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PROGRAMME PLANNING

Country and intercountry programmes and projects

Trends and problems in the country programmes submitted
to the Governing Council for consideration and approval

Report of the Administrator

Summary

This report, submitted in accordance with a Governing Council decision adopted
at its twenty-second session, presents an analysis of the trends and problems in
the 42 country programmes which are being submitted to the Council for
consideration and approval at its thirty-fourth session. It follows the same
format as was used for previous reports on this subject. Statistical annexes

This report is submitted to the Council for its information.
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Introduction

1. This report presents an analysis of 42 country programmes submitted for consideration and approval of the Council at its thirty-fourth session. The countries are listed below:

**Africa:** Angola, Botswana, Burundi, Cameroon, Central African Republic, Chad, Côte d'Ivoire, the Gambia, Ghana, Guinea, Guinea-Bissau, Lesotho, Madagascar, Mali, Mozambique, Nigeria, Senegal, Togo and Zambia

**Arab States:** Algeria, Democratic Yemen, Djibouti, Kuwait, Morocco, Oman and United Arab Emirates

**Asia and the Pacific:** Democratic People's Republic of Korea, Pakistan, Republic of Korea and Sri Lanka

**Europe:** Turkey

**Latin America and the Caribbean:** the Bahamas, Brazil, Colombia, Costa Rica, Dominican Republic, Guatemala, Haiti, Honduras, Mexico, Uruguay and Venezuela

2. This list does not include the country programmes for the Comoros and Mauritius which were received after this analysis had been completed. With the submission of these country programmes, there now remain 25 programmes for the fourth cycle to be submitted to the Council at a later date. Of these, 12 are from Africa, 6 from Arab States, 3 from Asia and the Pacific, 2 from Europe and 2 from Latin America and the Caribbean.

3. The regional composition of the present set of 42 country programmes is different from that of the last two submissions. There are as many as 19 programmes from Africa in this set while that region had 5 programmes in each of the last submissions. In contrast, the Asia and the Pacific region had 16 country programmes submitted to the June 1986 session, but only 4 programmes at each of the two sessions in 1987. On the other hand, the Latin America and Caribbean region consistently provided or will have provided a large number of programmes in each of the three sessions: 15 in June 1986, 14 in February 1987 and 11 to be submitted in June 1987.

4. This set of country programmes is also different from the previous sets in another respect. Those programmes which were submitted to the Council's sessions in June 1986 and February 1987 contained large proportions of programmes from small island developing countries in the Caribbean and Pacific, with very small IPFs. The present set includes only three island countries: Bahamas, Dominican Republic and Haiti, the latter having a substantial IPP. Only 7 of these 42 programmes are of sizes below $10 million, whereas 29 of the 44 programmes submitted in June 1986 and 16 of the 29 programmes submitted in February 1987 were of similar size.

5. One of the most striking characteristics of these country programmes is that about one third of them (13) are from countries officially designated by the United Nations as least developed countries (LDCs). Ten of these LDCs are in Africa, two
in the Arab States and one is Haiti which is the only LDC in the western hemisphere.

I. TIMING OF THE COUNTRY PROGRAMMES AND RELATED ASPECTS

6. Basic information on the timing and related aspects of the country programmes is provided in annex I of the addendum to this document.

7. Most of the country programmes are the fourth in their respective series reflecting a sequential correspondence between the country programmes and the fourth cycle. There are eight exceptions. The programmes for Angola, Bahamas, Djibouti and the Democratic People's Republic of Korea are their second. The Bahamas and the Democratic People's Republic of Korea began regular country programming only with the third cycle. The programmes for Angola and Djibouti reflect their rather short period of independence, which is also the case for Guinea-Bissau and Mozambique for which the country programmes are the third. Nigeria prepared its first country programme for the period 1975-1979 and since there was a hiatus between this and the second country programmes (1983-1986), the present country programme is its third. On the other hand, Guatemala having prepared two country programmes for the third cycle period, one for 1982-1984 and the other for 1985-1986, its present country programme for the fourth cycle is called the sixth in its own sequence.

8. The Consensus resolution of the General Assembly (2688 (XXV)) states that "country programmes will be based on individual national development plans, or where these do not exist, on national development priorities". This implies that there should be a correspondence between the time-frame of country programmes and national development plans.

