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Item 5 (d) of the provisional agenda

PROGRAMME PLANNING
Country and intercountry programmes and projects
FOURTH COUNTRY PROGRAMME FOR BENIN*

Programme period Actual resources programmed $  
Third cycle balance 2 456 000 
Other resources programmed 20 343 194 
Total 45 724 394

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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) anticipated activities of other agencies and organizations of the United Nations; and (f) distribution of new country programmes by sector.
I. DEVELOPMENT TRENDS, STRATEGIES AND PRIORITIES

A. Current economic trends

1. With a per capita gross national product (GNP) estimated at $260, the People's Republic of Benin belongs to the category of least developed countries (LDC). Its economy is characterized by the predominance of the rural sector which provides employment for approximately 80 per cent of the active population and accounts for about 40 per cent of the gross domestic product (GDP) and 34 per cent of export earnings. Since 1985, the economic situation has become increasingly worrisome. Throughout 1985, 1986 and the first months of 1987, it continued to deteriorate despite the positive results achieved in agricultural production. The situation of public finances was aggravated, on the one hand, by the increase in expenditures at a time when budgetary receipts were stagnating because of the slackening of economic activities and, on the other hand, by the poor performance of quasi-public enterprises whose losses placed a heavy burden on the nationalized banking system.

2. However, in agricultural production, very positive results were achieved during the 1984/85 and 1986/87 seasons. For example, grain production, which was about 350,000 metric tons in 1980, reached 608,000 tons in 1986/87. Production of cotton, which amounted to only 14,400 metric tons in 1981/82, reached 140,000 tons in 1986/87. Unfortunately, because of the fall in the price of cotton and inadequate policies in respect of storage and marketing, results were not what had been hoped for.

3. During recent years industry in Benin has not been doing very well. Most industrial entities are faced with a problem of underutilization of installed capacity and also an unfavourable cost-price ratio and, as a result, they are having difficulty selling their goods, both on the domestic and on the foreign market and are encountering cash-flow problems.

4. The tertiary sector, which includes transport and commercial activities, has declined appreciably in recent years, due primarily to the reduction in imports of consumer goods, reduced transit trade with Nigeria and Niger and competition from neighbouring ports.

5. The result of all this is:

   (a) A budget deficit of about 10 per cent of gross domestic product (GDP);

   (b) Stagnation of GDP in real terms since 1984 (about 450 billion CFA francs);

   (c) A worsening balance-of-payments situation (the overall deficit came to 45.2 billion CFA francs in 1985, or 10.2 per cent of GDP);

   (d) A disturbing increase in the overall external debt (according to estimates by the International Monetary Fund (IMF) it went from 324 billion CFA francs in 1984 to 414 billion CFA francs at the end of 1985), while at the same time, the cumulated unpaid amount in respect of debt-servicing tripled since the end of 1983, going from 18.4 billion CFA francs to 56.5 billion CFA francs at the end of 1985 (or about 71 per cent of export earnings).
These symptoms of economic stagnation call for adjustments the specifics of which are currently under negotiation with the IMF (with respect to a financial stabilization programme) and the World Bank (concerning a structural adjustment programme).

B. National development strategies

6. The Government is aware of the seriousness of Benin's economic and financial situation and of the fact that the difficult international economic situation is not conducive to economic recovery. It has therefore devoted its efforts to redefining strategies and/or targets which, while being commensurate with the means available, are at the same time likely to have a decisive impact on economic and financial recovery. To this end, major decisions have been taken concerning, inter alia:

(a) The establishment of a National Commission entrusted with preparing the Third Development Plan;

(b) The establishment of a National Commission entrusted with negotiations with IMF.

7. The work done so far by these two Commissions has led to the drafting of a memorandum which, once it has been discussed with IMF, should result in the submission of another document entitled "Economic policy framework". In addition, the preparatory work for the Third State Plan is already well advanced and is to be submitted to the country's senior political bodies for approval early in 1988.

8. The strategies and priorities underlying the Third State Plan take into account the requirements of adjustment and also the need, after a period of stabilization, to achieve sustained economic growth towards the end of the period covered by the Plan. This involves taking into account the following three basic concerns:

(a) The need to increase output quantitatively and/or qualitatively, giving priority to rural development within the context of the broadening of the material base of the economy;

(b) The need to choose investments in terms of their beneficial impact on the balance of payments;

(c) The need to give priority to initiatives which will give rise to as few recurring costs as possible for the State budget, or to those capable of generating their own self-sustaining resources.

9. Substantively, this strategy will have to be translated into the implementation of measures which include, in particular:
(a) At the agricultural level:

(i) Use of appropriate technology;

(ii) Extensive use of improved fertilizers and seeds;

(iii) Diversification of agricultural production with a view to ensuring food security and obtaining marketable and exportable surpluses;

(iv) Solution of storage and marketing problems.

(b) At the industrial level:

(i) Continuation of programmes to rehabilitate public and semi-public enterprises with a view to giving new impetus to production on the quantitative and/or qualitative level;

(ii) Promotion of employment-generating small- and medium-sized businesses.

(c) At the level of public finance:

(i) Stabilization of budget expenditures and reorganization of public finances through, in particular, improved fiscal administration;

(ii) Austerity in operating budgets and public investment programmes;

(iii) Need for better control and assessment of the use of external resources in view of their growing importance in financing development activities.

