1986. This recent experience can, in fact, be presented as an illustration of UNDP practice and experience in the implementation of the various measures proposed last year to the Governing Council for the adaptation of the new round-table format.

15. Following a request in March 1986 from the Cape Verde Government to UNDP for organizing a round table, a UNDP mission proceeded to Praia for discussions with the Government. The mission presented the new round-table format, its rationale and implications to the Cape Verde authorities. The agreement reached with the Government was reflected formally in a letter sent by the Minister of Foreign Affairs to the Administrator, requesting UNDP assistance for the preparation and holding of the various meetings. The letter explained the rationale and objectives of the two proposed meetings, indicated the willingness of the Government to

present its development strategy, stressed its desire to reach a consensus with its development partners on this subject, as well as on the future financial support of the international community, laid out a tentative calendar for the various meetings (round-table conference, in-country review meeting) and proposed a restricted list of participants for the round-table conference in Geneva. The same mission, with the UNDP office in Praia, assisted the Government in submitting a project document for UNDP assistance in the preparation of the two round-table meetings.

16. Because of the very advanced stage of preparation of the Cape Verde Development Plan, the preparation of the round-table documentation could be completed in a very short time. The Government and UNDP agreed that the head of the Cape Verde delegation would chair the opening and the closing sessions of the Geneva meeting, while the Director of the UNDP Regional Bureau for Africa would chair all other sessions. A draft agenda was prepared in consultation with the Government; preliminary ideas about themes for follow-up meetings were also discussed. UNDP consulted with the World Bank on the draft documentation, priority themes for discussions and possible follow-up of the two round-table meetings.

17. In-depth discussions of the macro-economic, financial and sector policies took place at the Geneva meeting. This led to a broad consensus on the overall development strategy proposed by the Government. One shortcoming, however, may be recognized. Presumably because of the lack of specificity of the agenda, few donors actually indicated their intentions concerning future assistance to Cape Verde and it was not possible to reach a clear consensus on follow-up meetings.

18. The in-country review in Praia, six weeks later, in fact provided an opportunity to make up for this deficiency; ample indications were given by certain major donors of their future intentions. From this standpoint, this meeting was successful, since the intentions then expressed (above \$300 million) should be sufficient to finance the requirements of the country during the five-year period of its Development Plan. In addition, the Praia meeting reconfirmed the overall consensus reached in Geneva on the economic strategy proposed by the Government. It also agreed on a specific list of follow-up meetings.

19. From the limited experience of the round-table meetings carried out under the new format, two conclusions can already be drawn. First, it is clear that a restricted meeting with major donors, carefully prepared and with a streamlined agenda, makes possible in-depth discussions on policies and the attainment of an overall consensus on the Government development strategy. Secondly, there is also little doubt that this overall agreement with the government policies encourages the donors to be more forthcoming in indicating their financial intentions for the future. It is indeed encouraging that the experience of the new round-table format so far clearly vindicates the premises on which this format was based.

III. INSTITUTIONAL SUPPORT TO THE ROUND-TABLE PROCESS

20. In its new format, the round-table process is regarded as an instrument to strengthen economic management and aid co-ordination in the recipient countries. The preparation of the round-table documentation provides an opportunity for the country to establish and present its development objectives, priorities and strategies, whether for the whole of the economy or for a particular sector. The various round-table meetings themselves are occasions for recipient countries and donors to have a dialogue on various issues related to economic strategy, sector policies, aid modalities and project implementation. Quite obviously, however, the round-table process cannot operate in a vacuum and its effectiveness will depend heavily on the capacity of the Government machinery to manage the country's economy and co-ordinate the aid received. In the absence of strong national institutions in charge of planning and aid co-ordination, round-table meetings would be little more than one-time affairs where externally-prepared documents are discussed, with little bearing on the actual economic situation or the future Government policies.

21. Strengthening the economic management and the aid co-ordination capacity of the LDCs is one of the major objectives of SNPA. It is also a major recommendation of UNPAARD. For all these reasons, UNDP itself has made this area a priority for its activities in LDCs. In 1986, for instance, \$46.6 million, about 19 per cent of the total IPF resources committed to the LDCs, were devoted to general development issues, policy and planning.

