Thirty-fourth session
26 May-19 June 1987, New York
Item 5 (b) of the provisional agenda

PROGRAMME PLANNING

Country and intercountry programmes and projects

FIFTH COUNTRY PROGRAMME FOR ALGERIA*

<table>
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<th>Programme period</th>
<th>Actual resources programmed</th>
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<td>IPF for 1987-1991</td>
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<td>Third cycle IPF balance</td>
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* Detailed listings of projects and other related data prepared as part of the country programming exercise are available on request. These listings include: (a) ongoing projects; (b) proposed projects; (c) distribution of resources by objective; (d) planned activities of operational funds and programmes under the authority of the Administrator; and (e) distribution of new country programmes by sector.
I. DEVELOPMENT TRENDS, STRATEGIES AND PRIORITIES

A. Current economic trends

1. The evaluation of national development undertaken at the end of the 1970s showed, apart from important accomplishments in terms of economic growth (10 per cent annually for the period 1974-1979) and investment (45 to 50 per cent of gross domestic product (GDP) for the same years), certain shortcomings and imbalances. Similarly, the internal requirements of a new stage of development made a number of adjustments in the organization of the economy necessary.

2. Thus the period of the first Five-year Plan 1980-1984 had been marked by the start of an important process of reform, while respecting the overall balance in terms of the rate of growth and investment, the evaluation of public finance and commercial exchanges (thanks to a diversification of exports of petroleum products and a rigorous control of imports) and in pursuing the implementation of social objectives (rate of primary school attendance of 81 per cent; 0.7 doctors and 2.5 hospital beds per thousand inhabitants at the end of 1984).

3. The reforms included inter alia:

(a) The organic and financial restructuring of public enterprises (representing 65 to 70 per cent of GDP) in order to raise productivity through competition and more open management. This is reflected in the transfer of 43 major enterprises constituting branch monopolies to 470 smaller enterprises;

(b) The decentralization of decision-making and greater autonomy of local communities for the benefit of the populations administered (creation of 17 departments and 840 or more communes, thereby bringing their number to 47 and 1,541 respectively);

(c) More flexible planning methods reflected in simplification of administrative procedures and increasing use of indirect methods of economic regulation (price, credit, etc.);

(d) Introduction of a new salary system (Comprehensive Workers' Statute) constituting an instrument for the rationalization and adjustment of pay on the basis of a job classification (grid) and relevant productive capacity;

(e) A reform of the banking system reflected in a new definition of banking purposes and conditions with broadened prerogatives in terms of the timeliness and follow-up of investments and the financial mediation of economic agents;

(f) Progressive adjustment of the price system so that prices reflect production costs more realistically, thereby enabling them to play a regulatory role.

4. The second Five-year Plan 1985-1989 and the amended National Charter, adopted by referendum on 16 January 1986, confirmed and prolonged this process by placing special emphasis on the diversification of economic agents, inter alia, by the
encouragement of private initiative so as to supplement State efforts and at the same time stimulate competition, and the adoption of a national policy for controlling population growth so as to preserve social gains and to ensure the necessary adjustment between economic growth and population.

5. The deterioration of the international economic environment of Algeria in 1986 as a result of the particularly rapid and sizeable reduction of oil revenues (98 per cent of exports) has led the national authorities to strengthen their policy of economic retrenchment. This was reflected in a substantial reduction of the State budget and the general programme of imports and credits available for the investment programme. In this context, the pursuit of reform must make it possible to limit the impact of external constraints on the economic growth rate, the creation of jobs and the level of investment and consumption, as well as to mobilize the entire potential of a country equipped with a solid infrastructure, an industrial base, a sizeable agricultural capacity and above all, a young population that is trained for the tasks of development and production.

B. National development strategies

6. The second Five-year Plan (1985-1989) set the following objectives for the use of investments:

(a) The completion of the actions undertaken during the first Five-year Plan in order to absorb the deficits which accumulated in the social sectors and basic infrastructures;

(b) Expansion of the material base of the economy by developing the productive sectors and ensuring a better distribution of activities throughout the country;

(c) The management of large-scale investments in economic infrastructures, particularly with regard to the exploitation of water resources.

7. 56.6 per cent of the overall amount of estimated investments (550 billion dinars) has been allocated to the productive sectors (agriculture/water supply/industry/implementation facilities/transport/telecommunications/storage-distribution) and 43.4 per cent to the economic infrastructures, social sectors and community facilities.

Agriculture/water supply

8. The overall amount allocated to these two sectors is approximately 15 per cent of the investments. It fully reflects the importance attached to the development of the agricultural sector and the large-scale exploitation of the country's water resources. The actions undertaken in the field of agriculture are designed to achieve two major objectives: (a) to expand productive potential by using fallow land and developing new land, pasture land, and small and medium-sized water supply systems; and (b) to ensure the economic and technical viability of agricultural units by improving the supply of seeds, fertilizer and materials and by enhancing the technical skills of the producers.
9. The development of agriculture is part of a coherent and integrated rural development strategy which takes into account the forest and fishing sectors and the possibilities of exploiting water resources. In this regard, both the development of small and medium-sized water supply systems and large-scale construction projects are stressed.

**Rural development**

10. The objective is to improve, in conjunction with the efforts to develop agricultural production, living conditions in rural areas by upgrading housing and carrying out actions in the fields of health, transport, education and electrification for the benefit of the population groups concerned. This approach is supported by a policy to ensure regional balance making it possible to exploit local resources and maintain a uniform distribution of industrial and handicraft activities which create jobs.