9. It has been observed, however, in every previous report to the Council that the correspondence is much stronger between the time-frames of country programmes and IPF cycles than it is between those of country programmes and national development plans. In these 42 country programmes, there is virtually a full correspondence of the country programmes with the fourth cycle (1987-1991). In two cases the divergence is only one year. On the other hand, the correspondence of the country programmes with national development plans is full in only 8 cases; almost full in 11 cases, i.e. the divergence is for only one year; and in 16 cases, the divergence is for more than one year. For seven countries there are no development plans. It is evident that for this set of country programmes, also, the synchronization is stronger with the IPF cycle than with national development plans. This seems to indicate that Governments believe that their country programmes would be managed more efficiently if their time span coincided with the IPF cycles.

10. According to Governing Council decision 81/15, country programmes may be approved retroactively for a period up to six months. Since all these country programmes, except that of Turkey, commenced on the first of January 1987, the Council is requested to approve them retroactively from that date. The Turkey country programme will commence in 1988.
II. PROCESS OF COUNTRY PROGRAMME PREPARATION

11. In the last report, the Administrator expressed satisfaction at the progress achieved in preparing high-quality country programmes for the fourth cycle. The progress has continued and is well reflected in the present set. The programmes have taken full account of the current economic trends and they are oriented to promote the development objectives and priorities of the Governments. They are all clearly objective oriented, and the constituent projects are focused on the selected objectives. Care has also been taken to ensure that the country programmes fit in the overall context of technical co-operation requirements.

12. The revised guidelines for country programme preparation stipulate the following steps: an analysis of the current economic development trends in the country and the Government's strategies to achieve its long-term development objectives, keeping in view the short-term needs indicated by recent trends; a comprehensive assessment of the technical co-operation requirements and priorities in the context of the development objectives; a determination of the scope of UNDP co-operation to meet these needs in co-ordination with the assistance from other external sources; reviews of sectoral studies and surveys to help programme and project preparation; and an assessment of the previous country programme. While the Government is responsible for deciding the country programme objectives and projects, UNDP has provided full co-operation in completing the preparatory steps and also in submitting its views on the orientation and content of the new country programme.

13. Basic information on the preparatory process of country programming is provided in annex II of the addendum to this report. However, further elaboration of some of the steps is made in the following paragraphs.

14. An analysis of the current economic trends and the Government's development objectives, priorities and strategies has been carried out as the first step towards preparing each of the country programmes. Some generalized description of the trends revealed by the analyses is presented in the next chapter.

A. Assessment of overall technical co-operation needs and priorities

15. UNDP has sustained its efforts to ensure that before the objectives of a country programme are determined an exercise is completed mapping out the total technical co-operation requirements of the country. It is important to address assistance to the areas where the United Nations system's operations are most effective. It also allows other sources of assistance to determine their programmes in accordance with the preferences of individual donors and the recipient Governments.

16. The task of making a comprehensive assessment of technical co-operation needs is rather complex and costly. Not surprisingly, therefore, this basic requirement for country programmes has been treated somewhat unevenly in this set of programmes. UNDP has, however, tried to overcome these difficulties for many
countries in Africa by mounting special National Technical Co-operation Assessment and Programme (NATCAP) missions financed from special programme resources (SPR).

17. In general, an overall assessment of technical co-operation needs and priorities is based on the national development strategies and priorities and the various sectoral surveys and other studies carried out for planning and policy purposes. In some countries, special exercises have been conducted by the Governments for such assessments. In Guatemala, for example, a special seminar was devoted to such an assessment, while in Brazil an interministerial task force was set up to identify technical co-operation needs. UNDP fielded technical needs assessment missions to the Republic of Korea and Pakistan. NATCAPs were undertaken in Burundi, the Central African Republic and Zambia, and are envisaged in Ghana, Guinea, Guinea-Bissau and Mozambique. In a number of countries - Chad, the Gambia, Guinea-Bissau, Mozambique, Togo and Zambia - the preparatory work done in connection with round-table or Consultative Group meetings have helped considerably in the assessments of technical co-operation needs.

B. Assessment of previous or current country programmes

18. An assessment of the ongoing or previous country programme was an important input with respect to the preparation of the new country programme. In all the countries, such assessments were completed before embarking on the preparation of country programmes.

