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PROGRAMME PLANNING

Country and intercountry programmes and projects

FOURTH COUNTRY PROGRAMME FOR THE GAMBIA

| <u>Programme period</u> | <u>Actual resources programmed</u> | \$ |
|-------------------------|------------------------------------|------------|
| 1987-1991 | IPF for 1987-1991 | 11 476 000 |
| | Other resources programmed | 4 490 000 |
| | Third cycle balance | (478 000) |
| | TOTAL | 15 488 000 |

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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; (e) distribution of new country programme by sector.

I. DEVELOPMENT TRENDS, STRATEGIES AND PRIORITIES

A. Current economic trends

1. The Gambia, classified by the United Nations as one of the least developed countries (LDCs), is one of the smallest countries on the African continent with a population of about 750,000 at the end of 1985. The country is a narrow strip of land, not more than 50 kilometres at its widest, straddling the River Gambia for a distance of 300 kilometres from the Atlantic Ocean. It has no important mineral or other natural resources. The economy is heavily dependent on one cash crop, groundnuts, the major source of income for the two thirds of the population that is engaged in agriculture. Groundnuts also account for almost nine tenths of total domestic exports.

2. Between 1965 and 1985 the population more than doubled; the economy did not perform as had been hoped during those years. There has been an overall decline in real per capita income of 16 per cent since the early 1970s. In mid-1985, the per capita income was estimated at \$260 (\$105 in rural areas), placing the Gambia among the poorest countries in the world.

3. The economy as a whole grew at about 1.8 per cent per year in real terms between 1974/75 and 1982/83. It has gradually worsened since then. The gross domestic product (GDP) decreased by 7.5 per cent between 1982/83 and 1983/84, and by 2.3 per cent the following year. As a result of the Sahelian drought, the production of groundnuts decreased in two years from 151,000 tons (1982/83) to 75,000 tons (1984/85) and the marketed output fell from 127,000 tons to 45,000 tons. The income from the sales decreased from \$31.5 million in 1983/84 to \$17.5 million in 1984/85. This invalidated many of the plans elaborated by the Government and presented to the donors at the 1984 round-table conference. It also contributed to a growing shortage of foreign exchange, despite the fact that additional non-project aid was made available by the donor community.

4. The decrease in earnings from groundnuts has dramatically highlighted three sets of problems:

(a) The rapid growth in public service employment, e.g. teachers, nurses, civil servants, has necessitated a high level of Government expenditure for salaries between 1976 and 1980, the civil service as a whole doubled in size and Government expenditure in the same period rose by 25 per cent per year;

(b) No other economic activity has taken the place of groundnuts in the GDP. There has been a remarkable growth in tourism but it has taken place only with limited advantages accruing to the Gambia;

(c) There has been an enormous increase in the size of the external debt, which at the end of 1985 stood at \$300 million, equivalent to 200 per cent of the GDP. The servicing of the public debt represents 50 per cent of the value of all exports and accounts for 28 per cent of the Government budget (in 1980/81 it accounted for approximately 5 per cent).

5. In collaboration with the World Bank, the Government drew up in mid-1985 an economic recovery programme with the following objectives, which remain the Government's priorities: (a) reform the exchange rate system; (b) enhance agricultural productivity; (c) promote other productive sectors, especially fishing, manufacturing, and tourism; (d) reform the Civil Service and parastatal institutions; (e) reform the financial sector; (f) restructure the Public Investment Programme.
6. Various measures to overcome the most pressing problems of the country were introduced. These included: (a) the floating of the dalasi to prevent a continuing drain on the economy through an overvalued rate of exchange; (b) the introduction of better producer prices and a gradual decrease in consumer subsidies; (c) drastic pruning of Government employment.
7. The Government allowed the free floating of the currency in January 1986 and lifted exchange controls. As a result, prices have increased considerably and the rate of inflation at mid-1986 had reached a level equivalent to 30 per cent per annum. The Government is obviously concerned and is seeking to mitigate the worst consequences of these measures, which are affecting all sectors of the population.
8. Some other problems that the Government has to redress are the paucity of manufacturing skills and experience; the inability of the banking sector to perform its basic role of financial intermediation; and the incapacity of parastatal institutions to deliver services.
9. The thrust of all development assistance over the last 10 years has been to overcome constraints that face the country at the best of times, including the narrow base of the economy; limited domestic market; scarcity of natural resources; and deficiencies in physical and human infrastructure. In the past, targets were probably set at too ambitious a level for the absorptive capacity of the country. The crisis is forcing the authorities to retrench and cut back on imports of non-essential items. Within the new priorities, the Government is therefore trying to select programmes that encourage self-reliance in agriculture, health, education, and road building. New services cannot be offered, only consolidation of existing services. Foreign donors, in addition to supporting a core programme, are being encouraged to design projects that do not add to the Government's burden of recurrent expenditure.
10. There has been a remarkable growth in tourism but the economy has benefited little from it. The number of tourists grew from 15,000 in 1975/76 to an estimated 78,000 in 1985/86. The direct and indirect contribution from tourism, including expenditure by tourists on local handicraft, tours, meals, etc., amount to about 6-8 per cent of GDP. Some of the hotels are locally owned, but most are foreign managed. The all-inclusive package facilities make the Gambia a mass tourist destination which attracts the less well-off tourist. Most of tourist expenses are paid outside the Gambia, and the country therefore does not receive the benefits of foreign exchange earnings. The private business community and the Government have not been able to persuade the hotels to purchase more food locally. Most items are imported on a contractual basis for the whole season from outside the region.