**Industrial sector**

11. The objectives in the industrial sector during the period in question are essentially to:

(a) Strengthen economic integration and, in particular, support the priority sectors of agriculture and water supply;

(b) Develop and ensure a uniform distribution of small and medium-sized industrial processing activities designed to meet national needs with regard to equipment, production and consumption;

(c) Promote and develop investments to exploit production potential and expand sub-contracting and maintenance activities;

(d) Apply techniques and procedures which determine the direction of industrial development;

(e) Develop programmes for the systematic exploration and exploitation of surface and underground resources and search for new sources of energy, particularly renewable ones.

**Social sector**

12. With regard to the social infrastructures, the qualitative aspects of actions are stressed in order to improve in a consistent manner overall living conditions. The measures to be supported in this field are designed, as a matter of priority, to meet the cultural and recreational needs of young people and to promote efforts to achieve the objectives of the policy of controlling population growth and improving social welfare.

**Housing**

13. The objectives in the field of housing are both to continue the dynamic process initiated by the first Five-year Plan in order to satisfy as fully as
possible this basic need of the population and to carry out actions aimed at improving the implementation of construction projects.

Health

14. Three priority areas for work have been defined in the field of health: (a) strengthening health coverage by completing the ongoing programme and launching an epidemiological surveillance programme throughout the national territory; (b) upgrading the management and functioning of the infrastructures which have been set up; and (c) improving the health of the population through systematic inoculation, better environmental hygiene and disease prevention.

Education/training

15. The success of mid- and long-term development actions requires continued efforts to expand the education and training infrastructure both through the allocation of sufficient financial resources and ensuring quality management with regard to the implementation of university, school and vocational training plans. Furthermore, emphasis has been placed on the development of technological and technical specialization and the use of guidance facilities and measures to cope with the problem of drop-outs by taking into account economic and social development needs.

Scientific research

16. The main objective of scientific research is to lay the foundation for mobilizing all research potential by introducing intersectoral programmes to promote co-ordination and better use of national capacities.

Infrastructures

17. In the field of communication, the second Five-year Plan stresses the continuation of efforts to restore balance in the means of transport by promoting rail transport and stepping up actions aimed at opening up disadvantaged regions both by establishing road networks and constructing airport infrastructures.

18. Storage and distribution capacities will be strengthened by the gradual installation, during the period, of a cold chain, the implementation of a strategic storage policy and the development of maintenance activities.

C. Technical co-operation priorities

19. Algeria's technical co-operation priorities are chiefly derived from its national planning. Government proposals are thus designed to sustain the national development effort, to foster the transfer of knowledge, and to assimilate and master technical progress. Preference is given to areas in which each partner's effectiveness has a definite impact.

20. Concerning the methods employed and taking into account the country's stage of development, needs are shifting from "classical" technical assistance toward the
provision of methodological assistance, and toward support for the design and "management" of complex operations.

21. For the most part, "classical" technical assistance is to send resident experts for average lengths of stay in order to transfer knowledge and know-how. In Algeria, there is still a need for this form of assistance in the areas where experience is yet to be acquired. Methodological assistance, on the other hand, consists of aid to an already trained and specialized national counterpart for the purpose of decision-making and formulating master plans and pre-feasibility studies. This new form requires immediate high-level technical assistance.

22. The latter arrangement also involves greater recourse to other instruments:

(a) Information, its structure and its linkage to computer facilities - of which the expert systems represent one mode - access to international economic, technical and scientific information systems, organization of the collective storage of knowledge;

(b) Methodologies of evaluating technological alternatives and projects, the establishment of organized machinery for the transfer of technology and for technological innovation;

(c) The systems analysis approach and its use in forecasting.

23. This change in technical assistance requirements is reflected in the proposals Algeria has outlined to its partners. To the extent that the Government considers co-operation with the United Nations system a particularly apt tool for seeking new ways to gain access to international experience, the activities proposed to UNDP for the period 1987-1991 represent both a renewal of the programme in substance and a further development in the forms of technical assistance.

24. The programme presented below reflects the priorities identified by the national officials responsible for planning and for the co-ordination of international technical co-operation, based on the issue of joint considerations with the United Nations Development Programme (UNDP). It also takes into account the confusions by a number of sectoral missions which helped identify technical co-operation needs far greater than the resources available under the indicative planning figure (IPF).

D. Aid co-ordination arrangements

25. The national economic and social development plans are the only frame of reference for the identification, organization, co-ordination and implementation of development activities. The planning services are responsible for the organization and harnessing of national human and material resources necessary to implement the course of action adopted. This is the context in which external inputs are materializing and aid is being co-ordinated.

26. The UNDP country programming exercises are a useful complement to this process. That is why, in addition to the projects to which the Government intends
to allocate UNDP resources, this country programme describes related activities for which inputs from other international institutions are being mobilized or sought. Chief among them are the United Nations Children's Fund (UNICEF), the United Nations Fund for Population Activities (UNFPA), and regular programmes or technical co-operation from specialized agencies. Some of the specialized agencies, for example, the World Health Organization (WHO), the International Atomic Energy Agency (IAEA) and the Food and Agriculture Organization of the United Nations (FAO), have contributed relatively large amounts.

7. The country programme must also facilitate the co-ordination of inputs from other international institutions, such as the technical assistance financed by World Bank loans and the food assistance from the World Food Programme (WFP). Hopefully, it will also arouse the interest of other financial institutions or countries with which co-operation is normally developed through joint commissions.

II. THE COUNTRY PROGRAMME

A. Assessment of the previous programme

8. Algeria's fifth programme, approved by the Governing Council at its thirtieth session in June 1983, was formulated on the basis of the objectives of the five-year Plan for 1980-1984. The priority themes and sectors identified for international technical co-operation under the programme were training, agriculture, community and social services and the development of scientific and technological research.