19. While conclusions of the assessments varied in some respects from country to country, a number of themes were common. In many countries the ongoing programmes were found to be consistent with the priorities on which they were initially focused. In a few countries, however, substantial reprogramming was necessary to bring the programme in line with the redefinition by Governments of their development goals and priorities. The impact of the country programme was considered satisfactory in most cases, although it was often concluded that the impact could however be enhanced if the programme had been concentrated on fewer priority areas and if greater provision had been made for training and institutional development.

20. In many cases programme delivery suffered for a number of reasons including weak project design, delay in expert recruitment, absence of trained counterparts, delay in procurement of equipment and its poor maintenance and inadequate monitoring. As the Council is aware UNDP has already taken steps to ensure that the problems which have arisen in project implementation will be taken into account at the project design stage and in the monitoring of projects during the fourth cycle.

C. Sectoral studies and agency programming missions

21. For determining the priority areas to be covered in the country programme and for the identification of projects, respective Governments and the specialized agencies of the United Nations carried out extensive exercises in many countries.
In the countries where country programme preparation accompanied or followed the preparation of national development plans this task was easier since sectoral studies had already been undertaken. In some countries, especially in Africa, the round-table or Consultative Group meetings generated a number of studies which assisted in the country programming process. The agencies of the United Nations system also made substantial contributions in many countries. FAO and UNIDO fielded the maximum number of programming missions, and the World Bank's economic missions proved to be a valuable basis for deciding priority areas and identifying projects. In addition, agency representatives residing in the countries collaborated in country programming, as did most of the project personnel, both international and local.

D. Role of UNDP in the field and at headquarters

22. It was stressed earlier that UNDP has taken great care to ensure the best possible preparation of country programmes in all cases. The Resident Representative and his staff played essential roles in this respect. The Resident Representative was responsible for initiating and completing the assessment of the ongoing programme, although it was carried out jointly with the Government. He has also co-ordinated the collaboration of the agencies of the United Nations system, including the organization of programming missions. His most important contribution, however, was the Resident Representative's Note which embodied suggestions on the orientation and content of the new country programme. It should be emphasized that as the Resident Representative's Notes were reviewed at headquarters, they represented the views of UNDP as a whole and were in some respect, a UNDP position paper. To ensure their highest quality, draft country programme documents also were examined at UNDP headquarters, culminating in reviews by the Programme Review Committee (PRC) comprised of senior staff in the cases of programmes of more than $10 million.

III. GENERAL ECONOMIC BACKGROUND, MAJOR DEVELOPMENT OBJECTIVES, AND ORIENTATION OF THE COUNTRY PROGRAMMES

A. General economic background

23. The large number of country programmes from sub-Saharan Africa imparts special economic characteristics to the present set of programmes. Most of these countries are experiencing very grave economic crises, and are endeavouring to re-structure their economies to improve public administration and management, and to increase productivity, at one and the same time. Others, located in the southern African region are bracing themselves against possible crisis in the coming years. The destabilizing effects of the volatile political and security situation within and around the Republic of South Africa, accentuated by increasing international economic sanctions against this country and its countersanctions against its neighbours, call for urgent action which requires international assistance. The country programmes of Angola, Botswana, Lesotho, Mozambique and Zambia have been formulated with such eventualities in mind. The programme for the national
liberation movements (NLMs), which is also before the Council, is to be viewed in the same context.

24. While some countries have not felt the full brunt of these crises, they have nevertheless suffered from other economic emergencies. In Africa, Nigeria has been hit by the drastic fall in oil prices. This has caused severe dislocations in its development programmes which, in turn, have had upsetting repercussions on its labour-exporting neighbours, most prominently Ghana which is also on the present list. Similar effects have been experienced by the oil-exporting countries in the Arab States region, namely Algeria, Kuwait, Oman and the United Arab Emirates with repercussions on the economies of the countries which supply labour to them. In the Latin American region, Mexico falls in the same category. This country and Nigeria also have tremendous national debt problems. The debt problem of the crisis-afflicted sub-Saharan African countries is no less serious, and its relief might require substantial flows of official development assistance.

