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PROGRAMME PLANNING

Country and intercountry programmes and projects

FOURTH COUNTRY PROGRAMME FOR COTE D'IVOIRE*

<u>Programme period</u>	<u>Actual resources programmed</u>	\$
1987-1991	IPF for 1987-1991	15 996 000
	Balance for third cycle	775 000
	Total	15 221 000

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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 programmes by sector.

I. DEVELOPMENT TRENDS, STRATEGIES AND PRIORITIES

A. Current economic trends

1. Generally speaking, the country's economy over the past 25 years has experienced a remarkable and rapid expansion during which primary production, and particularly agriculture, was reduced in relative importance in an economy undergoing diversification. More than 60 per cent 20 years ago, this sector today represents no more than 27 per cent of gross domestic product (GDP). This latter, which was 834.5 billion CFA francs in 1975, rose to 2,292 billion CFA francs in 1981 and reached 3,040 billion CFA francs in 1985 (at current prices).
2. Nevertheless, Côte d'Ivoire is still quite clearly a predominantly agricultural country. Its population of about 10 million is 54 per cent rural, and agriculture provides work for about 60 per cent of the economically active population. Close to 75 per cent of export earnings come from agriculture.
3. Despite an almost total lack of mineral resources - except for modest deposits of oil and gas which in 1985 accounted for about 4 per cent of GDP - a vigorous and consistent government policy brought about the establishment of an industrial sector which has an increasingly important place in the economy, rising from 4 per cent of GDP in 1960 to 19 per cent of GDP in 1987. In view of the priority given to diversification of the economic base, the authorities have effectively supported the development of manufacturing, which between 1960 and 1980 showed an annual growth rate of 13 per cent. The agro-food subsector was particularly dynamic with an annual average growth rate of 25 per cent.
4. Since the beginning of the 1980s, however, there has been a slackening of growth and the emergence of financial strains, particularly in the State budget and the public debt. GDP reached 3,040 billion CFA francs in 1985 as a result of an average annual growth rate of 7.5 per cent in current francs. Taking inflation into account, however, the growth was less than 1 per cent in constant francs over the past five years. In constant francs, public investments went from a base index of 100 in 1982 to an index of 53 calculated for 1987.
5. Among the reasons for this, external factors play an essential role: the world recession has adversely affected many of Côte d'Ivoire's exports, particularly cocoa, coffee, rubber and pineapples, while the prices of its exports continue to be affected by major fluctuations on external markets. Domestically, the 1983/84 drought affected economic performances, while difficulties appeared in certain State enterprises and the economy was burdened by the consequences of certain investments decided on in periods of prosperity.
6. Indebtedness increased. The public debt (almost entirely foreign) rose from 332.2 billion CFA francs in 1975 to 1,284.8 billion CFA francs, in 1980 and 2,384 billion CFA francs in 1985. This debt represented 61.8 per cent of GDP in 1981 and 78.4 per cent in 1985. Debt servicing, taking into account rescheduling, amounted to 8 per cent of GDP or 22 per cent of exports in 1985. For the years covered by this programme, interest payments and principal repayment will amount to nearly 450 billion CFA francs per year before declining to 270 billion CFA francs per year by the end of the period.

7. As a result of the economic slowdown, public finances experienced some constraints. The State was forced to reduce both its operational and its investment expenditure.

8. This unfavourable situation led the Government to take austerity measures beginning in 1980 in order to prepare for the economic revival. The provisional results for 1985, aided by less unfavourable external circumstances, seem to indicate that the policy adopted is effective.

9. It should be stated in this regard that the pledges of financial support to the country should help to improve this situation. In June 1985, the International Monetary Fund (IMF) granted a line of credit of \$66.5 million in order to permit ratification of the agreement of principle for the second rescheduling of the external debt for 1985 within the framework of the Paris Club. In September 1985, the World Bank and commercial banks co-financed, to the amount of \$40 million, an important road-investment programme. Owing to the strict policy followed, Côte d'Ivoire has been able to benefit from this international support. Owing also to the measures taken, cotton production increased by 48.5 per cent, going from 142,345 tons in 1984 to 212,000 tons in 1985. Equally good results for coffee and cocoa have been confirmed, despite some compression of prices.

10. The country's needs are determined, on the one hand, by population growth and, on the other, by the social changes arising from or implied by development. The population, estimated at 10 million, is growing at a rate of 4.3 per cent per year, 3.5 per cent of which is accounted for by the Ivorian population itself, the rest resulting from immigration. In addition, the way of life is being transformed, judging from the rural exodus and the extremely rapid growth of towns, which will encompass 55 per cent of the total population in 1990. Women constitute the majority of workers in primary production, especially in the food sector. The Government is seeking the gradual integration of women in other sectors at all levels of national life and their organization at the professional, cultural, trade-union, economic and political levels.

11. Côte d'Ivoire is a net exporter of agricultural products: it is the largest world exporter of cocoa, the third largest world exporter of coffee and one of the main exporters of timber. Nevertheless, it must import many food products, in particular rice, maize, meat and fish. Despite the population growth, these imports have not shown any notable increase in recent years, but none the less they represent an amount of nearly 80 billion CFA francs per year. They should be reduced for both financial and socio-economic reasons: national production must be stimulated and the productivity of the food-production subsector improved in order to reduce the cost of imports and to create or maintain employment in rural areas.