9. Programming for the period 1983-1986 was based on joint UNDP and Government financing, through cost-sharing in individual projects.

10. The resources actually available for the programme are far less than expected. The lower IPF (down from $16 to $11 in 1983) and lower Government contributions resulted in an overall figure of some $17.6 million in available resources. Some large-scale projects (animal health, pesticides, building and training) have been discontinued. Implementation of the programme has nevertheless borne satisfactory results.

1. By adopting the concept of ongoing programming and by judiciously using other funds from the United Nations system (including the Special Industrial Services (SIS) and the United Nations Industrial Development Organization (UNIDO), the Technical Co-operation Programme (TCP) of FAO and the International Fund for Agricultural Development (IFAD) in the agricultural sector), it became easier to shift the emphasis of the ongoing programme and adapt it to new situations which merged in the process of reforming and reorganizing both the nation and the United Nations system.

2. Among the major activities included in the 1983-1986 programme and executed during that period were projects to support research and development institutes for agricultural production (market gardening, cereal grains-livestock, olive-growing and plant protection), training programmes in telecommunications, meteorology,
civil aviation, statistics and planning, and activities to encourage the formulation and implementation of safety policies and programmes.

33. Most of the large-scale projects were evaluated internally or by outside consultants in order to ascertain the quality and results of the activities conducted under them. As provided for in the 1983 document outlining the programme, and after a thematic evaluation of agronomic research involving much work, these individual evaluations were supplemented by a general review of the most important group of projects to be conducted in the past 10 years. The projects in question were in the agricultural sector, which was allocated more than 40 per cent of the available resources during the 1976/1985 period.

34. These various evaluations made it possible to introduce improvements even as the projects were being executed, and to adapt them harmoniously to national developments. They also made it possible to confirm some starting hypotheses:

(a) The cardinal importance of project results and of receptivity to them (in terms of the availability of technical personnel, the existence of an infrastructure, the appropriate work facilities and institutional support);

(b) The opportunity to increase direct contacts between national operators and, above all, national directors chiefly responsible for the projects on behalf of the Government and the executing agent, and the technical and administrative services of the United Nations system;

(c) The benefit, despite some administrative difficulties, of wider use of short-term consultants instead of resident experts, with the exception of a few sectors or themes (agricultural extension, maintenance) where national personnel still lack experience;

(d) The advantage of "skeletal" projects in order to respond with flexibility to immediate technical co-operation needs in similar and interrelated areas, pending the introduction of structures for co-ordination, consultation and decision-making.

35. Other arrangements which have been adopted in principle for the 1983-1986 programme still require consideration and further preparation, as Algeria is still looking for ever more varied and effective ways of exchanging experiences, inter alia:

(a) The use of United Nations Volunteers (UNV) which was just getting under way at the end of the programme period;

(b) Reliance upon national skills through external financing of national experts and consultants, or sub-contracting with national institutions; and

(c) Technical co-operation among developing countries (TCDC).
B. New programme proposal

36. The programme proposed for the period 1987-1991 continues with some of the ongoing activities and provides for the initiation of new activities. These new activities represent 65 per cent of the total number of projects and 83 per cent of total project cost. It is therefore a thoroughly revamped programme of co-operation.

37. This programme lends support to the implementation of priority national development objectives and is tailored to some of its dynamic themes: agricultural and food development, integration and innovation, enhancement of existing potential, development of social services and strengthening of national forecasting capacities and planning instruments, which underlies the other four and is an extension of them.

38. Around the priorities and themes adopted by the national authorities, whole sets have been developed, each comprising sub-sets of various projects. This structure corresponds to the national authorities' desire to avoid an increase in much smaller projects with very little impact, and to make these activities more dynamic through inter-project communications, first at the inter-, and then at the intra-, sub-set level.

39. The programme of co-operation was thus conceived as an auxiliary programme to a dynamic national process. The unifying line, running through all of the whole sets is integration. It was therefore necessary to reconcile, on the one hand, the approach favouring the establishment of integration machinery in order to master the growing complexity of activities and situations, with, on the other hand, recognition of the fact that integration is as complicated a task in the Algerian administration as it is in the United Nations. To accelerate the pace would be to run the very real risk of stalling the works. Hence, the unaltered structure and scope of individual, selected, rationalized projects, and, at the same time, the effort to ensure their mutual coherence.

40. As some projects may belong to different sets, they were assigned to the theme to which they were most closely related. As they are multi-purpose projects, they are ideal as links between the various programmes, and for serving as focal points of the system.

1. Agro-food development ($8,574,000 - 26 per cent)

41. In view of the high rate of population growth, the major objective of development is and will continue to be to meet food needs through domestic production. Thus, the technical co-operation programme proposal provides further support to efforts already under way and includes two sub-sets: the first will determine and integrate different methods and factors of production in six ecological areas with a view to improving productivity by developing and popularizing plant and animal production techniques; the second sub-set will deal with the agricultural environment and the development of agro-food channels, especially in activities downstream from priority production activities.
Improving the productivity of production systems

42. This programme includes three types of projects aimed at improving production systems: the development of production systems for grains, red meat and milk; the development of small and medium-scale water power projects and new irrigation techniques; and agricultural extension.

Development of plant production systems (new project)

43. Particular attention will be given to grain production, since one of the major objectives of the agricultural policy is to increase grain output. A series of research projects and experiments on seed varieties, fertilizers, phyto-medical products and agricultural equipment, as well as on agricultural methods, will be the subject of a specific integrated project. This project will be based, inter alia, on a realistic analysis in the framework of a national grain plan being developed with the support of the Investment Centre of the Food and Agriculture Organization.