25. While sub-Saharan Africa has faced the special difficulties that were caused by natural and man-made disasters, the developing countries have in general suffered from the impact of world economic recessions resulting in greatly lowered exports, adverse terms of trade, drastic reductions in government revenues and the consequent cutback in government expenditure, of which development expenditures have been the primary targets. The poorer sections of the populations have suffered the most due to loss of employment and earnings and reduction of social services which the Governments have been forced to make as a part of emergency recovery measures. In Latin America, the recent fall in interest rates and inflation coupled with renegotiations of external debts have brought in some much needed relief although lately the Brazilian debt situation has become serious. Asian countries have fared better. The Republic of Korea, Pakistan and Sri Lanka have performed remarkably well despite stagnating world economic trends by virtue of prudent economic policies and past investments which have helped create considerable strength and resilience in their economies. These countries are also the recipients of substantial amounts of external aid.

B. Major development strategies

26. Most of the countries presenting country programmes at this session have resorted to structural adjustment programmes prepared with the advice and financial assistance of the International Monetary Fund (IMF) and the World Bank; in many cases, this involved wider consultations with donors through the round-table or Consultative Group mechanism. This has been most common in sub-Saharan Africa but was also the case in Latin America and in Algeria and Morocco among the Arab States.

27. The most common policy package and medium-term development strategies include the reactivation of agricultural production especially through small-holder farms, stimulation of exports, increase in industrial production through capacity utilization and efficient management, and consolidation and expansion of supporting infrastructure. Rehabilitation of the government budget through improved domestic resource mobilization and the control of the external finance by limiting
non-essential imports are crucial elements of these new strategies. Great emphasis is now laid on the efficiency of economic policy and management especially of public enterprises. There has also been a policy shift in favour of the private sector and market prices, factors which appear to have already contributed to the relative superior performance of the countries in Asia.

28. Although immediate attention has been focused on economic rehabilitation and readjustments, the longer-term development objectives have been kept in view. Growth is still considered the most important long-term development goal. The priority to increase agricultural production includes, in many countries, the target of achieving self-sufficiency in food. To improve the living conditions of the people, guaranteeing basic needs remains the goal of increased productivity. Employment generation is also an important objective in most countries; for example, it is the cardinal element in the development strategies of Botswana and Lesotho which have to ensure orderly absorption of the labour repatriated from South Africa. To reduce the dependence on South Africa is also a crucial objective of the three other countries in southern Africa.

C. Orientation of the country programmes

29. Abstracts of major national development objectives and the orientation of the country programmes are provided in annex III of the addendum to the present document. It is evident from these that the orientation of each country programme is intrinsically linked to the development objectives of the country concerned. In respect of the major thrusts of the country programmes there is a remarkable similarity between this set and the one considered by the Council in February this year. In both, two major programme objectives stand out: increased productivity of the economy and more efficient economic management. Agricultural productivity is the dominant programme theme, not only in Africa but also in all other regions with emphasis on food self-sufficiency. The Governments of the sub-Saharan African countries now realize that the droughts cannot be blamed entirely for their recent economic plights, and that their own neglect of domestic agriculture has also been a contributing factor. They are, therefore, utilizing the country programmes to gain access to international technical co-operation to increase agricultural productivity, especially that of the small-holder farms which dominate rural Africa. The Governments of African and other countries are also aware that increasing productivity is at the core of the overall economic policy package which must be applied most effectively in order to achieve the desired goals. The concurrent emphasis is therefore on enhancing the management efficiency of government institutions, particularly public enterprises. The Governments are also striving to strengthen their planning and policy-making machinery. Projects in these areas dominate most of the country programmes. This is true from the poorer least developed countries in Africa, Haiti and Democratic Yemen to Turkey and to the rich oil-exporting countries of Kuwait, Oman and the United Arab Emirates.

30. Other country programme objectives, which are complementary to these dominant objectives, are the following: human resources development, the transfer of science and technology, strengthening the physical and social infrastructure and natural resources development. Human resources development is the most common
theme since this is essential if both increased productivity and more efficient economic management are to be attained. The programmes of Asian countries, Turkey and of Latin American countries have a bias towards technological transformation; the latter also include a marked emphasis on the alleviation of poverty. Improvement of water supply is a common programme concern of the three North African Arab States, while the three Gulf States have taken recourse to their country programmes to train their nationals to replace foreigners in important government positions. Private sector development is also an objective of some of the country programmes.

31. This analysis confirms the conclusion reached in the analysis of the last set that the country programmes of the fourth cycle are more objective-oriented than was the case before.