22. Furthermore, as indicated in section I, this specific sector has also been made a priority area for SMF/LDC under the new system of management that has been established. In 1986, some \$6.2 million has been committed from the SMF/LDC under the new system; about \$3.9 million of this total was made available in the overall area of economic management and aid co-ordination. In selecting the projects for financing under SMF/LDC in this particular area, priority has been given to institutions and activities that directly support the round-table process in the recipient countries.

23. Strengthening economic management in LDCs may, in fact, require a different approach from the procedures followed in the past. In particular, economic planning machineries which were established in the 1960s, especially in African LDCs and in sub-Saharan Africa, are now frequently in disarray. Changes in the external economic environment have compounded the inefficiencies of procedures whose excessive ambitions often contrasted with weak administrative machineries. The reasons for the all-too-frequent failure of economic planning in these LDCs are manifold and an in-depth analysis of the different country experiences would be required for a sound diagnosis. It remains clear, however, that it is not possible today to continue a "business-as-usual" approach to development planning. Consequently, UNDP has undertaken an evaluation of planning in Africa comprising as a first phase a desk study of African experiences, with a view to draw operation-oriented conclusions for future economic planning in the region. This first phase could then be followed by country studies involving field missions and leading to specific proposals to improve the efficiency and increase the relevance of economic planning and management in each of these countries.

Notes

1/ Several round-table conferences are scheduled to take place during 1987 (Equatorial Guinea, Niger, Central African Republic and, possibly, Sierra Leone and Burkina Faso; see annex). The precise timing of these meetings is contingent upon the completion of the documentation and/or discussions between these Governments and the IMF or the World Bank; their dates therefore cannot be specified at this stage.

ANNEX

Schedule of round-table (RT)-related activities a/

Country	Past meetings	Forthcoming meetings
AFRICA		
Benin	RT held 28 February-4 March 1983.	Savalu-Porga Highway consultations and sectoral consultations for telecommunications, for civil aviation and food strategy tentatively planned for early 1987.
Botswana		
Burkina Faso		RT conference tentatively planned for mid-1987.
Burundi	RT held 8-11 February 1984 in Bujumbura.	Sectoral consultations for rural development, energy and education under preparation.
Cape Verde	RT conference held 22-23 October 1986 in Geneva; in-country review meeting held 1-3 December 1986 in Praia.	Consultations with NGOs and similar groups planned for May 1987. Sectoral consultations planned for fisheries, industry, water resources, public administration and agricultural research.
Central African Republic	RT preliminary review meeting held 11-12 March 1986 in Bangui.	RT conference planned for June 1987 in Geneva.
Chad	RT held 4-6 December 1985 in Geneva; sectoral consultations for cotton held 20-22 May 1986 in Washington; sectoral consultations for agro-sylvo-pastoral sector held 2-5 December 1986 in N'Djamena.	Sectoral consultations for transport planned for May-June 1987.

a/ World Bank-conducted Consultative Group Meetings are also included when known.

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Country	Past meetings	Forthcoming meetings
Comoros	RT held 2-4 July 1984 in Moroni.	To be determined.
Equatorial Guinea	RT held 19-21 April 1982 in Geneva.	RT scheduled for May-June 1987 in Geneva.
Ethiopia		Undetermined.
Gambia	RT held 22-30 November 1984 in Banjul. Sectoral consultations for health held in December 1984 in Banjul and for fisheries held in June 1985 in Banjul. Donors' meeting on emergency assistance held 25-26 September 1985 in London.	Sectoral consultations for agriculture and water scheduled for April 1987.
Guinea	World Bank/CG held on 11 April 1986.	World Bank/CG scheduled for 18-19 March 1987.
Guinea-Bissau	RT held 21-23 May 1984 in Lisbon; periodic review held 16-18 April 1985 in Bissau. NGO consultations held 1-11 November 1985; sectoral consultations for health held 4-6 February 1986 in Bissau.	Sectoral consultations for agriculture and fisheries planned in May 1987 in Bissau, for human resources planned for September 1987. Consultations for non-project aid proposed end 1987.
Lesotho	RT held 14-17 May 1984 in Maseru; sectoral consultations for water and sanitation held 11-13 June 1985.	Special sectoral consultations planned for employment generation-migrant workers in rural sector in April-May 1987.
Malawi	RT held 28-29 February 1984 in Blantyre; World Bank/CG held 21-22 January 1986 in Paris.	World Bank/CG tentatively scheduled for December 1987.