12. The medium-term future will be one of austerity. Indeed, debt repayment is going to weigh heavily on the State's resources and accentuate the need for budgetary savings, while population growth and aspirations for improved well-being could, on the other hand, give rise to an expansion of social services. In addition, Côte d'Ivoire, which is largely open to foreign influences, is affected by the consequences of the unsteadiness of the world economy, in particular that of the commodity markets. A part of its budgetary resources is therefore affected by external fluctuations.

B. National development strategies

13. The country's economic policy is based on liberalism. This choice was quite recently confirmed by the highest authorities, resulting in disengagement by the State, the progressive liberalization of external trade, more active participation of nationals in the channels of internal distribution and the reorganizing and setting of ethical standards of the trading profession.
14. The broad guidelines and national objectives were set by the Eighth Congress of the Côte d'Ivoire Democratic Party/African Democratic Rally, held in October 1985, and also emerge from action by the head of State and technical papers on development prepared by the various ministries. These guidelines have not yet been set forth in a five-year plan. The most recent plan was concluded in 1985 and thought is being given to the next one, which will cover the period 1986-1990. Côte d'Ivoire also uses the outline master-plan technique which, on the basis of a three-year forecast, provides the broad guidelines of the plan and establishes financial allocations by sector. In addition to the master plan, there is a three-year programme which, inter alia, gives an overview of available means of financing, including loans and other external resources. The planning tools provide, in Côte d'Ivoire's liberal economic system, a basis of forecasts and incentives for the various parts of the economy. For the State itself, these tools guide public investment and provide a coherent means of monitoring the economy.
15. First priority is given to the agricultural sector so as to meet the food needs of the Ivorian population and to obtain raw materials for a large sector of industry (20 to 30 per cent of industrial supplies are from agriculture), as well as to earn income in order to finance the import of raw materials for other Ivorian enterprises and for the economic and social sectors of the country.
16. Food self-sufficiency is a priority objective in Côte d'Ivoire's development strategy, but this objective must be viewed in the national economic context. Côte d'Ivoire is a very large exporter of agricultural products and intends to remain so. For some food products, however, the country depends on imports. Complete self-sufficiency can be achieved only in the long term because it requires a far-reaching transformation of production techniques and of the producers' way of life. The basic medium-term objective is therefore to reduce as far as possible dependence on food imports.
17. In that context, the Government's objectives are to promote production and diversification, farm modernization and the adoption of more productive technologies. In recent years, the Government has pursued these objectives as part of its efforts to revive the economy, particularly through a price policy for the producer, supplemented by supporting arrangements that have been revised and made more flexible. Encouraging results have been obtained particularly with respect to production for local consumption. Production for export has also been increased.
18. In 1983, forestry still accounted for 35 per cent of total export income. However, the combination of low yield, the consequences of earlier over-exploitation, clearance for cultivation, the introduction of measures to increase local value added and a fall in prices on international markets resulted,

in 1985, in exports of timber representing no more than 8.8 per cent of export income. The Government, on the one hand, is actively pursuing a policy of inspection and regulation of the forestry sector and, on the other, is participating in the establishment of forestry reserves through the public corporation created for that purpose. Given the importance of forestry products in the country's economy, the Government is implementing a policy of reforestation of the country. In addition, it limits exports so that the processing of timber in the rough is done locally.

19. Another priority of the Government is the development and harnessing of the country's natural resources. The development of water resources, which has the twofold aim of providing rural areas with potable water and ensuring a power supply, remains a priority in this sector. Research on the utilization of the substantial reserves of natural gas must be carried out in order to achieve energy independence and the establishment of off-shoot industries such as fertilizer production, which is badly needed by Ivorian agriculture.

20. Development of the industrial sector is a constant concern of the Government. The development of agriculture, and more generally, of primary production is inseparably linked to secondary and tertiary activities. The Government therefore takes a systematic and integrated approach by giving priority to the development of channels of production deemed to be of strategic value - for example, the use of timber in the construction and furniture industries.

21. In this context, special efforts will be made to render Ivorian industry more competitive, for example, by revising the investment code. In addition, priority is given to the development of small and medium-sized enterprises, the crisis having underscored their importance in the building of a solid industrial base. Convinced of the need to apply the principle of competition, the Ivorian Government will privatize a number of State corporations. Great efforts will be made in the commercial and banking fields to promote exports and facilitate the transport and marketing of food products throughout the country.

22. In this regard, it should be noted that the Government has repeatedly drawn attention to the need to reorganize trade with other developing countries. South-South co-operation is therefore one of the Government's major objectives. The head of State noted at the Eighth Congress of the Côte d'Ivoire Democratic Party/African Democratic Rally that trade missions to Abidjan had increased in recent years. Côte d'Ivoire's membership in the West African Economic Community (WAEC) and the Economic Community of West African States (ECOWAS) should facilitate the country's industrial take-off, by helping it to gain access to the potential markets which those organizations represent.

23. While the Government is increasingly disengaging itself from sectors in which it is resolved to give free rein to competition, it will nevertheless continue its efforts in areas of general interest such as communications, education and transport. Special efforts will be made in certain support sectors such as road maintenance, housing, development of postal services, health services, urban planning and sanitation in the large towns.

24. The State budget is a means of financing State activities, a development tool and a means of equitable redistribution of the national income. Emphasis will be placed on strengthening rational management capacities and reforming the administrative machinery, making full use of local management.