IV. FINANCING OF THE COUNTRY PROGRAMMES

32. The policy to make the country programme a frame of reference for all external sources of technical co-operation has been continued and intensified in these country programmes. The IPF for the country is, of course, the core resource; but the guidelines have identified some other sources for inclusion in the country programme. These are other UNDP-administered funds, government cost sharing, third-party cost sharing, funds from other United Nations organizations and parallel funds from non-United Nations sources. Such resources, however, should be included only in so far as they address common objectives and are committed reasonably firmly.

33. Notable success in making the country programme a frame of reference was achieved in the country programmes submitted to the special session in February 1987. Further progress in the same direction is discernible in the present group. Only 4 of the current 42 country programmes are limited to the IPFs only, the remaining programmes include at least one non-IPF source of financing. The distribution of the numbers of country programmes by numbers of sources of financing included in them is as follows:

<table>
<thead>
<tr>
<th>Number of Non-IPF sources programmed</th>
<th>Number of country programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>
The country programmes which include as many as five non-IPF sources are Botswana, Democratic Yemen, Djibouti and Honduras; those which include four such sources are Angola, Ghana, Mali, Haiti and Uruguay.

34. The total resources programmed in the 42 country programmes amount to $1,206 million. They are summarized below:

   (Millions of US$)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Balance from the third-cycle IPF</td>
<td>42.9</td>
</tr>
<tr>
<td>Fourth cycle IPF (adjusted)</td>
<td>733.7</td>
</tr>
<tr>
<td>Other UNDP-administered funds</td>
<td>144.9</td>
</tr>
<tr>
<td>Government cost sharing</td>
<td>148.4</td>
</tr>
<tr>
<td>Third-party cost sharing</td>
<td>11.2</td>
</tr>
<tr>
<td>Other United Nations sources</td>
<td>113.7</td>
</tr>
<tr>
<td>Non-United Nations sources</td>
<td>11.2</td>
</tr>
<tr>
<td>Total resources programmed</td>
<td>1206.0</td>
</tr>
</tbody>
</table>

35. Although the IPF remains the principal source of financing, a consistent trend towards expanding the scope of the country programmes can be discerned. In these programmes the IPF constitutes 64 per cent, compared with 68 per cent in the 29 programmes approved by the special session in February 1987 and 72 per cent in the 44 country programmes approved at the thirty-third session in June 1986. The IPF figures include the unused balances from the third cycle which are negative in several cases. The fourth-cycle IPF figures have been adjusted where the IPF cycle and the duration of the country programmes are not identical.

36. Other UNDP-administered funds amount to $145 million in this group of country programmes. This is about 12 per cent of the total resources programmed compared with only 2 per cent in the programmes approved in February 1987, and 7 per cent in the programmes approved in June 1986. While the inclusion of a large number of least developed countries (LDCs) in this set and the consequent inclusion of their shares of Special Measures Fund (SMF) resources have contributed to the total of UNDP-administered funds, such SMF resources are modest. The main reason for the increase in the amount of UNDP-administered funds in these programmes is the inclusion of $52 million in the Chad programme, most of which represents an Italian contribution to be administered by UNDP under a funds-in-trust arrangement, and $22 million in the Mali programme, mostly from the United Nations Capital Development Fund (UNCDF) and the United Nations Sudano-Sahelian Office (UNSO). The programme resources of these two countries represent over half of the total UNDP-administered funds programmed in this group of country programmes.
37. Government cost sharing has increased consistently as a percentage of total resources: from 6 per cent in the programmes for June 1986, to 10 per cent in the programmes for February 1987, and now to 12 per cent in these programmes. Government cost sharing figures most prominently in the programmes from the Arab States region. In the Kuwait country programme, it is 100 per cent; in the United Arab Emirates it is 96 per cent; in Oman it is 80 per cent; and in Algeria it is 59 per cent. Lower government contributions in the programmes for Djibouti, Morocco and Democratic Yemen bring the percentage figure down to 45 per cent for the Arab States region as a whole. Next to the Arab States region, the Latin American and Caribbean region is distinguished by the presence of government cost sharing. For the 11 programmes of this region, government cost sharing constitutes 34 per cent of the total resources programmed, but more than half the contribution is by Brazil where it constitutes two thirds of the programmed resources. The shares of government cost sharing in the programmes of the three other regions are rather modest: 4 per cent in Africa; 2 per cent in Asia and the Pacific; and 14 per cent in Europe.