B. National development strategies

11. The economic recovery programme adopted in 1985 is the most comprehensive statement of the Government intentions and has been further elaborated in discussions with the World Bank on a possible structural adjustment credit. In February 1986, the Government issued a draft statement of a development strategy which was approved by the Cabinet in March 1986.

12. The long-term objective is to promote sustained economic growth through progressive structural change. The Government plans to achieve this through: (a) diversifying exports; (b) attaining self-sufficiency in basic foodstuffs; (c) balancing the size of the public sector with the productive base of the economy; (d) improving public investment planning in order to improve its productivity and ensure a proper balance with recurrent public outlays; (e) reforming the system of credit and financial intermediation to support the growth and diversification of the private sector.

13. The Government has relied on the philosophy of "tesito" (self-help) as its guiding principle. Although there is no shortage of studies on various sectors of the economy, the decision-making process in the Government needs improvement. The short- and medium-term measures do allow for a better decision-making process which could give the economy a badly needed sense of direction. At the same time, there is a willingness and determination to involve all sections of the population, including women's organizations and non-governmental organizations (NGOs), in the process of achieving self-reliance.

14. Following the 1984 round-table donor conference, prepared and conducted with assistance from the United Nations Development Programme (UNDP), the Government has set itself the following development tasks: (a) a gradual reduction of groundnut dependence, through diversification, e.g. horticultural produce, sorghum, millet, maize, rice, coupled with an improvement in the production of groundnuts; (b) an increase in animal and fisheries production; (c) an increase in domestic energy production through, inter alia, the development of forestry resources and other renewable sources of energy; (d) groundwater resources development; (e) encouragement of the private sector. These remain the overall development priorities and have been incorporated within the economic recovery programme.

C. Technical co-operation priorities

15. One of the lessons to be learned from the current economic and financial crisis is that the Gambia suffers from a lack of mid-level management ability and administrative back-up in ministries and parastatal institutions. In some cases this has resulted in a considerable overlapping of responsibilities and in others, in territorial uncertainty in defining and monitoring tasks.

16. There have been three sets of problems in the area of technical co-operation: (a) the inadequate co-ordination of external assistance has led to the unnecessary dispersion of scarce personnel and other resources; (b) projects have been too large, demanding counterpart personnel that do not exist or for whom training has

been of the wrong type or at the wrong moment; (c) too little assistance at the right level has been given to enabling projects to become self-sustaining, while too much emphasis has been placed on projects needing continuing external assistance. The result has been that recurrent costs have exceeded Government resources.

17. One area of great concern to the Government is finding solutions to the rapid growth of unemployment that is resulting from the policy of retrenchment. The number of school drop-outs is rising, as is that of graduates from secondary institutions for whom there are no jobs. At the same time, there is substantial redundancy of semi-skilled and unskilled Government employees. There has been as yet no comprehensive study of the long-term issues in this area of great importance to a large portion of the population.

18. In the field of human resources, the management of the economy and its short- and long-term problems will continue to require different programmes of technical assistance, consistent with Government development programmes. These include: (a) the development of human resources, particularly training and retraining of mid-level personnel, vocational training, and training for self-employment; (b) institutional reform and the removal of institutional bottlenecks in Government services, both in the Civil Service and in parastatal institutions; (c) improving the economic planning capacity of the country. Programmes and projects are much more urgent in these areas.

19. Agriculture has been the focus of most assistance. The World Bank has been working on the possible restructuring of the Ministry of Agriculture, starting with an examination of its functions and tasks. Its Agricultural Development Programme (ADP II) is being re-examined in the light of changing circumstances. Some 80 per cent of the Lomé III Programme of the European Economic Community (EEC) is earmarked for food production. The bulk of the programme of the Federal Republic of Germany is spent on forestry projects. The United States Agency for International Development (USAID) is allocating \$18 million over seven years for a series of closely related projects in applied agricultural research and technical innovation in both traditional and new crops.

20. Various projects to remedy the problems of the water sector are being undertaken by UNDP, with co-financing from the United Nations Capital Development Fund (UNCDF), as well as USAID, the Federal Republic of Germany, and Saudi Arabia. USAID has an ongoing project in the Ministry of Agriculture designed to establish a soil and water management unit. Several NGOs are also involved in this sector and various studies have shown that they appear to be very cost effective.