25. All these priorities necessarily depend on the development of human resources, which underpins any national development strategy. It includes training farmers in modern agricultural techniques, training Ivorian businessmen and providing them with managerial skills, training employees of enterprises regardless of their size, training researchers, training instructors and training or improving the qualifications of State employees. The Government believes that it is through the development of human resources that nation-building will be achieved.

C. Technical co-operation priorities

26. Côte d'Ivoire enjoys substantial technical and financial assistance from many countries and institutions, spanning virtually all sectors of the economy.

27. Government authorities have often reaffirmed the importance they attach to United Nations co-operation. This explains why some technical co-operation functions are selectively assigned to UNDP. The Government's sizeable cost-sharing in many projects also shows that considerations other than simply the obtaining of external funding are behind the request to UNDP for technical assistance. This is particularly significant in the concept of the Government's policy of Ivorianization, in connection with which the technical assistance needs have developed. It has been decided to focus UNDP assistance on three sectors, with particular emphasis on the rural sector. A substantial part of the assistance requested of UNDP is directed towards technological innovation or the transfer of know-how. Another no less important part is applied to problems of policy definition and to problems involved in setting up structures for co-operatives, water-resource development and foreign trade.

28. Most of the choices mentioned above were made as part of the continuous programming done in the course of working sessions held at the sectoral level and attended by representatives of government bodies and of the other technical co-operation sources present in Côte d'Ivoire. The choices can therefore be justified as having been made on a sound basis.

29. The information gathered is supplemented, clarified and corroborated by the external studies done by the World Bank and IMF and by the note of the resident representative, either periodically or on specific occasions. That was the case when the rescheduling of foreign debt payments was negotiated in 1985. Lastly, it should be pointed out that, under the flexible planning system that prevails in Côte d'Ivoire, the changing conditions and technical assistance needs are kept under constant scrutiny, and this will make it possible to modify the proposals contained in the present programme if this should prove necessary because the needs have changed.

30. The negotiation of structural adjustment loans highlighted the need to reinforce the operational capability of the economic ministries, something which will be done through other sources of technical assistance.

31. The point should be made that Côte d'Ivoire, not being listed among the least developed countries (LDCs), does not at the present time enjoy the advantage of the supplementary funding available under other funds such as the Special Measures Fund (SMF) for the LDCs, the United Nations Capital Development Fund (UNCDF), and the United Nations Development Fund for Women (UNIFEM). On the other hand, the country has already received allocations from the United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE) and from the United Nations Fund for Science and Technology for Development. The Government would like to be able to call upon these funds and programmes more extensively during the coming cycle.

32. In drawing up the present country programme, the possibility was not overlooked of having UNDP collaborate with the United Nations Fund for Population Activities (UNFPA), the World Food Programme (WFP) and the United Nations Children's Fund (UNICEF) so that their programming could be co-ordinated. Such an experimental step needs time before it can produce results, although some opportunities for co-operation already exist: for example, in the area of reforestation, one of the Government's major concerns, WFP currently has a programme to provide development assistance for the planting of forests, and a second village-reforestation project is also being drawn up. During the fourth cycle, efforts will be made to increase the collaboration of these four organizations of the United Nations system in programme planning and execution.

D. Aid co-ordination arrangements

33. The Government has until now assigned responsibility for co-ordinating the operational activities of the United Nations system with regard to economic development to the Ministry of Economic Affairs and Finance. The co-operating agency within this Ministry for UNDP activities is the Investment Department. This Department also has responsibility with regard to the activities of other external assistance sources and is always involved in any negotiations on external aid.

34. The country does not yet have a formal mechanism for co-ordination among the contributors. However, UNDP works with the organizations of the United Nations system represented in Côte d'Ivoire, to co-ordinate and harmonize the formulation and implementation of their respective programmes. Its task is made easier by the fact that the UNDP resident representative also represents on the spot several agencies of the United Nations system, namely the United Nations Industrial Development Organization (UNIDO), the Food and Agriculture Organization of the United Nations (FAO), the UNCTAD/GATT International Trade Centre (ITC), the United Nations Educational, Scientific and Cultural Organization (UNESCO), WFP and UNFPA. Moreover, the co-ordination of the various development activities and the approval of technical assistance programmes are dealt with in inter-ministerial meetings. The Office of the President of the Republic intervenes, if need be, as arbiter.

II. THE COUNTRY PROGRAMME

A. Evaluation of the previous programme

35. The third country programme generally proceeded satisfactorily: the technical assistance provided by international personnel was of a good standard and the equipment was delivered at an acceptable pace. Communications and the processing of project documents on the part of both the United Nations (UNDP and the executing agencies) and the Government progressed on the whole with reasonable delays, which were no doubt unavoidable. However, the transfer of know-how remains to be improved.

36. The national authorities and UNDP had in-depth and regular exchanges during the third cycle. This dialogue allowed for continuous programming so as to permit timely changes in the support for a given sector. It should also be emphasized that the government authorities had a hand in facilitating this flexibility and continuous programming by taking over a constantly increased share of the costs in the course of the cycle.

37. The content of the third country programme had been determined at the highest levels of government in conformity with the development priorities of Côte d'Ivoire and in the light of the funds made available by UNDP. Four major areas had been selected as pivots of the programme, and they served to confirm the main national guidelines laid down in the economic and social development plan for 1981-1985: (a) agricultural and rural development; (b) promotion of handicrafts and industrial development; (c) strengthening of public administration; (d) improvement of transport and communications.