(d) At the level of overall economic management:

(i) Rationalization of the management of the Civil Service in order to ensure better use of available human resources and to improve public sector performances;

(ii) Improved formulation of economic development strategies in the context of the preparation of the Third Plan through, in particular, improved investment programming techniques;

(iii) Creation of an economic environment favourable to development of the business spirit;

(iv) Promotion of the private sector so as to channel all energies capable of accelerating the country's economic recovery and, in particular, helping to solve the unemployment problem;

(v) Restructuring of the banking system so that it can more effectively provide the financial drive it is meant to provide (by channelling savings, financing etc.) and permit a better approach to the problems of domestic and external debts.
C. Technical co-operation priorities

10. In order to supplement the efforts which the Government intends to undertake in this field, and to achieve the targets set forth in the Third Plan and implement measures which will facilitate that achievement, it will be necessary to formulate and execute technical co-operation projects - for which funding will have to be sought relating generally to the following:

(a) Improvement of the management of the national economy;
(b) Establishment of an effective system for co-ordinating external aid;
(c) Strengthening of the structures responsible for management of development projects;
(d) Implementation, monitoring, follow-up and evaluation of the Third Plan;
(e) Assistance in the implementation of financial stabilization and structural adjustment programmes.

11. In order to identify these technical co-operation projects, the Government, with the assistance of the United Nations Development Programme (UNDP), has resorted to round-table and follow-up sectoral meetings. Thanks to these various meetings and to needs assessment and evaluation missions organized by the partners in development, the Government has obtained from donors funding for technical co-operation projects which it believes are in line with its development strategy and priorities. In 1986, there were 163 technical co-operation projects which required the disbursement during that year of $53 million (12.5 per cent from the United Nations system, including 6.4 per cent from UNDP; 66.5 per cent from bilateral programmes; and 21 per cent from other multilateral programmes and non-governmental organizations (NGOs)).

12. The Government is, however, aware that in the field of technical co-operation and use of national human resources, in order to ensure the full realization of its development objectives, the results obtained are nowhere near what might normally be expected, because of certain deficiencies in programming, evaluation and follow-up methods. For that reason it called on UNDP to initiate National Technical Co-operation Assessment and Programmes (NaTCAP) missions in Benin.

13. In accordance with the terms of reference which were drawn up on the basis of the Government's concerns, the first NaTCAP phase (28 June-21 July 1987) led to the drafting of a provisional report dealing with technical co-operation and the use of national human resources in the fields of economic planning and rural development. This first phase will be followed by another which, taking into account the structural adjustment programme, will lead to the formulation of practical recommendations on priorities for technical co-operation and the use of national human resources.
D. Aid co-ordination arrangements

14. Co-ordination and optimization of external aid is a subject of continuing concern to the authorities of Benin, and they have always endeavoured to ensure optimal allocation of external development financing resources. It is with this in mind that, in 1975, the external financing service of the economic development plan, set up within the State Plan Section of the Planning Commission of Benin, was turned into the External Assistance Co-ordination Section (DCAE) with broad responsibilities for the co-ordination of external assistance. At the same time, arrangements have been made to ensure that every request for project financing emanating from a technical department that is placed before DCAE, is studied by the State Plan Directorate before being submitted for funding (provided the project is included in the State Plan), to the partners in development.

15. This co-ordination was an important improvement in the way external aid is managed, and opened the way for a more rational and more coherent search for external funding for organized development.

16. In addition, the Government has resorted to the round-table formula and sectoral follow-up meetings with a view to facilitating co-financing and ensuring complementarity of donor assistance and, as a result, achieving better co-ordination of external aid. Thus, during the round table which was held at Cotonou from 1 to 4 March 1983, the Government presented its development strategy to donors, together with its priorities and sectoral aspects, illustrating them by specific projects. The purpose was to enable donors to study the development strategy and then select those technical co-operation or capital investment projects which they might wish to finance and/or co-finance with other partners. These projects were subsequently studied in greater detail and submitted to donors at sectoral follow-up conferences. These included sectoral conferences on the Nangbêto dam, the Dassa-Parakou road, the construction of bridges at Mono and Sazue, tourist and cultural projects, health projects, the Ouémé integrated rural project, integrated rural development at Mono and transport infrastructures. Three other follow-up sectoral meetings, dealing with telecommunications, civil aviation and food security are scheduled for 1988.

17. Nevertheless, problems have arisen, especially in recent years. These problems in many cases are due to conflicts of competence, failure to appreciate the numerous and very complicated procedures of the partners in development, but also and above all a lack of information systems and the consequent poor circulation of data among the different technical services.

18. In order to optimize the results expected from external aid, the Government asked UNDP to finance, in addition to the NaTCAP exercise already mentioned, a national seminar on co-ordination of external aid; that seminar was also a response to recommendations from the mission to evaluate the results of the round table held at Cotonou in 1983.

19. In the light of its major concerns regarding external aid co-ordination, the Government will ask UNDP for support during the period covered by the fourth country programme in implementing measures to secure such co-ordination and make the most of the technical and financial co-operation projects.
II. THE COUNTRY PROGRAMME

A. Assessment of previous country programme

20. A mid-term review of the third country programme for Benin was conducted in April 1986. The intention was to recall the objectives of the programme and to analyse to what extent they remained valid in the light of economic and social developments since 1983. It was also intended, through an analysis of the results obtained in implementing the programme, to identify the problems encountered, with a view to establishing the ways and means by which performance might be improved.

21. A further review was conducted in May 1987 with the aim of completing the results of the mid-term review by systematic application of the analysis to each project included in the programme and thus identifying strong and weak points and highlighting conclusions which would be of use in the preparation and implementation of the fourth programme. The Government accepted the conclusions and recommendations produced as a result of that review.

22. The themes of the third country programme may be said to focus on four major areas:

(a) Direct support for the activities of the rural population based on decentralization and community participation;

(b) Contribution to regional balance;

(c) Action to increase production;

(d) Contribution to the implementation of the investment programme submitted at the round table.