44. If this plan brings out considerable needs for co-operation on certain essential aspects of agricultural production technology (such as research on seed varieties, propagation and control, or the promotion and follow-up of the use of fertilizers), these aspects could be the subject of specific sub-programmes. As to equipment, the plant production activities will benefit from the outcome of the integrated programme on agricultural mechanization (see para. 58).

Development of sheep- and cattle-raising (new project)

45. The use of better agricultural techniques and their adaptation to particular conditions in various regions of the country should also help develop the production of red meat and milk, by improving crop rotation and promoting the growth of fodder crops. Direct support for the development of sheep- and cattle-raising will favour the production of red meat and milk. It will deal mainly with increasing the use of fodder crops, developing pastures in the steppe region (in liaison with the regional project for exchange of experience on this subject) and genetically improving local stock.

Development of small and medium-sized water supply systems for agriculture (new project)

46. The development of small and medium-sized water supply systems for agriculture is often the determining factor for agricultural production in the country's arid zones. The Five-year Plan for 1985-1989 emphasizes the utilization of local resources and simple, accessible techniques. It is also hoped that the vast experience acquired in this field by other countries, particularly in Asia, can be made more readily available with the help of the United Nations system.

Agricultural extension and training (ALG/83/002) (ongoing project)

47. This project provides critical support for the national body responsible for distributing the technological packages produced by this series of activities. Under the second phase of the project, extension methods and support mechanisms...
will be developed on representative farms in 12 communes selected from the six ecological zones. This phase will complement the development of "technological packages", since the purpose of extension is to bring about a transfer of skills so that production requisites and productivity factors can be applied in rural settings.

**Study of the fertilizer/seed chain (new project)**

48. Part of the food-crop environment backstopping programme, this study has as its objective the identification of key factors which are currently preventing or holding back the production of these inputs and their distribution to farmers in sufficient quantities and at appropriate times.

49. A study on the red meat/milk chain is also planned as a complement to an earlier study carried out as part of a sectoral review which the FAO Investment Centre conducted for the World Bank. On the basis of the core module, which involves the development and dissemination of technologies to improve production, additional models to deal with the storage, distribution and processing of these products will be developed.

**Quality control of foodstuffs (ALG/86/001) (ongoing project)**

50. The project will amplify and reinforce this approach through the development of the preventive, advisory and extension capacities of the services concerned.

51. All these co-operation activities will be supported by **ad hoc** multidisciplinary interventions under a master project through which assistance will be provided, when specifically requested by operators, in production-unit management, computer applications and sectoral documentation.

**Linkages**

52. The development of technological packages will make use of the agricultural research being carried out by the FAO Technical Co-operation Programme (cataloguing and assessment of phytogenetic resources, establishment of gene banks, *in vitro* culture laboratories, soil surveys and analyses) or contemplated in co-operation with other developing countries (India and Argentina, for example), depending on the needs and potential identified in the regional programme.

53. Likewise, the extension activities relating to small and medium-sized water supply systems and the chain studies will be designed and carried out in close collaboration with the pilot investment projects and other technical studies which the Government has proposed to certain development funds and banks (IFAD, for the development of cereal grain production in the department of Tiaret; the World Bank, for the management of zones under irrigation; and the African Development Bank (AFDB), for the reinforcement of farm credit and extension/research structures).

54. In a wider context, Algeria plans to continue to participate actively in the programme to combat locust infestation. The country will encourage and facilitate any international initiative aimed at bringing this menace under control. The Government would welcome a specific regional project in this area.
55. Among the projects included under the heading "programmed reserve" is a proposal to monitor the impact of several regional projects on a section of the Saharan region: the campaign against bayoud, a disease of the date palm; water resources in North Africa; introduction of jojoba; and the development and maintenance of tracks. The region in question is El-Goléa, where a research station was set up with assistance from UNDP and the United Nations Educational, Scientific and Cultural Organization (UNESCO) in 1981, and where multidisciplinary activities combining research, training and development are carried out.

2. Integration and innovation ($7,314,000 - 22 per cent)

56. An improved co-ordination of the economic and social sectors, and of inter-enterprise and inter-administrative relations must go together with an innovation movement, permeating all structures in order to bring about higher social productivity. To that end, a programme combining integration and innovation has been designed.

57. The integration of agriculture and industry has several dimensions. The service provided by industry to the priority sector of agriculture must be suited to needs, and rural industrialization must be designed with respect to the local market and manpower capabilities, as well as to regional, social and cultural characteristics.

Integrated agricultural mechanization programme (ALG/84/015) (Ongoing project)

58. The first dimension has led to the formulation of an integrated agricultural mechanization programme (an ongoing project under preparatory assistance). This programme, which benefits all of the operators, is based on a national integrated mechanization plan, and comprises such activities as training, building engineering capabilities, and implementing support measures in the fields of management, repair and rationalization of processes.

Integrated physical planning (new project)

59. The second dimension requires not only relations between agriculture and industry, but must also be linked, in many regards, to the division of labour in rural areas, housing, living standards, environment policies, the decentralization of activities, the establishment of small and medium-sized enterprises and industries, and the organization of sub-contracting. This pilot project will focus on a few communes.

60. Industrial integration aims to set up an industrial integration and development mechanism. The establishment of its organizational infrastructure should be carried out in the course of the 1987-1991 programming cycle, with a view to being fully operational during the following cycle.