Country	Past meetings	Forthcoming meetings
Mali	RT held 13-16 December 1982 in Bamako; RT held 21-23 November 1985 in Geneva, followed by in-country review meeting held 2-5 December 1985 in Bamako.	Sectoral consultations planned for drought and desertification in March 1987. For food strategy, for employment, liberalization, and institutional reforms, for primary health care and demography, for grass-root initiatives, and for non-project aid, recurrent costs and structural adjustment with dates to be determined.
Mauritania	World Bank/CG held 26-27 November 1985 in Paris.	Sectoral consultations scheduled for fisheries in June 1987; for agriculture in September/October 1987; for water in November 1987, and for reforestation end-1987. World Bank/CG scheduled for November 1987.
Niger		RT conference tentatively planned for June 1987 in Geneva.
Rwanda	RT held from 1-4 December 1982 in Kigali; NGO meeting held in June 1985; sectoral consultations in water and sanitation held January 1986 in Kigali.	Sectoral consultations for education under preparation.
Sao Tome and Principe	RT held from 9-11 December 1985 in Brussels; sectoral consultations for rural development, including food strategy, fisheries and cocoa, together with consultation for energy and water, as well as for transport and problems of land-locked country held 17-22 May 1986 in Sao Tome. Meeting with non-governmental organizations held 21-28 November 1986 in Sao Tome.	

Country	Past meetings	Forthcoming meetings
Sierra Leone		RT planned for mid-1987 in Geneva.
Togo	Preliminary consultations for RT and review meeting held January 1985 in Paris. RT in-country review held 26-28 June 1985 in Lomé; sectoral consultations for rural development held 23-26 March in Kara; sectoral consultations for infrastructure, social sector and human resources management held 20-24 October 1986 in Lomé.	Non-project financing consultations planned for June 1987 in Lomé.
Uganda	World Bank/CG held 24-25 January 1985 in Paris.	World Bank/CG planned in August-September 1987.
United Republic of Tanzania	World Bank/CG held 10-11 June 1986.	World Bank/CG planned in August-September 1987.
ARAB STATES		
Democratic Yemen		To be determined.
Djibouti	RT held 21-23 March 1983 in Djibouti.	Sectoral consultations for energy planned for March/April 1987.
Somalia	World Bank/CG held 5-6 November 1985 in Paris.	World Bank/CG scheduled for March 1987.
Sudan	World Bank/CG held January 1983 in Paris.	Undetermined.
Yemen		Undetermined.
ASIA AND THE PACIFIC		
Afghanistan	RT held 9-18 May 1983 in Geneva.	
Bangladesh	World Bank/CG held 14-15 April 1986 in Paris.	World Bank/CG scheduled for April 1987.

Country	Past meetings	Forthcoming meetings
Bhutan	First RT conference held 9-18 May 1983 in Geneva; second RT conference held 24 April 1986 in Geneva.	
Kiribati		RT under consideration.
Lao People's Democratic Republic	First RT held 9-18 May 1983 in Geneva; second RT held 21 April 1986 in Geneva.	In-country review meeting planned second quarter 1987 in Vientiane.
Maldives	First RT held 9-18 May 1983 in Geneva; second RT held 25 April 1986 in Geneva. Review meeting in Colombo held in January 1987.	Sectoral consultations planned for drinking water and sanitation, education, tourism, industry, agriculture, mineral exploitation, integrated atoll development, and inter-island transport in 1987.
Nepal	World Bank/CG held 16 January 1986 in Tokyo.	World Bank/CG scheduled for 25 April 1987 in Paris.
Tuvalu		RT under consideration.
Western Samoa	First RT conference held 9-18 May 1983 in Geneva; second RT conference held 22 April 1986 in Geneva. In-country review meeting held in May 1986.	In-country review meeting planned for 1-7 June 1987.
Vanuatu		
LATIN AMERICA		
Haiti	Caribbean Group for Co-operation in Economic Development met 26-30 January 1987 in Washington D.C. with World Bank as lead agency.	