23. Based on an analysis of the principal economic and social developments since the third country programme was drawn up it was found that the above objectives remained valid and did not require any major reorientation at either the global or the sectoral level.

24. The indicative planning figure for the third programming cycle (1984-1987), which had initially been fixed at $28,654,000, was reduced to $16,970,000. The table below shows the distribution of UNDP resources for the third cycle. As of April 1987, projects amounting to $15.5 million had been initiated.
### Sectors

<table>
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<th>Actual percentage as at 30 April 1987</th>
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<td>Human resources</td>
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<tr>
<td>Industry</td>
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<tr>
<td>Infrastructure</td>
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<td>14</td>
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<tr>
<td>Planning</td>
<td>17</td>
<td>1</td>
</tr>
<tr>
<td>Miscellaneous</td>
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<td>2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100</td>
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25. It is difficult at this stage to assess the extent to which the major themes specified in the third programme have been successfully addressed, since the objectives were not stated in a manner which would admit of precise assessment. Above all, the third programme marked a major turning-point in the orientation of UNDP assistance, with a far more decentralized approach being adopted than in the past. This enabled projects to be redirected towards outlying areas and rural development activities. A good illustration of this tendency may be seen in the fact that, as of May 1987, some 50 per cent of projects were located in rural areas. The long-term implications of this decentralization for agricultural production and the living conditions of the rural population cannot yet be assessed. However, the approach has already encouraged and promoted greater community participation. This has led to the mobilization of communities not only in funding projects which are of benefit to them but also in taking decisions relating to operational activities.

26. Furthermore, UNDP assistance in the organization of sectoral meetings to follow up the round table, as already mentioned in paragraph 16, has made it possible to complete the funding of several major infrastructure and rural development projects.

27. In the industrial sector, however, the programme's expectations have not been adequately met. This is due to the difficulties confronting the sector as a result of the general crisis in the national economy and in those of neighbouring countries. The Government has directed its efforts towards formulating an industrial development strategy more in line with the country's capacities and requirements and, in that connection, UNDP funded the organization of a national seminar on industrial strategy.

28. Of the 39 projects identified in the third programme, 36 actually received UNDP assistance during the programming period. The other three projects were never put on paper. In two cases, the assistance provided for was incorporated into other projects. Only one project, concerning technical and professional education, received no assistance, because no decision was reached on a conceptual approach.
29. With regard to projects already completed or those due to be completed before the end of the third programming cycle, the immediate objectives have for the most part been attained. Only one project had to be prematurely terminated, but it was resumed in the form of a better structured project, contribution to the master water resource plan, which is now being implemented.

30. Although most of the projects already completed did attain their objectives, it must be admitted that completion almost always came significantly later than initially scheduled. It should also be noted that at least seven of the completed projects were followed by a further phase of assistance. Only in a handful of projects were the objectives attained within the specified time-period and without recourse to additional assistance.

31. In general, such delays in the fulfilment of project objectives may be ascribed to difficulties of two sorts:

(a) Increasing difficulties in Government provision of counterpart contributions, due to a decline in the level of State funds, with the result that UNDP is increasingly obliged to cover certain expenses relating to logistical support for projects. Difficulties were also encountered as a result, *inter alia*, of the extreme mobility of personnel, which impeded project continuity and the transfer of knowledge;

(b) Difficulties related to a lack of follow-up and systematic monitoring of programme implementation, on the part both of the national administrations concerned and of the specialized agencies responsible for project execution. This led to delays in providing personnel and material inputs.

32. Analysis of the results obtained produced a series of recommendations relating both to the choice of projects and to the optimum conditions for their implementation:

(a) The need to carefully choose the project's institutional framework in particular, in the light of the national administration's capacity to ensure proper management of the resources placed at its disposal;

(b) The need to establish in advance to what extent the main project components can be executed without recourse to a heavy concentration of external technical assistance;

(c) The need also, in the case of projects in rural areas, to ensure that an approach encouraging recipients' voluntary participation is adopted from the outset;

(d) The need to study projects in detail with a view to possibly eliminating those which are heavily dependent on external staff and equipment and involve high maintenance costs. Efforts should be made instead to reduce recurring costs to a minimum or to identify means of achieving partial or complete self-funding, or even to secure greater participation on the part of the population in meeting the recurring costs of social projects;
(e) The need to establish precise criteria for the assessment of projects in the new programme, with respect both to their selection and to their implementation (the ex-post evaluation should not merely state that the objectives have been attained but should attempt to determine whether this has been done as economically as possible);

(f) The need to speed up the completion of administrative procedures which, all too often, seriously delay the entry into force of agreements on technical and financial co-operation;

(g) The need to ensure realistic programming of investments in order that they may be put to optimum use;

(h) The need to set up a counterpart fund, following consideration of the ways in which such a fund may be set up, in order to facilitate smooth execution of projects funded from external sources;

(i) Finally, the need to establish a framework for dialogue in which the ministry officials responsible for the management of external aid and the representatives of donors can consider solutions which are likely to maximize external aid. This framework of dialogue could be provided through the revival of the former mixed commissions, but with precise and sound agendas and less frequent meetings.

33. It may thus be said, following the review of the third programme, that the desired objectives have been attained. That is not to deny, however, that the difficulties encountered did affect the smooth progress of the programme. Account is therefore duly taken of the recommendations made in the preceding paragraph.

B. New programme proposal

34. The remarks contained in the preceding paragraphs provide some indication as to the economic framework in which the activities of UNDP, and of the United Nations system in general, will have to be carried out in Benin in the next few years. These activities must be designed both effectively to assist the Government in its short-term recovery effort and to contribute to solving the underlying problems which require a more long-term commitment.