21. The reinforcement of Government structures is being undertaken by the World Bank in co-operation with UNDP. The British Overseas Development Administration (ODA) financed a management audit of the Civil Service, which was completed in May 1986. USAID is providing technical assistance to the Ministry of Finance to develop its economic capability. Physical infrastructural facilities are being provided by the World Bank which has two major projects: one for highway maintenance and rehabilitation, the technical assistance component of which is met by UNDP, and the second for an electricity and water project in Banjul and

provincial centres. USAID is involved in rural road maintenance: the project includes a training component aimed at developing the operational capacity of a new central workshop.

22. A study of the banking sector is being undertaken by the World Bank. It is also proposing to study the problems of rural credit. The Food and Agricultural Organization of the United Nations (FAO) has recently concluded a study for the Central Bank on rural credit institutional needs, which has resulted in a new project proposal for the development of rural credit institutions. Other sectors currently being studied by the World Bank include tourism and public sector management. Gaps could be identified and perhaps the results of existing studies could be put together through a national technical co-operation assessment and programme (NATCAP).

D. Aid co-ordination arrangements

23. At the broad policy level, the round table process has enabled both the Government and donors to initiate a more coherent and co-ordinated effort for development. The first roundtable meeting was held in November 1984 in Banjul. It reviewed the economic situation as well as Government strategy, policies and sectoral priorities. The Government made a review of the structure and financing of the development plan and adopted a public investment programme based on a three-year programming period, 1986/87 to 1988/89. A round table follow-up sectoral review meeting on health took place in December 1984. Negotiations in this sector are being held with various donors. Another follow-up sectoral review meeting on fisheries was held in Banjul in June 1985. An agreement may soon be reached with a bilateral donor to assist the Gambia in fish production, an area in which other Governments have also expressed interest. A third roundtable follow-up meeting in non-project financing was held in London in September 1985. As a result, the financing gap has been partially closed; furthermore, the Paris Club met and the debt rescheduling was approved under very concessional terms. Plans are underway to hold a sectoral review meeting for agriculture and water resources in March/April 1987.

24. The Ministry of Economic Planning and Industrial Development has a predominant but not exclusive role in the field of co-ordination of overseas assistance. The World Bank and the International Monetary Fund (IMF) have been using the Ministry of Finance and Trade as their counterpart Ministry. Individual donors have been dealing directly with the Ministries of Agriculture, Water Resources and the Environment, and Education. A greater role in co-ordination of multilateral assistance will be played by the Office of the President, which will be assisted by the services of an economic adviser to be financed by the World Bank.

25. At the country level, donor representatives residing in the Gambia hold regular meetings, with the UNDP Resident Representative playing the co-ordinating role. This encourages co-ordination between bilateral and multilateral programmes. The Government has established a national project monitoring committee chaired by the Minister of Economic Planning and Industrial Development. Under this committee will be an inter-ministerial technical co-ordination committee to be

chaired by the Permanent Secretary of the Ministry of Economic Planning and Industrial Development. Such an arrangement will ensure a regular flow of reliable information on the financial and physical aspects of development projects and the preparation of reports on a regular basis.

II. THE COUNTRY PROGRAMME

A. Assessment of current country programme

26. The third country programme (1983-1986) had an indicative planning figure (IPF) of \$14,250,000, which was eventually reduced to \$6,994,850. It was basically geared to solving problems at the project level, giving emphasis to the main production sectors and to the development of economic and social infrastructures. Thus, it corresponded to the basic thrust of the First Plan (1975/76 to 1980/81), which had concentrated on rural development, popular participation, and self-reliance and on the forecasts of the Second Plan (1981/82-1985/86), which has practically the same objectives. These plans, however, were undermined substantially by political and economic factors, both internal and external.

27. The table shows the sectoral allocations and implementations that were made.

| <u>Sector a/</u> | <u>Ongoing projects</u> \$ | <u>New projects</u> \$ | <u>Total</u> \$ | <u>Sectoral allocation</u> % | <u>Implementation by sector</u> % |
|---|-------------------------------|---------------------------|--------------------|---------------------------------|--------------------------------------|
| General development issues, policy and planning | 160 500 | 1 604 000 | 1 764 500 | 25.2 | 29.8 |
| Natural resources | 595 200 | 1 059 000 | 1 654 200 | 23.7 | 18.6 |
| Agriculture, forestry and fisheries | - | 2 285 000 | 2 285 000 | 32.7 | 30.5 |
| Transport and communications | 30 000 | - | 30 000 | 0.4 | 2.5 |
| Education | - | 470 000 | 470 000 | 6.7 | 10.4 |
| Employment | 391 150 | 400 000 | 791 150 | 11.3 | 8.2 |
| Total | 1 176 850 | 5 818 000 | 6 994 850 | 100% | 100% |

a/ (According to ACC classification.)