Organization of industrial information (new project)

61. In Algeria, industrial information, the essential link in any organized mechanism, is a new activity, which consists in setting up, using modern computer...
technology, the basic archives of technical, economic, commercial, financial and social information on industry. To that end, the development of data banks at the level of certain operators will lead to an exchange of inter-sectoral information (maintenance, petro-chemicals, pharmaceutical industries, etc.). The connection of these data banks to regional and world systems, such as the Industrial and Technological Information Bank, will make these operators valuable observers of the changes anticipated in industrial and technological information.

Organization of industrial consultation (ALG/86/009) (ongoing project)

62. The increase of the productivity and of the profitability of enterprises requires the establishment of a body of industrial consultants for large enterprises and for the growing number of small and medium-size enterprises and industries. The linkage of the two functions (industrial information and consultation in business organization) will make it possible to strengthen activities in this field and to ensure permanent feedback.

Establishment of small and medium-sized enterprises and industries (new project)

63. Algerian industry has mainly been formed by setting up large complexes characterized by vertical integration. The industrial poles thus created are, therefore, to be supplemented by a network of small and medium-sized enterprises and industries. On the basis of the restructuring and of the decentralization of public industrial enterprises, the establishment of supplementary units of diversified production, of sub-contracting and of service, should facilitate the management of the large complexes and thus be conducive, to the process of horizontal integration.

Development of the pharmaceutical industry (new project)

64. A master plan developed with the assistance of UNIDO in 1985, and adopted by the Government, provides the basis for identifying possibilities of strengthening the production capacity in this field, by drawing on other areas of national industry and by ensuring an integrated approach. Technical support assistance for initiating the implementation phase of this programme is envisaged. At the same time, the Government is receiving financial assistance from UNIDO within the framework of the Industrial Development Decade for Africa for the production of serum, and from UNICEF for the establishment of a plant for the manufacture of rehydration salts. Moreover, a request has been submitted to the United Nations Fund for Population Activities to take part in the establishment of an oral contraceptives production unit.

Development of engineering (new project)

65. Engineering is at the interface of technology, economics and finance. It requires a training strategy and a transfer of the organizational technology of the engineering companies. As a consumer and creator of information, engineering must be linked by a user and provider relationship to the industrial information system being developed.

/...
Development of the capital goods industry (new project)

66. This project will enable national industry to ensure a growing share of the replacement of the production apparatus. The resort to a new tool, the system of technological complexity analysis, will make it possible to select, taking into account their levels of complexity, the capital goods which can be manufactured, either in large production units, or in small and medium-sized enterprises and industries. In the latter case, the technological complexity analysis method would be the first stage in the preparation of projects designed to strengthen the industrial fabric. The organization of sub-contracting should accompany this process.

Restructuring and streamlining the organization of industrial property (new project)

67. As technological innovation is becoming a priority objective, it implies restructuring and streamlining the organization of industrial property. The required documentation and regulations regarding patents must be provided; legislation must be revised; and Algerian innovations must be discovered, protected, enhanced and publicized.

Computer-technology innovation in public administration and in local communities (ALG/86/012) (ongoing project)

68. The aim is to introduce computer technology in order to rationalize management, standardize methods, and improve communications within the administrative network, as well as with personnel and enterprises. In this regard, the State audit office has already launched a medium-term programme of action concerned with financial control and with general auditing methodology. This is designed to improve data acquisition programmes, data control and processing, and programmes for implementing a comprehensive auditing methodology and an adapted control methodology.

New telecommunications techniques (ALG/81/023) (ongoing project)

69. Another technological innovation project aims to develop the content of training in the new telecommunications techniques by introducing computer technology in order to ensure the speedy adaptation of the programmes to the technological developments in electronic transmission and switching.

Promotion of foreign trade (ALG/86/015) (ongoing project)

70. The rationalization of imports and the promotion of export sectors other than hydrocarbons require an information mechanism on the opportunities for international trade and on Algerian products which can be exported. The operation is complex and calls for the establishment of links to the industrial integration programme. In fact, it will be necessary to set up marketing units within the promotion and advice structures for production, to establish commercial information centres with regard to the promotion effort of small and medium-sized enterprises and industries, to study the possibilities of providing these companies with joint import-export structures and, lastly, to introduce international marketing training in management institutions.

/...
71. Several industrial integration activities will be based on the exchange of experience at a regional level. These include sub-contracting fellowships, the technological complexity analysis exercise and industrial information, for which the adopted approach would facilitate a certain complementarity between countries in the subregion.

72. In the framework of technological innovations, the industrial and agricultural sectors will benefit from a major technical co-operation programme provided by the International Atomic Energy Agency under its regular programme. The results obtained through the research and adaptations carried out in this context should be integrated into the sectoral programmes.

3. Development of existing potential ($9,894,000 - 29 per cent)

73. Rapid growth and significant changes in the Algerian economy brought about by the maintenance of a high rate of investment over a long period make it necessary to undertake comprehensive action for consolidation. The national authorities therefore attach special importance to a range of activities under the theme of the development of existing potential, concerned in particular with: (a) human resources, (b) industrial capacity, (c) natural resources, (d) the environment, and (e) the cultural heritage.

(a) Development of human resources

74. The development of human resources includes three subsectors: management training, vocational training and transfer of educational knowledge.

Management training

75. In the area of management training, the quality of "management" is a key factor in the productivity and viability of enterprises. The national authorities have therefore initiated a number of activities aimed at strengthening and supplementing the network of institutions responsible for the management training of senior personnel.

Auditing of management training (new project)

76. It is envisaged that international co-operation will provide direct support for retraining senior personnel in heavy industry, undertaken with significant financial support from the European Economic Community (EEC). This support consists in establishing a facility for the external auditing of training programmes and a system of internal evaluation through the monitoring of applications for training in enterprises of this sector.