35. In this connection, some major themes have been identified and set out below. These could serve to guide UNDP assistance towards the priority areas expected to be highlighted in the Third State Plan, which will certainly incorporate some structural adjustment measures. Such guidance will, of course, take account of the recommendations contained in the United Nations Programme of Action for Economic Recovery and Development in Africa, as adopted by the General Assembly at its thirteenth special session on 1 June 1986.
36. The major themes may be summarized as follows:

(a) Rural development to improve living conditions in the countryside and ensure food self-sufficiency and the production of marketable, exportable surpluses of food and cash crops;

(b) Improved management of the national economy;

(c) Protection of vulnerable target groups in order to maintain the minimum requirements of long-term social development;

(d) Job creation through promotion of the private sector and support for the reintegration into economic life of public employees made redundant by structural adjustment policies.

The proportions of total resources ($45,724,000) allocated to these four development objectives are, respectively, 33.7 per cent, 12.7 per cent, 42 per cent, and 6.4 per cent. The programme also includes some activities of limited scope which make a minor or indirect contribution to these objectives and account for a total of 1.7 per cent of the programme resources (see para. 87). The substantial programme reserves ($5 million) by sector arise from the need to fund activities which will have to be undertaken in the context of the structural adjustment policy to be drawn up in 1988, as well as the continuation of certain ongoing projects. The bulk of the resources available derive from the indicative planning figure (IPF), amounting to $25,381,200. This sum is divided between the four development objectives in the following respective proportions: 51.2 per cent, 23 per cent, 5.9 per cent and 11.6 per cent. New projects account for at least 60 per cent of the IPF of $25,381,200. The remainder of the resources derive from operational funds under the authority of the Administrator and from funds provided by other United Nations agencies ($20,343,194). The unprogrammed reserve of all the resources available for the programme amounts to 3.5 per cent of the total.

Rural development

37. As a basically agricultural country, Benin specializes in the production of four food crops: yams and manioc, followed by maize and, to a lesser extent, sorghum/millet. In the case of these basic products, the food balance is secure. The proportion of crops for industrial uses or for export is low (palm products and cotton) or marginal (coffee and tobacco). Livestock-raising accounts for almost one sixth of the value of agricultural production. Small-scale agriculture receives technical, material and financial support from the centres for regional action to promote rural development, which introduce producers to improved agricultural techniques, provide them with the most economical inputs and help them with respect both to marketing and to obtaining concessionary loans.

38. Given the enormity of the tasks to be undertaken in this priority development area, the efforts of UNDP, together with those of other agencies of the United Nations system, are directed primarily towards a few essential objectives of integrated rural development and increased production:
(a) Increasing production and food-crop productivity through the implementation of a food security strategy with a view, in particular, to facilitating an increase in the income of male and female agricultural workers;

(b) Diversification of agricultural production through the identification and promotion of those agricultural products in relation to which the country would have a comparative advantage. Such diversification should include an improvement in the quality of current products as well as the introduction and processing of new products;

(c) Conservation of the agro-ecological balance, i.e. of the quality of pastures, soil and water in agricultural areas, particularly in regions which are already threatened by rapid environmental degradation;

(d) Improvement of living conditions in rural areas, particularly with respect to infrastructure and basic services, which have a direct impact on the quality of life of the rural population.

Ongoing projects

Pehunco integrated rural development (BEN/84/006) ($524,079)

39. The Pehunco project illustrates the philosophy of self-reliant and self-sustained development which Benin has chosen to try out. The technical assistance provided by UNDP is supplementary to the $2,242,422 provided by the United Nations Capital Development Fund (UNCDF), under project BEN/85/C01, which the World Food Programme (WFP) and the United Nations Children's Fund (UNICEF) are also contributing to in the amounts of $131,900 and $27,000 respectively. The purpose of the project is to promote rural development in the Pehunco district by helping the local population to carry out and to manage investments initiated by them with support provided by the technical services of the district. The project reflects the practice of geographic concentration of investments. The project will contribute as a whole, and in the long run, to decentralizing development initiatives to the grass-roots level and to increasing and diversifying agricultural production.

National training centre for cultivation by animal traction (BEN/84/007) ($1,280,000)

40. The introduction of cultivation by animal traction among small-scale farmers should make it possible to increase agricultural productivity. The purpose of this project is to provide assistance for the production and popularization of suitable devices.

Integrated pastures development (BEN/84/011) ($586,136)

41. After a preparatory assistance phase, the project will move into an operational phase designed to promote rational utilization of pasture resources and enhancing the value of the livestock, in particular, by fostering active participation by the stock-breeders organized into units and training of national
supervisory staff specialized in agro-pastoral matters. UNDP assistance in this area is supplementary to that provided by the European Development Fund (EDF) which is financing a project of assistance to stock-breeding dealing with health aspects; WFP, for its part, is providing assistance in the form of food aid. The project will therefore contribute to preserving the agro-ecological balance and enhancing the value of the livestock.

Inventory of lowlands, studies and development of projects (BEN/84/012) ($939,000)

42. One way of offsetting the decreasing fertility of arable land is to develop the lowlands so that the goal of food self-sufficiency can be achieved through increased agricultural production. The ad hoc project is entering an operational phase, after a preparatory assistance phase during which an inventory was taken of the lowlands and pilot projects were set up. UNDP assistance will continue until 1990 and will consist of technical assistance for the development of lowlands and dissemination of appropriate technology. The project will help to ensure that arable land is fully utilized and will therefore help to increase agricultural production.