38. Furthermore, the third programme aimed to translate into action the main lines of the Lagos Plan of Action, the International Drinking Water Supply and Sanitation Decade, the United Nations Decade on Transport and Communications in Africa and the United Nations Decade for Women.

39. At a total cost originally set at \$16.5 million, the third programme comprised 21 projects. Despite the reduction of this overall budget to \$8.74 million, it was possible to implement 20 of the 21 scheduled projects, and it even proved feasible to implement six supplementary projects not included in the programme. These results were made possible by the following combination of factors: the increase of the Government's financial contribution through cost-sharing for certain projects; the favourable change in exchange rates; the review of the project budgets; and the staggering of project implementation.

40. Thus, despite the serious reduction of the overall funding allocated to UNDP to support the Government's development efforts, not only was the programme almost completely executed as drawn up at the beginning of the cycle, but it was also possible to meet supplementary needs not included in the programme. There is no doubt that the Government's input supplementing UNDP resources played a decisive role in allowing the programme to proceed normally. The table below shows the distribution of UNDP resources for the third cycle, during which projects amounting to \$8,956,000 out of an estimated \$12,245,000 were carried out up to the beginning of 1986.

Distribution of UNDP resources

(by sector according to ACC classification)

<u>Sectors</u>	<u>Percentage indicated in original document</u>	<u>Actual percentage</u>
Rural development and production	40.6	46
Industry	25.1	24
Trade	3	2.3
Science and technology	4	6.2
Transport and communications	5.4	4.8
Social welfare	1.7	3
General development of public administration	9.9	13.7
Operational reserves	<u>10.3</u>	<u>-</u>
Total	100	100

41. The projects executed during the third cycle had an undeniable impact on the country's economy. For instance, in the rural development sector to which 55 per cent of the funds were allocated, it proved possible to start or sustain production activities such as cattle raising, fish farming or market gardening, all of which have the common feature of being relatively new in the country and showing serious potential for development. Again in the rural sector, various components of some other projects involved the transfer of know-how, as in the project "Strengthening of the climatology and agrometeorology divisions" (IVC/82/006); the training of operators, as in the project "Soil sciences" (IVC/77/005); or the setting up of services and structures, as indicated above.

42. Results seem to have been somewhat mixed in the industrial sector which, along with trade, received 26.3 per cent of available funds. While the project to promote handicrafts attained its goals, the same cannot be said of the industrial sector, where results, despite many years of assistance, were poorer than what might have been expected.

43. By contrast, very satisfactory results were obtained in the public administration and communications sectors, which, together, accounted for 18.5 per cent of the resources: almost every scheduled phase of administrative reform was completed, the postal service was upgraded and a 20-year master plan for telecommunications was elaborated.

44. In view of the general factors which affected the implementation of the third programme, mention should be made of the high-quality technical assistance provided by the international personnel assigned to the projects. Also helpful were the regular deliveries of equipment purchased outside the country. None the less, there was room for improvement in the transfer of know-how, communications, and the processing of project documents both by UNDP and the United Nations executing agencies and by the Government.

45. In this vein, consideration should be given to transforming the joint group set up during preliminary discussions for the preparation of the country programme into a permanent body that would follow up programme delivery, head off or resolve all potentially adverse influences on the programme-delivery rate, and thereby reinforce UNDP assistance.

46. In conclusion, the following points can be deduced from consideration of the third country programme:

(a) The UNDP programme must bring in as many inputs as possible and must therefore be formulated for use as a frame of reference;

(b) The objectives of the technical assistance requested from UNDP must be based on the Government's economic strategy;

(c) The IPF resources must be focused on a few targets, such as strengthening the country's capacity to attain its objectives on its own. In this pursuit, quality is much more important than quantity;

(d) UNDP assistance must be part of a long-term approach to the development of Côte d'Ivoire.

B. New programme proposal

47. The fourth programme, as it is proposed here, comprises 17 projects divided among the three main sectoral objectives. The previous programme comprised 21 projects divided among four sectors. With the exception of the transport and telecommunications sector, which has been omitted, the new programme deals with the same sectors as the previous one. There is a visible need to channel UNDP resources into a limited number of sectors. It should be emphasized that the programme comprises mostly new projects, for which it seemed preferable to limit financial commitments to an initial two- or three-year phase. Hence, the importance of the amounts programmed as sectoral reserves, most of which will be used for the second phase of newly launched projects. As in the past, these IPF resources will be supplemented by government cost-sharing, to be determined on a case-by-case basis as the project documents are prepared.

Rural development and agricultural production

48. Côte d'Ivoire is devoting a substantial share of its means to rural development and agricultural production, the greatest priority of its development

policy. Thus in the 1985-1987 programme, 31.5 per cent of all public investments went toward agricultural development. Along with food self-sufficiency, the main concerns in this sector are rural modernization, greater and more diversified production, and the preservation of natural areas. To attain these goals, emphasis has been placed, inter alia, on the development of human resources and on the need for adequate organization, and beyond that, on the role of women, who continue to predominate in traditional agriculture.

49. Considering how important it is for women to participate in the country's economic and social development, it was decided that throughout the programme, they would have a special place, and receive special encouragement, in any project which might have an impact on them. The role of women would thus be defined and articulated in the process of formulating projects in such areas as the protection against post-harvest losses, village water engineering, the promotion of handicrafts, co-operatives, fish farming, and onion cultivation.