Training in management/planning (new project)

77. Training relating to the socio-economic environment of industry and the micro-economic aspects of industrial management initiated with technical and...
financial assistance from UNIDO will be continued and expanded to other sectors. This is a programme of modular training concerned with the problems of Algerian industry, strategic management, and management tools. Another aspect of the activities envisaged consists of assistance in implementing programmes of study on the system of regulating public enterprises, the process of accumulation, and technological development.

Training of instructors and consultants in organization (new project)

78. In order to contribute to the overall objective of improving the management of Algerian enterprises, two types of activities are envisaged involving the training of instructors and of consultants in the organization and management of enterprises. On the basis of the organization/dissemination of industrial information, these activities will be of the training/action type in order to meet the needs of enterprises in various sectors as fully as possible.

Vocational training

79. Algeria has made exceptional efforts to improve the system of vocational training. It would seem desirable, however, under current circumstances, to restructure and modernize the existing system.

Diagnostic study of vocational training/employment (new project)

80. A complete review will be made of this sector which will produce scenarios of possible activities with an analysis of the foreseeable consequences of their implementation from the institutional, regulatory, organizational and teaching viewpoints.

Vocational training on the job and under apprenticeship (new project)

81. It is also envisaged that support will continue to be provided to vocational training on the job and under apprenticeship, by undertaking the second phase of a project launched with the assistance of the World Bank, UNDP and the International Labour Office (ILO). This second phase would include additional training for the personnel concerned, decentralization of activities, and the broadening of areas of activity to include the rural and tertiary sectors and handicrafts.

82. International co-operation is also envisaged to benefit technical training activities in certain key sectors of the national economy, including:

(a) The water supply sector (new project): This project involves strengthening the capacities of the personnel and the structure involved in the staffing of technical activities, and of regional enterprises for developing and managing water-supply infrastructures, through assistance in the teaching of engineering, in the management of the internal training system, and in the development of programmes for the training of instructors;

(b) The port sector (new project): This project would involve establishing a national system for the training and retraining of personnel responsible for
managing infrastructures and developing human resources at all socio-professional levels in liaison with the programme on training development in the field of marine transport (TRAINMAR).

Training with a view to improving the management of decentralized enterprises (new project)

83. Another project is concerned with training with a view to improving the management of decentralized enterprises, which offer significant potential for increasing productivity. At the initial stage, a diagnostic survey would need to be carried out on their qualitative and quantitative training needs in the area of management.

Transfer of educational knowledge

84. In the area of educational transfer, the programme envisages "classic" activities for the transfer of knowledge to teaching institutions, extending previous programmes. In order to integrate teaching activities and activities for improving production capacities, these training projects will also contribute to achieving priority objectives in the area of research and development.

Improvement of post-graduate polytechnic training (new project)

85. This project involves improving the capacities for post-graduate training in the fields of mechanical engineering, chemical engineering, civil engineering, metallurgy, water supply, electronics, electrotechnology and environmental engineering. The assistance which is being requested will be for training and research staff, documentation and laboratory equipment.

Improvement of the teaching of planning and statistics (new project)

86. This project is also designed to improve training capacities at the post-graduate level. It is currently concerned with econometrics and statistics, operational research, planning methods and economic mathematics, in addition to computer science as a support technique. The research activities, which have been planned in a co-ordinated manner, should encourage students to carry out work on specific problems of the Algerian economy.

(b) Development of industrial capacity

Training in maintenance (new project)

87. In respect of the development of industrial capacity, training in maintenance is accorded special significance and covers three areas. First, broad vocational training and awareness at all levels, so as to make maintenance work a constant concern. Second, the training of a corps of engineers-advisers in order to draw up and develop a practical methodology for the implementation of techniques which can be introduced to enterprises. Lastly, the training of engineers and technicians specialized in maintenance.
Full inventory of the machine pool (reserve project)

88. At a later stage, a full inventory of the machine pool could constitute a solid basis for a systematic approach to the preservation, consolidation and renewal of the industrial heritage. Crucial choices must be made: whether to renew the existing production apparatus or to install the apparatus of the third industrial revolution. For this purpose a dynamic identification of the existing pool is a necessary stage and it must cover technical characteristics and at the same time the technological generations of equipment.

Recycling of waste and "remanufacturing" of equipment (reserve project)

89. Emphasis should be placed on the value of implementing additional projects for the recycling of waste and the "remanufacturing" of equipment. As well as increasing the experience of operators, these projects will in the long run produce substantial gains in foreign currency.

(c) Development of natural resources

Mining research (new project)

90. A systematic survey of mineral and organic resources is an important advantage in drawing up a policy for developing the country's natural resources. This requires the implementation of a programme of mining research, particularly in desert areas. Methodological support is already envisaged for the main operators in this field. This would involve assisting in the preparation of a minerals register through prospecting and evaluating all mineral substances, improving the analytical laboratories and organizing the computer processing of geological and mining data.

Geothermal resources (new project)

91. Because some sources of energy are liable to be depleted and are not renewable, a policy of conservation of energy resources is needed. In this context, the progressive use of new and renewable sources of energy has become a necessity. Algeria has a potential of geothermal resources which up to now have hardly been developed at all. The Government intends to plan a systematic exploration of geothermal resources at low and high enthalpies with a view to their possible use in the years to come.