Establishment and development of biogas units (BEN/85/002) ($90,000)

43. The purpose of this project, which is based on technical co-operation among developing countries (TCDC), is to produce gas from organic and vegetable waste in rural areas and also to utilize effluent as agricultural fertilizer. During the first year of the project the first biogas units were set up by a team of Chinese experts. The funding provided for the next few years will be used to monitor the operation of existing units and to propagate this inexpensive method of producing energy, which will help to improve living conditions in rural areas.

Management of catchment areas and protection against brushfires (BEN/85/006) ($1,071,500)

44. This project, which was initiated with preparatory assistance in order to obtain data concerning utilization of sloping ground for agricultural purposes while preserving the ecosystems, is scheduled to enter a phase in which sensitization of the farmers and popularization of the techniques to be used will be the decisive factors. The project is in keeping with the Government's goal of increasing and diversifying agricultural production and preserving the agro-ecological balance. WFP will contribute food aid to this project.

Community infrastructure in rural areas (BEN/87/001) ($585,510)

45. In 1987, based on the results obtained with two-year preparatory assistance, the project was extended. It will provide rural communities with the necessary technical and logistical support for the construction of community infrastructures by transferring to these communities the necessary appropriate technologies, methods and materials at very low cost. Training craftsmen, establishing a structure which will eventually take over and research and experimentation will also receive special attention. WFP will be providing food aid for the implementation of this project. Construction of such community infrastructures will improve living conditions in rural areas.
46. One way of raising agricultural production is to improve the system for collecting data concerning the climate, since it makes it possible to plan agricultural work better and thus lessen the risks. The project, which will continue until 1991, follows on from a similar project which began in December 1984.

Restructuring of support services for promotion, popularization and communication in rural areas (BEN/87/011) ($685,000)

47. This project, which was launched initially by a short mission in 1987, will serve to redefine the national functions and procedures of the rural information and dissemination service. The project will inter alia contribute to supporting the work done by the centres for regional action to promote rural development in popularizing and disseminating agricultural information and will encourage optimum utilization of the technical, human and financial resources provided for rural development. It is expected that, in the long run, this will contribute to the goal of increasing agricultural production and food production, in particular. WFP is providing food assistance for this project.

Multi-purpose tree plantations in Benin (UNSO/BEN/82/X01) ($522,284)

48. A project financed by the United Nations Sudano-Sahelian Office (UNSO) to combat desertification through reforestation is being executed in the northern part of the country. The goal is to arouse the awareness of the rural population and to provide the means necessary to enable the population to take charge of developing its territory. WFP is also providing food aid to the project. The project is expected eventually to ensure preservation of the agro-ecological balance.

New projects

49. Of the four new projects selected, one is designed to lay one of the technical bases for a rural development policy (furthering of agro-soil studies), two are designed to help increase and diversify agricultural production, both food crops and export crops (restructuring of the centres for regional action to promote rural development, development of tobacco crops), while the last one will contribute to the preparation and implementation of a global food security strategy. Appropriate attention will be given to the role of women in the activities covered by these projects.

Restructuring of the centres for regional action to promote rural development ($2,850,000)

50. Within the context of the reorganization of the centres for regional action to promote rural development (CARDERS), the preferred institution for action among farmers, the purpose of the project is to identify and develop new remunerative crops with export potential. The project components (including agronomic research, extension activities and credit) should lead to enhancement of the quantity and quality of export goods, combined with an improvement of techniques for marketing, storing, processing and exporting agricultural produce.
Food security strategy ($537,000)

51. Within the context of a food security strategy which the Food and Agriculture Organization of the United Nations (FAO) has examined and which a number of donors are to finance, the purpose of the project is to work out the technical details of the best storage facilities to be developed at the level of the farmer, the village and the retailer and to construct 18 storage units at those levels.

Development of tobacco farming ($1 million)

52. The main activities of this project will be to produce varieties of tobacco that are currently imported, to conduct agronomic research and to disseminate cultivation techniques among the farmers. The purpose of the project is, on the one hand, to supply the domestic market (in particular, the cigarette factory at Ouidah and, on the other hand, to produce a surplus for export. By financing the establishment of nurseries and drying facilities and at the same time providing better training for the growers and improving marketing techniques it should be possible to boost tobacco farming.

Soil science studies ($298,200)

53. Availability of adequate soil maps is a factor which is conducive to the achievement of rural development goals. For that reason, UNDP has been asked to finance the preparation of such maps with the National Soil Science Centre, as part of the move towards giving greater responsibility to the executive and management organs of the Centre. The project is a second phase, of a higher qualitative level, of the project concerning cartography and soil analysis (BEN/84/015), under which the National Soil Science Centre was given institutional support as a result of which it is now able to carry out the soil science research necessary for rural development with funding from UNDP.

Programmed reserve ($1,500,000)

54. A programmed reserve of $1,500,000 has been planned in the area of rural development so as to finance extensions (which are likely to be wanted) of projects which are to be evaluated during the coming cycle, and to finance any projects which might arise in response to measures stemming from the structural adjustment programme. It should also be pointed out an amount will be set aside from this reserve in case UNDP should want to participate in environmental protection activities with UNSO.

Links

55. As has been already stated, the decision to focus UNDP efforts on a few essential rural development goals was taken with the participation of other institutions of the United Nations system and regional projects such as Hydro-Niger (RAF/78/055) and the Joint Anti-Locust and Anti-Aviarian Organization (RAF/81/022). One example of such participation can be seen, for example, in the Pehunco integrated rural development project (BEN/84/006) in which UNDP, UNCDF, WFP and UNICEF are all participating and which also receives assistance from the Netherlands.
56. Finally, complementarity with other multilateral or bilateral technical assistance agencies has been sought systematically. This is illustrated, for example, by the integrated pastures development project (BEN/84/011), in which EDF is participating by funding a project of assistance to stock-breeding dealing with health aspects, or the master water resource plan (BEN/85/004), in which the Islamic Bank for Economic Development is assisting by covering a very large area, or, finally, by the project concerning multi-purpose tree plantation in Benin (UNSO/BEN/82/X01), which is being funded by EDF and Netherlands development assistance funds. The same applies to the non-governmental organizations (NGOs) whose participation in the implementation of new projects will be studied.