38. In contrast to government cost sharing, which has been steadily increasing in proportion, third-party cost-sharing is barely 1 per cent in the present group of country programmes; it was 2 per cent in the group for June 1986, and about 6 per cent in the group for February 1987. However, in total, third-party cost sharing appears in as many as 15 programmes, although in most cases it is marginal.

39. The participation of the other organizations of the United Nations system in the financing of fourth-cycle country programmes has fluctuated. It stands now at $114 million or about 9 per cent of the combined programme resources compared with 7 per cent in February 1987 and 11 per cent in June 1986. The country programme for Chad is most prominent in respect of the participation of the United Nations organizations which are contributing as much as $84 million or 2.3 times the $36 million IPF. The participating organizations are FAO, WHO, UNFPA, UNICEF and WFP, the latter three being the partners of UNDP in the Joint Consultative Group on Policy. United Nations funds are also fairly important in the Mali programme where they constitute 28 per cent of the IPF and in the Togo programme where they are 20 per cent of the IPF. In the Latin America and Caribbean region, United Nations organizations' contributions appear in 8 of the 11 country programmes, but they are significant only in Colombia, Costa Rica and Guatemala where they range from $2 million to $3 million. In the country programmes of the regions of the Arab States, Asia and the Pacific, and Europe, the participation of the United Nations organizations is almost absent, except as a token in the Djibouti and Democratic Yemen programmes.

40. Parallel financing by bilateral sources has greatly declined in the present group of programmes compared with the earlier groups. It is now only $11 million compared with $52 million in the programmes for February 1987, and $23 million in the programmes for June 1986. Such non-United Nations participation is present in nine programmes, the highest amount being $2.9 million in Burundi, followed by $2.5 million in Brazil and $2.1 million in Botswana. However, the large Italian contribution in Chad shown under UNDP-administered funds is in fact a bilateral contribution.
41. The general conclusion of this analysis is that, for the fourth cycle, the country programming mechanism is becoming a genuine frame of reference for external technical co-operation, particularly for the programmes of the United Nations system. While non-IPF funds administered by UNDP, government cost sharing and finances from United Nations organizations have increased considerably, third-party cost sharing and parallel financing by bilateral sources have remained low. Substantial Italian funds are, however, administered by UNDP under a funds-in-trust arrangement.

V. ALLOCATION OF RESOURCES

A. Sectoral distribution

42. The distribution of programmed resources by sector, following the classification adopted by the Administrative Committee on Co-ordination (ACC), is provided in annex V of the addendum to this document.

43. The overall pattern of the sectoral distribution of resources has remained unchanged from the pattern found in all the groups of fourth-cycle country programmes submitted to the Council so far. The agricultural sector remains in first place, receiving by far the largest allocation, followed by general economic planning and policy. However, third place is now shared by the industry and natural resources sectors whereas the former had an edge over the latter in the earlier groups. The transport and communication sector is the fifth among 12 sectors.

44. While the overall hierarchy among sectors has not changed among groups of programmes or between cycles, the standing of the individual sectors has shifted between the third and fourth cycles. For the same group of 42 countries, the general economic policy and planning sector has made a significant gain in the present programmes for the fourth cycle, its share rising to 16 per cent from 12 per cent in the third cycle. Similar gains for this sector were also observed in the groups of country programmes for the fourth cycle submitted to the Council earlier. The agricultural sector, though remaining at the top, has, nevertheless, lost some ground in these programmes for the fourth cycle receiving a 26 per cent allocation compared with 28 per cent in the third cycle. The greatest loser has been the transport and communication sector which is now allocated less than 7 per cent compared with over 11 per cent in the third cycle. The social sectors have also lost in priority. The combined allocations to the four social sectors - human settlement, health, education and employment - was nearly 19 per cent in the third cycle, but is now 14 per cent in the fourth cycle. On the other hand, the science and technology sector has made a gain receiving about 6 per cent allocation in these programmes compared with less than 4 per cent in the programmes for the third cycle. Industry sector's share has remained unchanged at around 11 per cent in both cycles.