(d) Environmental development

92. Accelerated development raises for Algeria the problem of environmental protection and of combating the harmful effects caused by the intensification of economic activity and the emergence of major urban centres. This environmental protection is twofold in nature.
Protection of the environment (new project)

93. This project involves preserving and improving the daily environment of citizens through a range of activities to support environmental protection. In this context, the preparation of monographs to identify sensitive areas (soil, subsoil, water tables, etc.) and the formulation of training programmes for specialists in all departments of the country will prepare the way for the establishment of a multisectoral programme (regulatory measures, norms, impact study, investment) aimed at controlling all phenomena which are harmful to the well-being of the population and its environment.

System of hydrological forecasts (new project)

94. It is also necessary to protect the existing potential through the prevention of natural disasters, particularly through the establishment of a system of hydrological forecasts which will provide warning of floods. Based on teletransmission and the processing of data in real time, this system will make it possible to improve the operation of hydraulic installations (dams for reservoirs and irrigation systems), to avoid loss of human life and to reduce material damage during periods of flood.

(e) Development of the cultural heritage

Protection of historic sites and monuments (new project)

95. An extensive programme of studies and restoration of historic monuments and sites, and the establishment of departmental museums, are envisaged under the second Five-year Plan. It is therefore essential to train and prepare research workers and technicians in the greatest possible number of areas of specialization, on the basis of a series of workshops and activities on previously chosen sites.

Programmed reserve

96. A programmed reserve will make it possible to prepare and carry out new projects such as:

(a) The workshop-school of the Casbah, the establishment of which would provide the necessary technical basis to undertake activities to rehabilitate the Casbah at Algiers and many other historical centres which are a valuable part of the national heritage;

(b) Promotion of the cultural heritage and tourism: The Algerian south offers a potential for tourism which is almost untapped. A study is to be made on the market it may represent.

Linkages

97. Programmes to support the institutions responsible for training/consultancy in respect of the management/organization of enterprises take into account major multilateral (EEC) and bilateral (France) programmes in these fields. They will
also benefit from international experience through participation in the UNDP/ILO INTERMAN programme.

98. In respect of vocational training, continuation of co-operation with the World Bank is envisaged, on the one hand, for the extension of on-the-job training and on the other, for the water supply and port sectors (TRAINMAR system of the United Nations Conference on Trade and Development (UNCTAD)/ILO) which would receive particular attention from this financial institution. The proposed activities for educational transfer have already aroused interest on the part of bilateral partners and university institutions with a view to possible co-ordination.

99. As to activities in the area of the environment, Algeria is participating actively in the implementation of the plan of action for the Mediterranean and in combating desertification in Africa, in both cases under the auspices of the United Nations Environment Programme (UNEP).

4. Development of social services ($1,136,000 - 3 per cent)

100. The National Charter and the five-year development plans attach great importance to social development and its rationalization. This being the case, international co-operation might be focused on one aspect of social welfare: family welfare.

Social mapping (new project)

101. It is well known that every society has vulnerable groups whose capacity to adapt to natural, economic and social phenomena is limited. Consequently, there is a need for information that makes it possible to identify and monitor the development of groups that urgently require social welfare services and those that are likely to require assistance in the future. This is where social mapping is useful. Such mapping requires the elaboration of a methodology and the preparation of technical data files. The United Nations system can assist here with transfers of methodology and information. This project should benefit from the information obtained through social forecasting, since the various scenarios provided by such forecasts may lead to new interpretations of the social map.

Training of social workers (new project)

102. Home visits by social workers play an important role in maintaining maternal and child health, acquainting families with immunizations and providing information about birth spacing. Inconsistencies in the recruitment and training of social workers are an obstacle to a coherent programme of action. Retraining activities and the development of modified training programmes are planned.

Pre-school activities (new project)

103. These activities involve a number of ministries, particularly the Ministry of Social Welfare and the Ministry of Education, given that they contribute to the education process as a whole and facilitate women's working outside the home; local organizations are also involved. This problem would seem to be important enough to warrant the preparation of a key project in this area.
Welfare of the disabled (new project)

104. Priority here is to be given to the training of specialized trainers through internships and the provision of audio-visual equipment which can be used in the training and employment of disabled persons.

Social security (ALG/83/003) (ongoing project)

105. Another component of the social welfare programme is the improvement of the social security information and data-processing system. Plans call for additional assistance to update the system's actuarial base and overall diagnostic capacity.

106. In the future, controlling population growth is to be viewed as an implicit component of the concept of family welfare. Experience shows that this is a complex operation in which powerful factors - the country's moral code, psychological concepts of fertility and marriageability, social conditions and welfare schemes for retired persons and the elderly - are at play, as are the distribution of and receptiveness to contraceptive devices and methods. This calls for sets of multi-faceted projects, flexibly incorporated into a comprehensive programme.

107. In support of these activities, the Government intends to build, with assistance from the United Nations system (UNFPA/UNDP/UNIDO), a plant for the production of birth-control pills with an annual production target of 7 million boxes of contraceptive tablets. At the same time, a sensitization programme will be launched to increase the use of this product. UNDP assistance will focus on the strengthening of national technical capacities in the context of the project for the development of the pharmaceutical industry (see para. 64).

Sports and recreation (new project)

108. To enhance the quality of life of Algerian citizens, a national sporting-goods and recreational equipment industry is to be established. Direct assistance is to be provided to the training services of manufacturing enterprises - both factories and home manufacturers - in the designing of items, the identification and promotion of investments and the training of personnel.