Improved management of the national economy

57. In future it seems likely that the public sector will play a less predominant role in the economy than it has in the past. However, improving the performance of the public sector remains vital since it is the administration which must initiate and execute reform and recovery programmes.

58. The activities being proposed to UNDP in this area will focus on three main goals:

   (a) Assisting the Government so that it can define its macroeconomic and sectoral strategies and to improve the system of managing the national economy;

   (b) Assisting the Government so that it can better co-ordinate foreign aid and optimize the results of the various activities undertaken in respect of technical and financial co-operation;

   (c) Improving management of the civil service and supporting the restructuring and rehabilitation of public enterprises.

Ongoing projects

59. Also in this field, UNDP, in conjunction with bilateral and multilateral donors, is helping to develop national capabilities for planning and managing the economy. In addition to two projects which are nearing completion, assistance in planning (BEN/83/010) and technical assistance to the Benin Electrical Community (BEN/84/014), (the latter involving technical support and vocational training in the context of the construction of Nangbêto dam), we should mention the recently started project concerning preparatory assistance in respect of management of the roster of State officials (BEN/87/006) ($US 104,000). The purpose of this project is to rationalize management of the civil service within the context of improved operation of the economy and of the administrative machinery. An amount has been set aside in the programmed reserve in the expectation that the project will be extended.

New projects

60. The new projects are designed to assist the Government in its efforts to:

   (a) promote, co-ordinate and make optimum use of aid and (b) improve the planning system.

/...
Co-ordination of external aid ($US 1 million)

61. In order to attract more aid than is currently received ($US 130 million in 1986) and to extract every ounce of value from it co-ordination must be improved. This project, the purpose of which is to strengthen the technical and material capacity of Government bodies responsible for these tasks, is an expansion of the project to follow up the round-table meetings (BEN/83/013) and will take into account the recommendations of the national seminar on co-ordination of external aid and those of the NaTCAP mission. The main activities of this project will relate to (a) a study and training programme to upgrade the administration's skills in negotiating with donors and the organization of sectoral meetings; (b) a programme for computerizing the administration of external aid; and (c) a programme for monitoring and co-ordinating the projects of the State Plan.

Improvement of the national planning system ($US 3,326,000)

62. This important project is designed to satisfy the Government's wish for national expertise capable of executing the Third State Plan and implementing structural adjustment measures. UNDP support will be needed so as to strengthen the research and planning offices of the technical ministries and the planning and statistics offices in the provinces. In addition to providing the necessary technical assistance (experts, consultants, training fellowships), the project will have to provide those institutions with computer equipment.

63. The project, which is a reformulation of the project concerning assistance in national planning (BEN/83/010), will enable the Government to better monitor the State Plan and also to implement the recommendations of the NaTCAP missions relating to all organizational and functional aspects of the units involved in the planning system. As regards technical assistance, UNDP will complement its support by strengthening the system of collecting data, particularly those regarding the labour market, which is increasingly disquieting, with particular attention to women's activities.

Programmed reserve ($US 1 million)

64. A programmed reserve of $US 1 million has been planned to finance either projects which might continue after their final evaluation (as for example, the management of the roster of State officials) and those which are starting, or for projects which might fall within the context of structural adjustment and financial stabilization measures.

Links

65. Within the context of improved management of the national economy and improved performance of State structures, the Government will ask UNDP and the World Bank and perhaps other donors, too (EDF and the Fund for Assistance and Co-operation (FAC), in particular), to co-ordinate their activities so that they may have maximum impact and ensure the success of measures stemming from the financial stabilization and structural adjustment programme.
Protection of vulnerable groups

66. This objective concerns mainly the most vulnerable strata of the population that require assistance in the areas of nutrition, health protection and reduction of infant mortality. They must, generally speaking, get appropriate social services so as to be protected from the repercussions of the country's unfavourable economic situation. The object is, primarily, to protect mothers, young people and children. Generally speaking, what matters is to preserve the minimum requirements for long-term social development.

67. To respond specifically to these problems, efforts must be concentrated in such key areas as:

(a) Development of primary care, with particular stress on nutrition, drinking water and sanitation;

(b) Vaccination, provision of essential drugs and oral rehydration;

(c) Maternal and child health, including family planning;

(d) Health information and education, which are essential components of the above activities.

It is worth pointing out that women play a primary role in these activities, and this will have to be taken fully into account in the design and management of projects. There are no plans for UNDP to intervene in all these areas; instead it will intervene selectively and in association with other funding sources and partners from the United Nations system, particularly UNICEF, WFP and the World Health Organization (WHO). The main object is to promote preventive health measures which do not involve large recurrent expenditures but which will have a direct impact on the most destitute populations. UNDP assistance must also be directed towards new formulas for sanitary development through infrastructures operating on the basis of financial cost-effectiveness and non-public forms of management.

Ongoing projects

Assistance to rural co-operatives (BEN/85/005) ($106,000)

68. This is a preparatory assistance project designed to lay the groundwork for a programme for the training of instructors and women in co-operatives in the area of small development projects. The activities included in this project, which receives assistance from WFP, relate to literacy, health and small-project management. After a successful initial stage, the United Nations Fund for Population Activities (UNFPA) showed interest in supporting this project, which is designed to secure greater integration of women in development activities.