50. This initial programme objective will be carried over into the current cycle through 10 projects. Of a total of \$7,386,000, i.e., 49 per cent of available resources, \$1,531,000 has been allocated for ongoing projects, \$3,755,000 for new projects, and \$2.1 million for a programmed reserve, including \$1 million for agronomic research. Three projects in the rural and agricultural development sector were initiated in the third cycle and will extend into the fourth cycle. Two of them, the fish-farming project and the project for the development of onion cultivation, did not enter their present phase of operations until 1984.

Ongoing projects

Development of fish farming in rural areas (IVC/84/001)

51. Fish is the source of 55 per cent of the animal protein in the diet of the average Ivorian. As a result, between 1970 and 1982 there was a sharp rise in fish imports, which climbed from 10,000 tons to 115,000 tons a year. In view of these needs, the Government took steps to encourage and support deep-sea fishing and inland fish farming. Between 1985 and 1987, public investments amounted to 4.5 billion CFA francs. Annual per capita fish consumption is currently 39 kilograms in urban areas and 17 kilograms in rural areas. National production is 68,000 tons yearly. In 1985, it cost 16,000 million CFA francs to import the balance.

52. This project began in 1978 as an experiment and was renewed in 1984. Its purpose was to bring fish farming to rural areas where it had been unknown. It should be extended another three years, given its success record, in terms of not only the techniques disseminated, but also its impact on the quality of instruction in the schools affiliated with this programme. Since 1980, UNICEF has contributed to this project by financing the construction of ponds, equipment, teacher training and a portion of the audio-visual aids. This project is scheduled to last 36 months, with a planned allocation of \$1 million.

Development of onion seeds and cultivation (IVC/84/002)

53. Great strides have been made in market gardening in Cotê d'Ivoire since 1975. However, approximately 24,000 tons of different kinds of vegetables - 80 per cent of them potatoes and onions - are still imported every year. It would be better to reduce these imports and increase local production to meet needs. Produce is supplied by a very large number of private market gardeners located outside the big towns and also by groups of farmers under the direction of the Society for Development of Fruit and Vegetables. This project was begun in 1984 for the purpose of selecting new varieties, disseminating production and seed production techniques, and techniques of storage and preservation. Consequently, yield per hectare has increased and, above all, many new producers have begun to grow onions.

54. Financial support of \$180,000 was obtained from the Government of the Netherlands to expand this activity, which UNDP would like to extend another 12 months to the end of 1987. The project is to last 12 months, with a planned allocation of \$131,000.

Strengthening of the climatology and agrometeorology divisions (IVC/82/006)

55. This project began in 1982, on a cost-sharing basis, and attained very good results. Under it, meteorologists, agrometeorologists, data processers and observation personnel have been trained. It has greatly reinforced the network of agrometeorological stations, which now cover the entire territory. Additional assistance is needed to train national experts. It will be accomplished basically through a series of consultations on how to develop further applications of data collection and data processing. The project is to last 24 months, with a planned allocation of \$400,000.

Reduction of yam and plantain post-harvest losses

56. This project concerns two of Côte d'Ivoire's staple food crops. Its purpose is to collect basic data for a national programme to prevent post-harvest losses in private and community storage of yams in rural areas, and in traditional marketing of yams and plantains. It was conceived in response to the recommendation made by an FAO multi-disciplinary mission of June 1985 to find a solution to the problems of preserving and processing products on farms and in villages. It will have two principal aspects: research and development, and personnel training. It will be placed under the authority of the Ministry of Rural Development, and the Savannah Institute will co-operate in the research portion. An FAO-supervised definition phase will mark the beginning of this project. The project is to last 30 months, with a planned allocation of \$870,000.

Agronomic research

57. This project grew out of a concern, expressed by the Government, to place particular emphasis on agronomic research, which includes selected food crops. The FAO mission in June 1985 recommended that research focus primarily on cereals, starch processing and the restoration of soil fertility. To this end, the Government hopes to establish close links with selected international research

centres. Recently, a number of evaluations of the agricultural sector in Côte d'Ivoire were done by the International Service for National Agricultural Research (ISNAR), the World Bank, FAO and other organizations. Specific recommendations were made for the development of research on food crops, cash crops and tree-planting, and on the related services of education and training.

58. Of the food crops, rice, maize and sorghum are among the staples. Under these conditions, UNDP assistance will focus primarily on research and training related to these three crops, through the development of close links with the international research centres concerned. The UNDP project is designed to integrate institutes and projects supported by several donors into a very tight network.

59. In all, scientific research will mobilize 559 million CFA francs in public investments over the three-year period 1985-1987. Côte d'Ivoire intends to establish the Ivorian Institute of Agronomic Research in the near future. The project is to last 36 months. There is a planned allocation of \$630,000, plus a programmed reserve of \$1 million.

Co-operatives

60. Since independence, the Government has actively supported the co-operative as a means of agricultural development. There are now almost 3,000 co-operative-oriented groups, formed essentially to market agricultural products, particularly export products. These groups should evolve into full-fledged co-operatives, though the transition has not yet taken place for complex reasons which a planned diagnostic study should bring to light. None the less, a small number (less than 20) of co-operative unions have sprung up, which may be a sign that they are becoming more widespread.

61. Following the diagnostic study, the project will place emphasis either on strengthening the basic co-operative movement, should this preliminary step prove necessary, or on supporting the reorganization of the co-operative groups, circumstances permitting. However, the first task is to preserve and stimulate the co-operative spirit and solidarity among co-operative members, who are at the heart of any smoothly-run co-operative structure. A joint World Bank/UNDP mission is planned to assist the Government in studying these matters.