28. A mid-term review of the third country programme was held in January 1984. In retrospect, it can be said that the review helped to reorient the programme to the changing circumstances in the economy, which led, among other things, to the idea of a three-year rolling plan-cum-public investment plan, to replace the traditional five-year development plan. The largest UNDP project, Economic Planning (GAM/82/005), was at the centre of these developments; in addition, a mid-term review of the Second Five-Year Development Plan was conducted under the project, which was also concerned with project implementation and evaluation and overall human resources planning.

29. The second largest UNDP project, Planning, Programming and Monitoring Unit for the Agricultural Sector (GAM/81/003), succeeded where the previous phase had failed in becoming institutionalized and accepted as a reputable professional unit. Similarly, the Management Development Institute (GAM/81/002), despite its slow start, will by the end of 1986 have finally established itself as the key management training institution in the country. A small start was made on consultancy work for the Government and is likely to expand in the fourth programming cycle to include both the public and private sectors.

30. Indigenous Business Advisory Services (IBAS) (GAM/82/001), the third phase of the ILO-executed project, continued to train Gambian entrepreneurs, apart from on-the-job training being offered to its own staff. The UNCDF revolving fund scheme, which had earlier failed because of high default rates, was successfully restarted under close supervision of IBAS. Training of entrepreneurs in financial management will continue to be needed.

31. The allocation from the Special Measures Fund for Least Developed Countries (SMF) was largely utilized in the Establishment of Gambia Telecommunication Company (GAMTEL) (GAM/84/001). The provision of a chief accountant/financial controller to this new company, which was formed after the Government took over the foreign company which was handling all external telecommunications, has seen GAMTEL through the initial period with a sound financial basis.

32. Principal obstacles encountered in the execution of the third country programme include the following:

- (a) Delays in the recruitment of project international staff by executing agencies and assignment of counterpart personnel by the Government;
- (b) Non-availability of associate experts anticipated in some projects;
- (c) Non-availability of sufficiently trained counterparts;
- (d) Delays in identification, procurement and delivery of equipment;
- (e) Difficulties encountered by the Government in meeting UNDP reporting requirements for Government-executed projects;

(f) Problems with the scheduling of fellowships in consonance with experts' contracts. In one project, four national staff were on fellowships at the same time and thus not available for on-the-job training while the expert was present. Project work also suffered;

(g) Poor maintenance of equipment.

33. These problems became clear in tripartite reviews and the mid-term review. Remedial measures were taken, often leading to better results. This largely accounts for satisfactory delivery rates.

34. Given the small size of the country and the lack of advanced training facilities, it has been necessary to institute a large programme of fellowships and scholarships abroad. None the less, many of these did not have the success expected as they were often not adapted to the needs of the country. The new country programme proposes to remedy this situation. The Government has also benefited from training programmes offered under Technical Co-operation among Developing Countries (TCDC), which have been successful but of a limited scope so far.

35. Presently, 13 United Nations volunteers are working in the Gambia and the value of their services has been considerable. An increasing use of such personnel, especially in the job creation programme, is envisaged in the fourth cycle.

B. New programme proposal

36. The IPF for the fourth cycle is \$11,476,000, out of which \$478,000 was borrowed for use during the third cycle. This leaves an IPF of \$10,998,000 available for the new country programme. It is foreseen that both UNCDF and the United Nations Sudano-Sahelian Office (UNSO) will make available approximately \$3.99 million in projects for the Gambia. The allocation from SMF/LDC funds cannot be determined at this stage. However, based on past experience, SMF/LDC funds for the Gambia may reach approximately \$0.5 million.

37. During the fourth cycle, UNDP will concentrate on three objectives, by the continuation of some current projects and the initiation of new ones. These objectives are:

(a) Improving the planning and management capacity of Government. This will be achieved by reinforcing the capacity of the Ministry of Economic Planning and Industrial Development. A large training programme is being envisaged to strengthen the managerial, planning and supervisory capacity of other key ministries and parastatal institutions.

(b) Enhancing agriculture and the rural sector. This will be achieved by improving the managerial and technical capacities of the Ministry of Agriculture and by developing horticulture, artisanal fishing, fresh water supplies, and other facilities that will improve both agriculture and life in rural areas.

(c) Developing training programmes and enhancing employment opportunities. UNDP will help to improve training facilities and job creation and will encourage community development through the work of local and foreign NGOs.

38. Given the small size of the country and the narrow base of its economy, there is only limited scope for major sectoral developments. Several agencies, both multilateral and bilateral, are already engaged in various projects. Apart from two major projects aimed at strengthening economic planning capacity and employment creation, most projects represent crucial inputs across several institutions. In view of scarce foreign currency reserves and the present overall retrenchment policy in the Gambia, UNDP projects will be conceived so as not to add to Government difficulties in meeting its share of operating costs during implementation and subsequent recurrent costs.

Improving the planning and management capacity of the Government

39. There are some structural weaknesses in the capacity of the Government to deal with the economic issues it has to face, caused partly by the lack of a focal point for external assistance to the Gambia. The tasks are shared among the Ministry of Finance and Trade, the Ministry of Economic Planning and Industrial Development, and the President's Office. The planning process is often hampered, however, because of the lack of clear demarcation of responsibilities and weakness in technical co-ordination.