Assistance to the fund to support grass-roots initiatives (BEN/86/003) ($470,925)

69. Financed through the Special Measures Fund for Least Developed Countries, this project will help encourage endogenous participatory development through direct and
sustained support for the execution of economic micro-projects started by the grass-roots communities themselves. This assistance is geared to the most destitute strata of the rural population, with women and small craftsmen, as well as unemployed young people, regarded as the priority target groups. This project, executed by the Government, is receiving food assistance from WFP.

**Vocational rehabilitation and social reintegration of the disabled (BEN/86/006) ($125,000)**

70. The Government has included the development of human resources among its social priorities. The disabled, who are not excluded from Government concern, are entitled to education, training, culture and active participation in the country's economic development. UNDP assistance will consist in supplementing the infrastructures and providing equipment for the different occupations for which the disabled are to be trained. The Netherlands Development Assistance Association and WFP are participating in this Government-executed project.

**Development of teaching materials for health personnel (BEN/87/005) ($64,300)**

71. This Government-executed project provides support to the primary health care programme by designing teaching materials for all categories of health personnel. This involves providing them with the necessary means for conducting a study of needs in respect of teaching materials, producing equipment for village health workers and providing equipment training systems for personnel in training and on the job. This project is also getting technical assistance from the German Volunteer Service.

**Promotion of the use of sanitary facilities (BEN/87/003) ($200,000)**

72. This project, which was initially experimental, is designed to reduce illnesses of hydrofocal origins through the construction and promotion of the use of low-cost latrines. It was designed as part of the International Drinking Water Supply and Sanitation Decade. Sanitation in general, and human waste disposal, in particular, have until now been treated in a very marginal way. The project will therefore partly fill this gap. The project is being executed by the Government in collaboration with the World Bank, and is also receiving food assistance from WFP.

**Multi-purpose WFP rural development project (BDI/2096)**

Phase II ($14,210,684)

73. The WFP programming cycle (1988-1991) comes to more than $14 million. WFP tries to provide support in the form of food rations through sub-projects for school canteens, co-operative units, forest development and rural infrastructure. In most cases WFP's contribution supplements that of donors who finance activities in the areas of rural development, health, sanitation and infrastructure. During the programming period, WFP will try to introduce and gain acceptance for structures for covering the external costs of food transport and storage, by requiring a minimal contribution from the recipients, thereby relieving the Government of its logistical counterpart costs.
74. UNFPA expects to submit to the Governing Council at its thirty-fifth session a proposal for assistance to the Benin Population Programme totalling approximately $3 million for the period 1988-1991. It will support projects for maternal and child health and birth spacing, population education within and outside the school system, information and communication in the rural sector and through literacy and post-literacy programmes. The formulation of a population policy has a central place in this programme. The importance of women is repeatedly stressed in all these projects and in that connection greater attention will be given to the Organization of Revolutionary Women of Benin in this strategy for the participation and involvement of women in development activities. UNFPA is also involved in the execution of the forthcoming General Population and Housing Census which it is funding jointly with other funding institutions.

New projects

Experimental project for a co-operative health clinic ($500,000)

75. In order to reduce the medical personnel shortage in peripheral zones and to create openings for young medical graduates, this experimental project was designed to verify the cost-effectiveness of setting up co-operative health clinics. This project, which will involve construction and equipment of a clinic to be managed by 50 graduates of the training system, is scheduled to become self-financing as of the third year.

Programmed reserve

76. A programmed reserve of $500,000 is planned for ongoing projects that may be renewed after their evaluation. Part of this reserve will be used for projects that may be justified in light of the repercussions of the structural adjustment on the most destitute strata of the population. It may also be used to finance UNDP participation in the execution of the General Population Census.

Relations with other programmes

77. In addition to the UNDP regional projects (specifically the ones relating to investment in the water/sanitation sector (RAF/82/004) and the integration of women in development (RAF/82/012)), the following bodies are participating in the protection of vulnerable groups. The UNICEF programme will have mobilized some $9 million by the time it ends in 1988. The new programming will start in 1989 and will supplement the efforts of the various agencies of the United Nations system on behalf of target groups. Its principal activities will no doubt continue to be in the area of health (oral rehydration, vaccination, first-aid, maternity services), village water distribution and sanitation. WHO will contribute approximately $1,160,000 in the biennium 1988-1989; its biggest programme is the one for strengthening health personnel ($700,000). Apart from the renewal of current projects (primary health care, anti-malaria campaign, sanitation, etc.), the programme will inaugurate, through oral hygiene projects, operational research and maternal health research. Efforts have also been made to ensure that UNDP assistance complements that of NGOs, particularly in the project concerning grass-roots initiatives (BEN/86/003) and in that concerning vocational
rehabilitation and social reintegration of the disabled (BEN/86/006), both of which receive assistance from the Netherlands Development Assistance Association, and in the project concerning the development of teaching materials for health personnel (BEN/87/005), which receives assistance from the German Volunteers Service.

Job promotion

78. Given, on the one hand, the current unfavourable situation and the financial recovery measures involving constraints at the level of State finances and, on the other, the restructuring and rehabilitation of public enterprises and consequent negative impact on employment, it is obvious that the responsibility for creating jobs must rest primarily with the non-State sector, whether in the rural or urban area. It is therefore necessary to formulate and put into effect a policy which will foster support for economic operators and stimulate the spirit of innovation and enterprise. At the same time, labour-intensive public works programmes must be started to provide an income for personnel about to be laid off as well as for the jobless.