45. The observed changes in the sectoral distribution of resources between the third and fourth cycles are generally consistent with the changes in the development strategies of these countries, most of which have been going through
the process of implementing structural adjustment reforms. The enhanced priority given to economic planning and management is the direct consequence of embarking on policy reforms. It is also the reason for the decline in the priority of the transport and communication sector. However, the slight decline in the percentage allocation to agriculture is hard to explain in view of the priority generally accorded to agricultural production and productivity in structural reform programmes. The situations, though, vary among regions. For the 19 African countries combined, the allocation to agriculture has remained unchanged at around 34 per cent in the third and fourth cycles; but it declined in the 7 Arab States countries from 23 per cent to 21 per cent, and more particularly in the 11 countries in the Latin America and Caribbean region where it dropped from 25 per cent to 18 per cent. The decline in the allocation to the transport and communication sector has taken place in all the regions except Asia where there has been a slight increase. There has been a decline in the allocation to the social sectors in the programmes for all the regions.

B. Allocation to ongoing and new projects and reserves

46. It was concluded in the last two reports on this subject that the country programmes for the fourth cycle are more project-specific than were those of the third cycle. This trend is manifest in the present group of programmes also. The trends in the allocation of resources to ongoing and new projects as well as programmed and unprogrammed reserves can be discerned from the following table:

<table>
<thead>
<tr>
<th>Percentage allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing projects</td>
</tr>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>72 3rd-cycle programmes approved at 1982 special session</td>
</tr>
<tr>
<td>44 4th-cycle programmes approved at 1986 June session</td>
</tr>
<tr>
<td>29 4th-cycle programmes approved at 1987 special session</td>
</tr>
<tr>
<td>42 4th-cycle programmes submitted at 1987 June session</td>
</tr>
</tbody>
</table>

In the above table, the third-cycle programmes are limited to one submission only because in the programmes submitted later the distribution became too complicated by the reduction of IPPs to 55 per cent of the original estimates. However, in this one submission the number of country programmes (72) was large enough to allow a comparison with fourth-cycle programmes.
47. It can be observed in the table that the proportions of both ongoing and new projects have consistently remained higher during the fourth cycle as compared with the third cycle and that the opposite is the case with respect to reserves. Ongoing projects constitute 34 per cent in the present group of 42 country programmes. For all three groups of programmes for the fourth cycle, the proportions of ongoing programmes are higher than it was for the 72 programmes of the third cycle approved at the special session of 1982. The proportions of new projects have also remained consistently higher in the fourth cycle, ranging from 51 to 54 per cent, compared with 41 per cent observed in the 72 programmes for the third cycle. Combining ongoing and new projects, the average project specificity in the fourth-cycle programmes rises above 80 per cent, while it was 65 per cent in the programmes for the third cycle.

48. The provision of reserves is consequently lower in the fourth cycle than it was in the third cycle. The decline is much more pronounced in the unprogrammed reserve. It is 6 to 7 per cent in the fourth cycle compared with 23 per cent in the third cycle. It is a welcomed trend because unprogrammed reserves are provisions only against unforeseen needs and should not be mixed with provisions for programme flexibility which should be shown as programmed reserves. The provisions for programmed reserves fluctuated for programmes of the fourth cycle, but on average they are not too different from the proportion in the third cycle. It was stated in the last report that the decline in the programmed reserves from 14 per cent in the group for the June 1986 session to 6 per cent in the group for the February 1987 session was rather disturbing because an adequate amount of programmed reserves was important to ensure programme flexibility and the application of continuous programming. In the present group of country programmes the proportion of programmed reserves has risen to 9 per cent, although regrettably such reserves are absent in as many as 13 country programmes.

C. Allocation for pre-investment and investment support

49. The promotion of investment is an important feature of these country programmes. It is particularly prominent in the country programme for Pakistan, the primary focus of which is on making an effective utilization of the large volume of capital aid received by the country every year. Over 40 per cent of the programmed resources of this country programme are devoted to pre-investment activities and technical support to investment projects with the aim of strengthening the Government's capability to identify, appraise and implement large-scale development projects. Investment orientation is present in the programmes from all the regions, but it is more prominent in the programmes from Asia and Latin America; in both these regions the resources allocated for the exploitation of natural resources, for which pre-investment activities are particularly important, are greater than in the others. However, in the other regions also, some of the country programmes contain significant numbers of investment-oriented projects. In this respect, the programmes for the Gambia, Guinea-Bissau, Lesotho and Senegal in Africa, and Djibouti, Morocco and Oman among the Arab States deserve mention. Most of the investment-oriented, technical co-operation projects are linked with the investment projects financed by capital aid from the World Bank or regional development banks.
D. Allocation for equipment

50. The equipment component has not, historically, been an important feature in these country programmes. In only two countries of this group - Chad and the Democratic People's Republic of Korea - has the equipment component during the first four years of the third cycle (1982-1985) come up to 40 per cent. In the new programmes for the fourth cycle, this component is likely to be even lower, although the exact percentage will not be known until all project details have been worked out.