40. The Government has indicated in the economic recovery programme that it regards the task of improving the Civil Service as a whole as a high priority. This means enabling different ministries and parastatal institutions to cope better with managerial and planning issues and generally improve institution-building. A major training programme is envisaged. UNDP will aid a range of projects which, in a small economy, can have substantial outcomes. This objective will receive 17.8 per cent of resources.

Assistance to planning

41. UNDP will assist the Government in streamlining its co-ordination functions and specifically help the Ministry of Economic Planning and Industrial Development to increase its professional competence and discharge its functions. The posts of chief technical adviser and development finance economist will be renewed for another two years. A twinning arrangement between the Ministry of Economic Planning and Industrial Development and an appropriate Ministry of Planning in another developing country will be worked out. The budget and project section of the Ministry of Economic Planning and Industrial Development needs to be strengthened. Short-term consultancies and familiarization visits by national staff, together with appropriate training for local staff, will help to ease the flow of information relevant to external assistance and development projects. A post of statistician will be created within the Department of Central Statistics within the Ministry of Economic Planning and Industrial Development. This post will reinforce the national accounts function of the department. An amount of \$700,000 has been earmarked from the IPF.

Public service training programme

42. The rapid increase in the burden of tasks and responsibilities of national administration, aggravated by serious financial and economic problems has not always been accompanied by adequate institutional development. There has not been enough training at different levels of the Civil Service. There are often no means of implementing, monitoring, and evaluating policies. The detailed examination of the civil service carried out in 1986 under British bilateral assistance within the framework of the economic recovery programme will help to clarify some aspects of this problem. UNDP funds will be allocated to design and implement a five-year public service training programme covering in-service training and fellowships abroad. The former will include the following main elements: (a) short-term specialist programmes designed to improve office management; (b) short-term intensive courses for mid-level management to cover different specialties such as management accounting, project formulation, project appraisals and project management; and (c) work-study courses and supervised long-term case work for senior Government personnel at the under-secretary and assistant secretary levels. The fellowship programme will gradually be meshed in with these courses at appropriate levels. It will be necessary for all candidates to have taken courses relevant to their field of work and to have performed satisfactorily before being recommended for further training abroad. Performance in such courses will also be linked with Civil Service promotion. The core work for this project will be provided by the Management Development Institute. A comprehensive plan for the implementation of the programme will be prepared and will draw on the recommendations of the report of the Civil Service efficiency audit. Other Government institutions will be drawn into this overall training programme. There is a programmed reserve of \$825,000 for the training programme.

Management Development Institute

43. During the fourth cycle, UNDP will continue to provide assistance to the Management Development Institute in organizing and conducting courses, seminars and workshops and in carrying out research and consultancy services in public and financial administration. The project will cater to all levels of the civil service, parastatal institutions and eventually the private sector. More facilities for the library, including audio-visual aids, books, subscriptions to journals and publications will be provided. A sum of \$800,000 has been allocated to continue the work after the present phase ends.

Assistance to the Ministry of Finance and Trade

44. A sum of \$232,000 has been allocated to Trade Policy (GAM/82/004) to continue the current work. The project finances an adviser in the Ministry of Finance and Trade. A new post of economist/statistician will be created. This project is assisting the Government in laying down a foreign trade policy to augment both domestic exports and re-exports and to restrain imports.

Assistance to the office of the Auditor-General

45. The project aims at assisting the Government in the reorganization of the audit of development programmes, including projects financed by multinational or bilateral organizations as well as programming the audit of those parastatal, semi- or quasi-government organizations which are covered by the Finance and Audit Act. A programmed reserve of \$200,000 is set aside.

Linkages

46. The various projects will be closely linked with others currently being undertaken in this sector. The British Government is training various officials in economic evaluation in the United Kingdom. USAID and the World Bank are both helping the Ministry of Finance. The Government is also receiving assistance from USAID, EEC, and the Commonwealth Fund for Technical Co-operation (CFTC). (See also paras. 79-83.)

Enhancing agriculture and the rural sector

47. The agricultural sector represents 30 per cent of GDP, accounts for 85-90 per cent of all exports, and employs 70 per cent of the population. Agricultural output has increased in value by only 0.8 per cent per annum over the last 10 years. This performance has been less than satisfactory. Yet, it is within this sector that initiatives to spur the economy must be developed, for the reasons mentioned below. This objective will receive 39.4 per cent of resources.

48. It is one of the stated objectives of the Government to diversify agriculture, to improve land utilization, nutrition and farmers' income. The total of good quality arable land in the country has been estimated by FAO at 480,000 hectares. Approximately 180,000 hectares are currently under cultivation.

49. The agricultural potential of the country is considerable. More than 20 varieties of fruits and vegetables which have a local and international market are grown in the Gambia. There is at present no research on the best varieties of seeds, the best planting periods, and crop rotation. The most logical market, the hotels, which in 1985-1986 received some 78,000 foreign tourists, is not supplied with local produce.