62. Subject to these prerequisites, the project will be aimed at helping the co-operative groups organize into unions, and thus acquire greater technical and financial capabilities. They could then provide better services to their members and serve as a framework and support mechanism for education and co-operative management. This project is to last 36 months, with a planned allocation of \$1 million.

Remote sensing

63. The remote-sensing project is aimed at providing greater knowledge of environmental factors, land use for agriculture, forests, arable and pastoral farming, and urban areas; such knowledge becoming more necessary every day both for the definition of a coherent agricultural policy and for rational management of all

natural areas. One outcome of remote sensing should be new thematic maps covering every major sector of national economic development. As the need and the techniques have been identified, it only remains to elaborate the precise content of the project, which is to last 36 months, with a planned allocation of \$275,000.

Savannah productivity: scientific basis for managing savannah resources

64. This is a pilot project which will stimulate research and development and training. It will accompany development activities concerned with the management of pasture-lands and agriculture in savannah areas by providing, during its implementation, basic scientific knowledge about the maintenance and upgrading of soil fertility. As a recent FAO study has pointed out, probably nothing is more important, in the long run, for guaranteeing food self-sufficiency than the maintenance of soil fertility.

65. The project will study the biological processes in tropical soils, their effects on the productivity of savannah ecosystems (natural and transformed), and modifications in those processes arising from different environmental factors and farming practices. Its aim is to establish standardized procedures and comparative and interdisciplinary studies for the purpose of broadening integrated scientific co-operation in savannah areas at the West African regional level and at the international level. This project will be entrusted to the Savannah Institute, a public body under the aegis of the Ministry of Scientific Research. The Ministry plans to contribute 116 million CFA francs (about \$350,000) for this project in the form of cost-sharing. The project is to last 48 months, with a planned allocation of \$335,000.

Evaluation of present water-resource management

66. Côte d'Ivoire has abundant water resources which are being developed by a large number of public and private agencies. Considering the importance of providing water to rural populations and large urban centres, on the one hand, and the water requirements of industry and agriculture, on the other, the Government wishes to set up a system for the overall co-ordination - currently lacking - of water-resource planning, construction and management at the national level.

67. The aim of this project is to make a study of the development and integrated management of water resources as a first step in ensuring such co-ordination. The principal anticipated result is the preparation of terms of reference for the master plan for water-resource management. This project, like the following one, complements the goals of the regional and global projects RAF/82/004 and GLO/80/004, which are activities related to the International Drinking Water Supply and Sanitation Decade, as well as the goals of the project INT/81/026, whose aim is to test specially-adapted types of water pumps. The project is to last five months, with a planned allocation of \$190,000.

Reinforcement and development of hydrological activities

68. Deriving from the preceding project, this activity - which is part of the fourth programme - is aimed at supporting the Government's efforts to strengthen

national institutions for the management and use of water resources in order to provide the competent State services involved in economic development planning with reliable information for taking rational decisions in the area of water resources. Thus, the aim of the project will be to develop the hydrological activities of the division of surface-water resources by strengthening the capacity of the hydrometric office, the office of hydrological studies and the office of hydrological forecasting. This project is to last 24 months, with a planned allocation of \$455,000.

Links with other programmes

69. There are many sources of outside assistance in the area of rural development and agricultural production. Those sources have been informed and/or consulted regarding the UNDP programme. Those which specialize in particular areas have been invited for exchanges of views on sectors or projects: the World Bank in the areas of water supply and co-operatives; UNICEF in farming; FAO and WFP in agronomical research and savannah productivity; and EDF for support to the co-operative-oriented groups.

70. With regard to the agronomical research project, it is worth mentioning that, through its global programme (PRO/301/CGIAR), UNDP has for years made a considerable contribution to agricultural research and training. The programmes are carried out by various international centres affiliated with the Consultative Group on International Agricultural Research (CGIAR), which is sponsored by the World Bank, FAO and UNDP. There is obviously a close link at the technical level between the global project and the national project, one of the principal goals of which is to establish working contacts and a basis for co-operation with the CGIAR centres concerned.

71. It should also be pointed out that the Rockefeller Foundation will possibly participate in the global framework of the agronomical research project. At the request of the Ministry of Scientific Research, three members of the Foundation spent a week in Côte d'Ivoire in December 1986 in order to study, with the competent authorities, the possibility of rendering assistance in the area of cereal, root and tuber crops, which would parallel anticipated UNDP activities. Co-operation between the country programme and non-governmental organizations has been somewhat marginal. However, special attention will be given to such co-ordination in the fourth programming cycle.

Programmed reserve

72. In order to support the first objective, a programmed reserve of \$2.1 million is anticipated for the completion and, if necessary, the continuation of the proposed activities. The establishment of that reserve will provide the financing necessary for implementing the second phases of projects begun during the fourth cycle, and will make it possible to take account of evaluations before final allocation of reserves for the continuation of individual projects. This programmed reserve corresponds, at the sectoral level, to specific estimates at the individual project level. However, it was considered preferable to regroup the reserves at the sectoral level in order to maximize programming flexibility and to

permit re-examination of the usefulness or real priority of projects as they are implemented and the possible introduction of new projects corresponding to sectoral objectives.