VI. ATTENTION TO GLOBAL OBJECTIVES

51. The Governing Council has taken great interest at every session in the inclusion of major global development objectives in the country programmes. The Government's preoccupation being primarily with national development objectives and constraints, country programme documents usually do not contain enough information on global objectives even though they may be among the Government's own objectives. A special effort has been made in preparing this report to obtain as much information as possible on the country programmes' concerns with global objectives. The Administrator is pleased to report that the present group of country programmes pay due attention to global objectives despite their primary concern with national objectives.

52. Six global objectives have traditionally been selected in this report for determination of their presence in the country programmes: the needs of the poorer section of the population; women's role and participation in the efforts for and benefits of development; environmental protection; technical co-operation among developing countries (TCDC); food security; and the promotion of the objectives of the International Drinking Water Supply and Sanitation Decade (IDWSSD). All these objectives have been reflected more than ever in these country programmes. Information in this regard for individual countries is provided in annex VI of the addendum to this document.

53. Alleviation of poverty and satisfaction of basic human needs are the primary development objectives in many developing countries and are reflected well in a number of these country programmes. This objective is among the selected objectives of the country programmes for Chad, Colombia, Costa Rica, Democratic Yemen, Haiti and Honduras. In total, the needs of the poorer section are highlighted in 30 country programmes among which 26 have specific projects in their support.

54. The role and participation of women in development activities and in sharing the fruits of development are increasingly becoming a special theme and is being reflected in UNDP-assisted programmes and projects. Among these country programmes, the United Nations Development Fund for Women (UNIFEM) has participated in those for Colombia, Ghana, Guatemala, Guinea-Bissau, Honduras, Mozambique and Uruguay. In addition, UNDP funds are also being deployed to promoting women's role in development in a number of country programmes some of which make these objectives one of the selected programme objectives. This is particularly true in
the programmes for Angola, the Bahamas, Democratic Yemen, Honduras, Mozambique, Senegal, Sri Lanka and Zambia. In all, women in development is highlighted in as many as 30 country programmes of which 25 have specific projects to this end.

55. The concern for protection of the environment is among the primary focuses of the country programmes of Algeria, Brazil, Pakistan and Haiti, and it is also highlighted to varying degrees in many other programmes. In total there are 29 country programmes in which the environmental concern is highlighted, in 24 of which there are projects relating to this concern.

56. Technical co-operation among developing countries (TCDC) is particularly emphasized in the country programmes for Angola, Algeria, Botswana, Brazil, Côte d'Ivoire, Guatemala, Guinea, Mexico, Mozambique, the Republic of Korea, Senegal and Zambia. It is also highlighted in many other country programmes bringing the total number to 28 of which as many as 26 have specific TCDC projects.

57. The concern to achieve food security is universal in the programmes of the crisis-afflicted African countries which are being submitted to this session. All the African programmes highlight this objective, but it is particularly selected as one of the programme objectives in Angola, Burundi, Cameroon, the Central African Republic, Côte d'Ivoire, Madagascar, Nigeria and Senegal; and outside Africa in the Dominican Republic. There are in total 30 country programmes in which food security is highlighted among which 28 have projects in support of this objective.

58. The objectives adopted by the declaration of the International Drinking Water Supply and Sanitation Decade (IDWSSD) are particularly emphasized in the country programmes for the Bahamas, the Central African Republic, Democratic Yemen, Madagascar, and Pakistan. It is also highlighted in 19 other programmes, thus bringing the total to 24, all of which have projects in this area.

VII. RECOMMENDATION

59. The Administrator has submitted separate Notes with the country programmes for 35 countries, commenting on the programmes' orientation and content and recommending their approval by the Governing Council. For the remaining seven country programmes which have not been accompanied by such Notes, the Administrator takes this opportunity to express his endorsement and recommends their approval by the Council. These country programmes are for the Bahamas, Costa Rica, Djibouti, the Dominican Republic, Oman, Uruguay and Venezuela.

Notes