Assistance to the Ministry of Agriculture

50. A study of the organization of the Ministry of Agriculture will be undertaken. The study will define the role and functions of the Ministry of Agriculture in developing a dynamic agricultural sector. Specifically, it will aim to define: (a) the relationship and division of functions between the Ministry of Agriculture and the Ministry of Water Resources and the Environment; (b) the services provided to the farmers; and (c) the role of the private and public sectors with a view to limiting the scope of the public sector to those activities it can perform most efficiently. The basic functions of the Planning, Programming and Monitoring Unit (GAM/81/003) will also be reviewed in the context of this study, to which the sum of \$250,000 has been set aside.

The Horticulture Production and Marketing Division of the Ministry of Agriculture

51. Assistance will focus on enabling this division to offer technical back-up to the considerable amount of work currently done by the private sector, mainly by women working on their own or in small groups. The project will be run in co-operation with EEC and NGOs and will provide assistance in the form of research on the best seed varieties, phasing, collection, and storage as well as in the areas of production, marketing and extension. A programmed reserve of \$200,000 has been earmarked.

Rural credit

52. It is planned to establish a post of an adviser to help the Governor of the Central Bank establish a rural credit institution. A reserve of \$200,000 has been programmed.

Fisheries

53. Interest in commercial fishing facilities has been expressed by several donors. A programmed reserve of \$50,000 is being allocated for possible assistance at the artisanal level.

Rangeland management

54. UNDP will provide one rangeland management expert and one United Nations Volunteers (UNV) agricultural economist. The project will assist the Government to improve and sustain rangelands and livestock watering points and will also strengthen the relevant units within the Department of Animal Health and train livestock owners. An amount of \$200,000 has been earmarked for this project, which is to be co-financed by UNSO.

Sheep and goats

55. There is a need to undertake further research work on the improvement of local breeds through better animal husbandry. A sum of \$100,000 has been set aside for this purpose.

Assistance to the Department of Animal Health and Production

56. The project Strengthening of the Department of Animal Health and Production (GAM/84/002) will be continued during the fourth cycle in order to consolidate institution-building and counterpart training. There is an allocation of \$150,000 for this project.

57. A programmed reserve of \$252,000 has been earmarked to supplement: (a) The technical assistance needs of two UNCDF projects, including Women's Irrigated Rice Cultivation (total UNCDF contribution: \$499,000) and the application of solar-powered equipment (total UNCDF contribution: \$720,000); and (b) forestry nurseries, bee-keeping and the management of woodlands, including mangroves.

Water resources

58. The Government of the Gambia is able to attract bilateral donors for the well water programme. In order to identify any event liable to affect crops, forests, pastures and livestock, UNDP will continue the current hydrometeorological project (GAM/82/003) in the Ministry of Water Resources and the Environment to assist in disseminating information on trends in weather, surface waters, and condition of crops, using climatology, hydrology, and weather forecasting. A strengthened Department of Water Resources will integrate the water activities in the country and prepare basic hydrogeological interpretation including the preparation of a ground-water map. A sum of \$450,000 has been allocated for this project.

59. UNDP will also aid the Government to improve access to clean water. There is still a short-term need to strengthen the existing borehole drilling capacity in the country. This will involve the integration of water drilling facilities with the private sector. A new UNCDF project (\$1,300,000) in the water sector with UNDP technical assistance (\$700,000) will provide for the construction of 220 wells.

The Windmill Pumping System

60. This project will take place if a bilateral donor follows up its initial interest. UNDP will be called upon to contribute a portion of the total cost. A programmed reserve of \$200,000 has been allocated from the fourth cycle IPF to assist in introducing alternative, cheap energy sources for pumping water in order to reduce rudimentary and unhygienic methods used in the rural areas.

Grassroots development

61. In order to accelerate development efforts and bring their benefits closer to the lower income groups, an initial phase of a grassroot development programme will be started during the fourth cycle. The work will be done through the relevant Government agencies and supervised by the Department of Community Development and NGOs in conjunction with UNDP. The aim will be to support local initiatives at the village level. The emphasis of the project will be on development through communication and participation. Development activities will be carried out across various sectors: agriculture, health, education, industry. A programmed reserve of \$250,000 has been earmarked.

Assistance to the Ministry of Health

62. The project involves the provision of technical assistance in the Construction of Primary Health Care Facilities (GAM/85/003) to complete a number of centres initiated during the third cycle. A sum of \$115,000 has been allocated for this purpose. In addition, approved assistance from UNCDF will continue through its project for primary health care facilities (GAM/83/002).

Linkages

63. Assistance by other donors in agriculture and rural development is complementary to that of UNDP. The bulk of assistance from both USAID and EEC will

be in agriculture. The Italian Government is already committed to supporting fisheries development and the Norwegian Government is also investigating a possible intervention. FAO will be involved in the sheep and goat project. The Federal Republic of Germany and USAID are both involved in forestry projects. The United Nations Development Fund for Women (UNIFEM) is co-financing the horticultural projects in rural areas. The grassroots development project is likely to be a pioneer project in the region: it aims to involve local and foreign NGOs with relevant local experience to become partners with UNDP in the development process.