Industrial and commercial development, including small and medium-sized enterprises

73. In Côte d'Ivoire, industrial and, a fortiori, handicraft production is in the hands of the private sector. As in the commercial area, the State provides guidance and incentives, adopts regulations and, in exceptional cases, itself engages in production. One of the goals is to encourage nationals to take charge of that sector and to strengthen the State's role in formulating and enforcing regulations. The other goals in industry and commerce are maximum growth of local value added and the increased competitiveness of Ivorian enterprises.

74. Among the various branches of industrial activity, of particular importance are the agro-food industry and the production of inputs or equipment for agriculture because of the impact they can have on agricultural production itself. Next comes the production of consumer goods or the substitution of goods currently imported. The absence of significant mineral resources (except for oil and gas) does not favour the introduction of heavy industries.

75. The Government is interested in encouraging the development of small and medium-sized enterprises in order to ensure a solid industrial base, and in promoting trade at both the subregional and international levels. A corner-stone of that policy is to encourage the presence of nationals in the industrial sector, where they are currently underrepresented. To that end, incentives in the area of credit facilities and management training are envisaged. Preference is accorded to those branches of activities dealing with the valorization of local products and the substitution of imports. As in many developing countries, export prices of staple food products fluctuate greatly on the international market. Such fluctuation can only be reduced through a policy providing for the local processing of many of those commodities, which calls for the creation of industries to that end.

76. Moreover, the economic and social development of Côte d'Ivoire during its first 20 years of independence attracted many foreign enterprises to the Ivorian market. Their activities benefited the country only slightly, precisely because there were no small or medium-sized enterprises which could, along with large-scale enterprises, subcontract part of the market. In order to take account of those two major factors, the Government decided to strengthen the country's industrial base by emphasizing the preponderant role of small and medium-sized enterprises in the country's social and economic development.

77. Finally, it should be recalled that the economic development of the country is based primarily on agriculture. However, agriculture alone cannot ensure the full development of the economy if it is not supported by a dynamic industrial sector both upstream and downstream. Ivorian agriculture includes a broad range of products, the most important being food products and cash crops. In order to develop, those areas of production require inputs which industry should be able to provide, in particular, fertilizers, pesticides and insecticides, tractors,

ploughs, carts and spare parts, as well as repair facilities for such equipment. On the other hand, fluctuations in the world-market prices of developing countries' agricultural products jeopardize the return on such products and, in the long run, expansion of their cultivation. It is therefore advisable to ensure that such products have value added before export, which calls for the creation and development of an agro-industrial sector capable of meeting that need, namely, the processing of cocoa, coffee, cotton, ground-nuts, pineapples and timber.

78. Four projects are envisaged in this sector, involving a total allocation of \$4,305,000, i.e., 28 per cent of available resources: \$1,635,000 for three ongoing projects; \$320,000 for the new project; and a programmed reserve of \$2,350,000.

Ongoing projects

Promotion of the handicrafts industry and small enterprises (IVC/83/003)

79. The planning phase of this project began in 1984 and operational activities commenced in 1986. It is anticipated that it will be continued during the fourth cycle in order to consolidate the operational phase, the principal aim of which is to create employment and small handicrafts enterprises, mainly in the agro-food, tanning, wood-processing and agricultural engineering sectors. This project should also help to promote the economic activities of women. This project is to last 24 months (a second phase will follow; however, the details of its implementation cannot yet be precisely anticipated), with a planned allocation of \$740,000.

Industrial development, phase IV (IVC/83/005)

80. This project will be prolonged for only a short period during the fourth cycle, and with limited means. An in-depth evaluation of the industrial sector and of the inputs from the United Nations system, which have continued for almost 17 years, should precede any new activity in other parts of the industrial sector. During this phase, the project will concentrate on two specific goals: to assist the Government in its consideration of its industrialization plans, and to support it in its rehabilitation of enterprises. This project is to last six months, with a planned allocation of \$310,000.

Encouragement of foreign trade (IVC/85/002)

81. The exports and imports of Côte d'Ivoire represent a very important component, both in volume and in value, of the national economy. The encouragement and regulation of foreign trade are therefore fundamental elements of the State's economic policy. This project is one of a number of measures planned under that policy. It started in 1985 and, according to the recent evaluation mission, has begun to attain the goals entrusted to it, namely: the formulation and implementation of a policy for the management and redemption of investments made on behalf of the Abidjan International Trade Centre; promotion of the various activities designed to encourage Côte d'Ivoire trade; and the encouragement of international trade co-operation through incorporation of the Abidjan International Trade Centre into the network of national and international institutions which encourage foreign trade.

82. Two distinct phases are envisaged for the fourth cycle. The objective of the first will be to remove the constraints which affected execution of the project during the first two years and this phase will dictate the nature of a second phase, which should consist in the implementation of detailed and specific programmes of assistance to selected enterprises and organizations in two priority sectors as identified during the first phase. The first phase of the project is to last 18 months, with a planned allocation of \$585,000.

New projects

Assistance to the Ivorian Enterprise Management Centre

83. This new project reflects the Government's policy of according priority to human resources development. The aim of the project is to strengthen the Ivorian Enterprise Management Centre's training and assistance capabilities by continuing to build up the team of specialized national training consultants and developing new opportunities for assistance to enterprises such as training in industrial maintenance, production management and management data processing.

84. The details of this project are to be drawn up in the coming months by a mission which will carry out an analysis of the Ivorian Enterprise Management Centre. The Government has already emphasized that it intends to share in the cost of the project, which is to last 24 months, with a planned allocation of \$320,000.