Epidemiological monitoring and health activities in the vicinity of the trans-Saharan highway (reserve project)

109. This project is an extension of an initial phase (1978-1983). Contemplated during the second phase are the establishment of a primary health-care service, the development of a network of analytical laboratories and the reinforcement of epidemiological and entomological monitoring along the trans-Saharan highway, where the heavy flow of traffic across the continent carries a potential risk of epidemics.
Occupational hygiene and safety (reserve project)

110. In keeping with the thrust of the 1985-1989 Plan, the objectives identified in this area relate to applied research in the fields of chemistry, toxicology and ergonomics.

Linkages

111. As the Government draws up its programme of co-operation with UNDP for the next few years, it is preparing a proposal to obtain UNFPA support for the national programme to control population growth. Components of this proposal include methodological and technical assistance in carrying out the third national population census (scheduled for 1987) and a national fertility survey and the establishment of permanent systems to monitor and evaluate the impact of planned population programmes. The retraining of health workers and the setting up of sensitization mechanisms are also planned in conjunction with the national campaign to combat infant mortality, which is receiving assistance from UNICEF through the programme for 1986-1990, approved in April 1986.

112. In view of the progress made in identifying projects consistent with the objectives set in this sector and the need for co-ordination with UNFPA, UNICEF, WHO and - possibly - WFP, a global programmed reserve in the amount of $1 million is planned for the implementation of these projects.

5. Forecasting and planning tools (2,644,000 - 8 per cent)

113. This essentially new topic has two components: forecasting and economic and social planning tools.

Forecasting

114. Algeria adopted its National Charter in 1976 and the expanded version in 1986 and drew up its five-year plans based on medium-term projections with a specific social plan in mind. Today, the forecasting approach enhances existing planning methods and tools and makes it possible to develop more specific long-term plans. This need for more specific plans has arisen as a result of the rapid changes that have taken place in social institutions, changes which may have very different outcomes.

115. The forecasting exercise must involve both global forecasts and forecasts in the industrial, energy, agricultural and rural development, employment, educational and social sectors. The global forecasts provide background hypotheses for the sectoral forecasts, while the models suggested by sectoral forecasts fill out the global model.

Forecasting (new project)

116. International technical assistance is expected to take the form of a project to establish a permanent forecasting unit made up of a core set up as part of a
body attached to the Ministry of Planning and a network of correspondents attached to a number of national agencies and public enterprises. An initial training period will be required to teach the staff forecasting techniques. This group will then be given an initial assignment designed to meet the most pressing needs of the Ministry of Planning in preparing forecasts for the next medium-term plan. The long-term preliminary technical outline drafted in 1983 to provide a framework for the Five-year Plan for 1985-1989 might serve as a basis for this assignment.

Planning tools

117. While forecasting explains long-term trends and indicates what action should be taken to achieve desirable outcomes, planning is concerned with organizing the economy through the taking of decisions based on an assessment of the current situation and forecasts of medium-term trends.

Improvement of employment-monitoring mechanisms (new project)

118. Technical assistance is to be provided to the various services responsible for the collecting and analysis of employment data in the hope of improving statistical tools and techniques as well as the collection and interpretation of data as regards outcomes and forecasts.

Improvement of agricultural statistics (ALG/82/019) (ongoing project)

119. Under this project, technical assistance with methodologies is to be provided to expand statistical coverage and computerized data processing. This effort is to be continued to ensure that important data relating to crops and farms are collected on an ongoing basis.

Methods of economic evaluation for investment projects

120. One ongoing project to assist the industrial sector (ALG/86/019) and one new project in the agricultural sector have as their purpose the testing of different methods of technical, economic and financial analysis and investment proposals so that those best suited to the specific characteristics of the Algerian economy and its pattern of development can be identified and adopted.

Elaboration of a master development plan for the chemical industry (new project)

121. In the context of exploiting the country's raw materials and diversifying products derived chiefly from energy resources, a specific study is planned regarding the elaboration of a master plan for the development of the chemical industry over the next 10 years. Closely linked to corporate research and development activities, implementation of this master plan and the development of a planning and decision-making methodology will promote economic integration and reduce the country's dependence on imports.
C. Unprogrammed reserve

122. An unprogrammed reserve of $4,221,000, corresponding to 12.49 per cent of all programmable resources (IPF, government cost-sharing and carry-over from the 1982-1986 cycle), has been established. Such a reserve is necessary because of the changes which have occurred in the nature of technical co-operation needs; it will be programmed as soon as some of the innovative activities compatible with identified priorities and objectives reach the execution stage.
Annex

FINANCIAL SUMMARY

I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

A. UNDP-administered sources

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Third cycle IPF balance</td>
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<tr>
<td>Fourth cycle IPF</td>
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<tr>
<td>Subtotal, IPF</td>
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<tr>
<td>Special Measures Fund for Least Developed Countries</td>
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<tr>
<td>Special programme resources</td>
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<tr>
<td>Government cost-sharing</td>
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<tr>
<td>Third-party cost-sharing</td>
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<tr>
<td>Operational funds under the authority of the Administrator</td>
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<tr>
<td>UNDP special trust funds</td>
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<tr>
<td>Subtotal, UNDP non-IPF funds</td>
<td>19,970,000</td>
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B. Other sources

<table>
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<tr>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Funds from other United Nations agencies or organizations firmly committed as a result of the country programme exercise</td>
<td></td>
</tr>
<tr>
<td>Parallel financing from non-United Nations sources</td>
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</tr>
<tr>
<td>Subtotal, other sources</td>
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<tr>
<td>TOTAL ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING</td>
<td>33,783,000</td>
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II. USE OF RESOURCES

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<td>Ongoing projects</td>
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<td>New project proposals</td>
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<td>Unprogrammed reserve</td>
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<tr>
<td>TOTAL USE OF RESOURCES</td>
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</table>