Developing training programmes and enhancing employment opportunities

64. The need for providing more employment opportunities and training people for them is extremely pressing. There are currently some 4,000 people seeking job opportunities. These include: (a) approximately 1,000 temporary civil servants whose employment was terminated in March 1986; (b) a substantial number of civil servants; (c) some 700 unqualified teachers, primarily in the rural areas; (d) up to 1,000 people who lost their source of income as a result of the fire at the main market in the capital in early 1986. Most of these people live in Banjul and the addition of these numbers to the unemployed population of the city is a cause of concern and a social problem of considerable magnitude. The total number of salaried personnel in the Gambia is estimated at approximately 27,000. This objective will receive 22.8 per cent of resources.

Employment generation

65. A programmed reserve of \$1,500,000 will be made available from the IPF over a five-year period for employment generation and vocational training. This sum will have to be supplemented by additional bilateral assistance. In order to devise a comprehensive programme to meet the problems (not all of which have been quantified and properly examined) at the start of the fourth cycle, a programming mission organized under the Project Development Facility will be charged with the task of examining the different issues. The identification mission will also be asked to look at the needs of the current vocational and youth programmes, and will try to dovetail both with other income generating activities and the training required for a restructured IBAS, which has been in existence for 10 years, as one of the key agencies dealing with employment creation. As constituted at present the institution is not able to cope with the range of demands placed on it. The Government is in the process of restructuring it to give it greater financial and managerial autonomy. The Indigenous Business Advisory Services, if properly strengthened, or another suitable institution, will be charged with the implementation of the recommendations of the programming mission. The institution should: (a) have flexibility in operational capacity; (b) be able to attract private capital; and (c) help develop the private sector. The sum of \$50,000 has been reserved for this mission.

66. A sum of \$83,000 has been allocated to continue the current project, Assistance for Youth Training (GAM/86/001) and \$28,000 for the Vocational Training Programme (GAM/82/009). The mission referred to in paragraph 65 will ensure that the activities of the latter two projects will be part of a comprehensive programme and that proper support is given to the several initiatives concerning the unemployment problem.

Women's projects

67. The role of women in development in the Gambia is of considerable importance. In addition to being almost entirely responsible for the vegetable and fruit gardens, women have planted some 5,000 hectares of land with sesame seeds with NGO assistance. This was a virtually unknown crop before 1983. There are also several areas of economic and social life in which women could be encouraged to participate more fully. A programmed reserve of \$300,000 is earmarked for women's projects and training. These will include training of more women in farm extension work; a specific women component in small-scale industrial development (in bee-keeping, food processing and others); and the creation of women credit groups. It is envisaged that part of these costs will be co-financed by UNIFEM or bilateral donors. Through the proposed UNCDF Women's Irrigated Rice Cultivation Project, women will organize themselves into co-operatives to manage irrigation schemes.

Salt production

68. The salt extraction project, Production of Solar Sea Salt (DP/GAM/82/011), will receive an allocation of \$40,000 in the fourth cycle.

Assistance to the Department of Labour

69. A reserve of \$150,000 has been allocated to help strengthen and reorganize the Department of Labour to enable it to cope with its increasing work-load.

National Investment Board (NIB)

70. A new project consisting of one Senior Export Development and Promotion Adviser and several short-term consultants will be started during the fourth cycle to assist the Government in identifying possible areas of export potential with a view to increasing job demands. This will contribute towards the Government objective of diversification and growth of export-oriented productive sectors of the economy through collaboration with existing and new enterprises. The sum of \$370,000 has been earmarked for this project.

Banjul market

71. A UNCDF-assisted project is proposed to facilitate the reconstruction of the Banjul market, which was razed by a big fire in early 1986. In addition to economic benefits, the reconstruction of the market will recreate the great number of jobs that have been lost. The sum of \$1,000,000 has been set aside for this project.

Assistance to the Ministry of Education

72. A programmed reserve of \$73,000 is earmarked for a proposed project to enable the establishment of a curriculum development unit in the Ministry of Education. In addition, a book production unit will be set up as a pilot project for an eventual school printing unit that will be independently run and owned. In this initial phase, it will be under the aegis of the Ministry of Education. A reserve of \$70,000 has been earmarked for this purpose.

Postal services

73. The Government recently appointed a commission to inquire into the conditions of the postal administration. The commission report demonstrates a great need to restructure the system, including the strengthening and extension of the postal savings bank. A project proposal with the objective of restructuring the postal system in the country and developing managerial and supervisory capacity will be formulated in co-operation with the Universal Postal Union (UPU). A programmed reserve of \$500,000 has been earmarked.

Civil aviation

74. In this area, institutional strengthening is necessary and can be effected through training in airport management, telecommunications, air traffic control, and other technical fields. The sum of \$300,000 has been earmarked.