Programmed reserve

85. As in the case of the first objective, a programmed reserve amounting to \$2,350,000 has been envisaged for the purpose of completing and, if the need arises, following up projects undertaken in this sector.

Links with other programmes

86. UNDP has played a role in the industrial development sector in Côte d'Ivoire for more than 20 years and, as already indicated in paragraph 80, this assistance has resulted in the production of an outline master plan for industrialization. It is therefore interesting to note that the World Bank has set aside \$30 million over the next five years for an industrial reorganization programme and that the Central Economic Co-operation Fund has signed an agreement for reorganization of the sugar industry. Also worthy of note in the area of industrial development is the recent launching of the regional project "Service to promote and develop investments in Africa" (RAF/85/022), the principal purpose of which is to step up the development of productive investment projects launched by African businessmen with a view to promoting independent economic growth and creating employment in sub-Saharan Africa. The national project is therefore linked to this regional project.

Reform and strengthening of the administrative apparatus

87. Under the liberal development policy of Côte d'Ivoire, the State retains pre-eminent or exclusive responsibilities in a number of areas. Moreover, whereas it endeavours to distance itself from direct economic management activities in

individual enterprises, the State has to fulfil functions of a general nature. In this connection, the rationalization of administrative departments and public institutions, as well as efforts to increase the participation of economists in the country's development, are among the constant concerns of the Ivorian Government, as is the broadening of access for nationals to administrative posts. Three projects are planned in this sector, with a total allocation of \$1,710,000, i.e., 11 per cent of the resources available: \$960,000 for the two ongoing projects; \$500,000 for the new project; and a programmed reserve of \$250,000.

Ongoing projects

Reform of public administration (IVC/83/002)

88. UNDP is active in this vital area, in which the Government's overall objective is to formulate a strategy and a methodology for administrative reform with a view to improving administrative structures and ensuring their indigenization in due course. Substantial results have been recorded during the successive phases of this project. Continued support from UNDP for the project, subject to certain limitations of time and scope, is considered to be necessary in order to complete the work undertaken. According to the evaluation mission of April 1986, two of the six main components of the project have been successfully completed: the reform of national public institutions and local authority reform. Two others are in the process of being completed: the Civil Service regulations and personnel management reform. The two others are still ongoing: the administrative data bank and indigenization of staff. Continuation of the UNDP project is subject to limitations of time and scope with a view to completing the work undertaken. It is to last 24 months, with a planned allocation of \$880,000.

Management of ports (IVC/82/004)

89. This project, started in 1983, provides support for the Institute for Maritime Documentation, Research and Studies, which has been entrusted with ever more diverse tasks within its area of competence over the years. It was agreed in 1985, following an assessment, that the project should promote study and research. It should also continue to contribute to the elaboration of a ports policy. The project is to last 24 months, with a planned allocation of \$80,000.

New project

Municipal reform

90. This new project reflects Côte d'Ivoire's policy of decentralization. A few months ago this policy resulted in the creation of some 100 new municipalities. The goal of the project will be to devise, organize and implement programmes in local communities, by means of advice and direct support provided to the Ministry responsible, with a view to disseminating information and raising consciousness with respect both to development and to training and further training of elected municipal officials. The project is to last 36 months, with a planned allocation of \$500,000.

Links with other programmes

91. The project entitled "Management of ports" is linked to the regional project entitled "Academy of Maritime Science and Technology" (RAF/76/003), the purpose of which is to establish an institution to deal, on the regional level, with maritime transport economics, ports and studies and training in connection with those subjects.

Miscellaneous

92. Certain measures relating to South-South co-operation, to be taken as and when appropriate, are envisaged under the fourth programming cycle. A sum of \$220,000, i.e., 1.5 per cent of available resources, has been allocated for these measures.

C. Unprogrammed reserve

93. The unprogrammed reserve amounts to \$1.6 million. It is to be used for unforeseen requirements in order to fulfil the objectives of this programme.

Annex

FINANCIAL SUMMARY

I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

<u>A. UNDP-administered sources</u>	<u>\$</u>	<u>\$</u>
Third cycle IPF balance	(775 000)	
Fourth cycle IPF	15 996 000	
Subtotal IPF		15 221 000
Special Measures Fund for the Least Developed Countries	-	
Special programme resources	-	
Government cost-sharing <u>a/</u>	-	
Third-party cost-sharing	-	
Operational funds under the authority of the Administrator	-	
UNDP special trust funds	-	
Subtotal, UNDP non-IPF funds	-	
 <u>B. Other sources</u>		
Funds from other United Nations agencies or organizations as a result of the country programme exercise	-	
Parallel financing from non-United Nations sources	-	
Subtotal, other sources	-	<u>-</u>
 TOTAL ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING		 <u><u>15 221 000</u></u>

II. USE OF RESOURCES

Ongoing projects	4 126 000	
New project proposals	4 795 000	
Programmed reserve	4 700 000	
Subtotal, programmed resources		13 621 000
Unprogrammed reserve		<u>1 600 000</u>
 TOTAL USE OF RESOURCES		 <u><u>15 221 000</u></u>

a/ The Government of the Republic of Côte d'Ivoire has, in the case of previous UNDP assistance programmes, always contributed to the financing of projects included in those programmes in the form of cost-sharing. At the present time, it has not been possible to determine the amount of the Ivorian Government's contribution in this form for the fourth cycle. Details will be provided in due course.