Second highway maintenance project

75. This will be executed by the World Bank, with the technical assistance costs being met by UNDP (\$715,000). UNDP shall assist in the effective organization and operation of transport planning procedures and provide training in road maintenance workshop management. The other donors engaged in this \$16 million project are the World Bank, the African Development Bank (AfDB), EEC, and UNSO.

Gambia Telecommunications Company (GAM/84/001)

76. The chief accountant/financial controller in this ongoing project has been in place since 1985 and will stay until 1988. Fully financed under SMF/LDC, the project aims at the preparation of an operational financial/accounting system and the training of counterparts in accounting and financial control. The sum of \$77,000 has been earmarked.

Telecommunications Adviser (GAM/85/001)

77. This project started in mid-1986 and will last for two years, at a cost of \$233,000. The project will provide institutional support to various Government departments, develop a network of radio communications where telephone/telegraph is non-existent, and train national staff in the installation and maintenance of radio communication systems. In addition, UNCDF will assist in upgrading the telecommunications network in rural areas of the country.

Linkages

78. Linkages with other donors have been referred to under each project, where applicable. Overall, there is complementarity of work and financial dovetailing with the funds under the Administrator's authority. Every effort has been made to establish linkages with the programmes of UNCDF and UNSO. The proposed Women's Irrigated Rice Cultivation is a case in point. This is a project which involves co-financing from UNCDF, UNSO and UNDP and it is foreseen that it will have a linkage with other women's projects proposed in the new country programme.

79. The rural water development project which has the participation of UNCDF, the United Nations Children's Fund (UNICEF) and UNDP will have a linkage with the proposed UNDP employment generation project, especially in the area of the privatization of well digging.

80. There is also close co-operation and linkages with programmes of the World Food Programme (WFP), UNICEF, The United Nations Fund for Population Activities (UNFPA) and the World Bank. With the support of the Government, there has been useful collaboration with other donors, especially USAID, EEC, the United Kingdom, the Netherlands, the Federal Republic of Germany and NGOs in the Gambia.

81. Regarding regional programmes, the proposed Regional Training Programme in Livestock, which was initiated by the International Trypanotolerance Centre, will have linkages with the project Rangeland Management, Phase II (GAM/86/006) as well as with strengthening of the Department of Animal Health and Production (GAM/84/002). Recently, under the global programme financing, a consultancy and study on forestry and vegetable nurseries was initiated and is likely to result in national and regional projects which would link up with the EEC regional forestry programme. If this materializes, the amount set aside from the IPF for the forestry sub-sector will be substantially increased from the unprogrammed reserve.

82. In the context of the Senegambian Confederation, the project on the Strengthening of the Economic Planning and Industrial Development has the following linkages:

(a) Necessary backstopping within the context of the confederal role of the Ministry of Economic Planning and Industrial Development;

(b) Financing consultancies required for carrying out studies on confederal issues;

(c) Training - under the auspices of the Confederation training is an important element that could be carried out despite the language barrier.

83. Another example of regional linkage is the Agrhymet Regional Project, which has both regional and national components. The project provides weather forecasts to participating countries and also generates agrometeorological data which forms the basis of planning various development projects among member countries.

C. Unprogrammed reserve

84. There is an unprogrammed reserve of \$712,000 for the fourth cycle. It is expected that additional resources of about \$423,000 will also be available from SMF/LDC. This amount has been added to the amount available from the country IPF for this purpose, thus bringing the total unprogrammed reserve to \$1,135,000, or 7.3 per cent of total resources.

Annex

FINANCIAL SUMMARY

| I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING | <u>\$</u> | <u>\$</u> |
|--|------------|--------------------------|
| A. <u>UNDP-administered sources</u> | | |
| Third cycle IPF balance | (478 000) | |
| Fourth cycle IPF | 11 476 000 | |
| Subtotal IPF | | 10 998 000 |
| Special Measures Fund for Least Developed Countries | 500 000 | |
| Special programme resources | - | |
| Government cost-sharing | - | |
| Third-party cost-sharing | - | |
| Operational funds under the authority of the Administrator (UNCDF, UNSO) | 3 990 000 | |
| UNDP special trust funds | - | |
| Subtotal, UNDP non-IPF funds | | 4 490 000 |
| B. <u>Other sources</u> | | |
| Funds from other United Nations agencies or organizations firmly committed as a result of the country programme exercise | - | |
| Parallel financing from non-United Nations sources | - | |
| Subtotal, other sources | | - |
| TOTAL ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING | | <u><u>15 488 000</u></u> |
| II. USE OF RESOURCES | | |
| Ongoing projects | 4 075 000 | |
| New project proposals | 5 458 000 | |
| Programmed reserve | 4 820 000 | |
| Subtotal, programmed resources | | 14 353 000 |
| Unprogrammed reserve | | 1 135 000 |
| TOTAL USE OF RESOURCES | | <u><u>15 488 000</u></u> |