79. Such a policy must also propose specific solutions for problems that might curb the expansion of activities capable of creating jobs, specifically:

(a) Matching of education and training to jobs;
(b) Credit structure;
(c) Investment security;
(d) Promotion of exports and diversification of the external markets.

80. PECTA (Employment and Technical Skills Programme for Africa) has already submitted an analysis of the job situation in Benin. This was followed by a national seminar on the question in November 1985. Another PECTA mission is to take place in Benin.

81. UNDP assistance should be geared specifically to:

(a) The promotion of small- and medium-scale enterprises and cottage industries, as well as support for the informal sector, a relatively inexpensive potential source for the creation of jobs;
(b) Vocational training;
(c) The development of a strategy for the promotion of exports, which is being formulated with the assistance of the International Trade Centre (ITC) and UNDP; this strategy will also be part of the agricultural diversification measures);
(d) Support for the creation of jobs for public employees who have been made redundant and for young graduates affected by the application of structural adjustment and financial stabilization measures.
In this context, if several donors, including UNDP, were to combine their assistance it would be possible to implement a labour-intensive public works programme (urban and rural) on the basis of the experience of the International Labour Office (ILO) (special labour-intensive public works programme).

Ongoing projects

Support for unstructured sector and promotion of self-management groups at Cotonou (BEN/86/006) ($118,476)

82. This project is being launched in the form of preparatory assistance. Its short-term goals are to promote knowledge of production and service micro-enterprises and to motivate craftsmen in two target neighbourhoods so as to encourage the establishment of autonomous forms of organization and increased productivity in craftsmen units. It is a project which is designed therefore to support the informal sector.

Skills upgrading (BEN/87/004) ($323,870)

83. This support for the Skills Upgrading Centre is the third phase of UNDP and ILO assistance. It will consist of support for the programming of vocational training, the training of trainers and the promotion of the Centre's activities. These efforts supplement Government efforts to improve the productivity of privatized industrial and commercial units, mainly in the context of its efforts to disengage itself and let the private sector take over.

New projects

Redeployment and reintegration of the jobless into the work force ($510,000)

84. To help the Government face the current increase in the number of unemployed and jobless, a situation which is threatening to deteriorate even further, given the measures which will result from the structural adjustment programme, UNDP was asked to allocate an important part of the IPF to matching training to jobs and to creating new employment opportunities. Efforts will be made at three levels: (a) redeployment of dismissed employees of public and semi-public enterprises to the private sector (assistance in the creation of their own production units); (b) supplementary training of recent graduates to integrate them into the labour market; (c) extension of decisive pilot experiments in how to organize the jobless in the cottage industry and the informal sector and train them to become self-employed.

Programmed reserve ($2 million)

85. A large amount ($2 million) is provided under the programmed reserve for this major area. There are plans to use some of this to set up a special adjustment and training programme as a possible supplement to the $510,000 reserved for the project for the redeployment and reintegration of the jobless into the work force. These activities will stem from the recommendations of the PECTA missions to be carried out by ILO and by the Louis Berger International Society in conjunction with the World Bank project concerning assistance in the rehabilitation of public and semi-public enterprises. This $2 million reserve should also make it possible...
to programme study missions with the United Nations Industrial Development Organization (UNIDO) in order to formulate a project to set up a mechanism for promoting small- and medium-scale enterprises. Funds will also be provided to take into account the results of these missions. Finally, approximately $500,000 has already been provided for the execution of a project relating to export promotion and market diversification.

86. Within the context of human resources development, UNDP assistance supplements that from the bilateral sources (FAC, the Government of the Federal Republic of Germany and the United States Agency for International Development (USAID), in particular), and multilateral ones (EDF in particular) and will take final shape once a decision is reached on what structural adjustment measures are needed. Implementation of such measures will require increased and joint efforts on the part of donors. Furthermore, a number of regional UNDP projects (particularly those concerning the African Regional Centre for Labour Administration (CRADAT) (RAF/87/092), strengthening and planning of employment (RAF/87/031), PECTA (RAF/78/010), the training programme for technicians and engineers (RAF/86/039) and promotion and support for small income-generating enterprises (INT/82/015)) will provide help in the area of jobs and human resources development.

Miscellaneous

87. A number of projects of the third programme that are scheduled to end in 1988 do not appear in this text. They include the ones concerning support for integrated rural development projects (BEN/82/005), the seed production plan, (BEN/84/010), cartography and soil analysis (BEN/84/015), Natitingou-Porqa Road (BEN/87/002 and BEN/85/002), national planning (BEN/83/010) National Centre for Accountancy Training (CENAFOC) Phase II (BEN/85/001), master water resource plan (BEN/85/004) and logistical programme support (BEN/86/001). These various projects require a total of $1,988,841 for their completion.

88. This heading also covers multi-purpose projects which the Government wishes to see implemented during the fourth programme, because of their importance for economic development activities:

- Transfer of Knowledge Through Expatriate Nationals (TOKTEN) (BEN/83/007) ($117,000)
- Participation in United Nations technical seminars and conferences (BEN/86/016) ($40,000)
- Support project for the programme of co-operation with UNDP and its associated funds (BEN/86/002) ($300,000)
- Assistance to the National Shippers Council (BEN/87/018) ($88,000), which will contribute with the regional project RAF/86/042 to the introduction of multimodal transport to Benin and training in this area.

C. Unprogrammed reserve

89. An unprogrammed reserve of $1,561,972 has been established to meet any urgent priority needs identified subsequently during the period covered by the programme.
FINANCIAL SUMMARY

I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

A. UNDP-administered sources

<table>
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<tr>
<th>Source</th>
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<td>IPF for 1988-1992 a/</td>
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<td>Special Measures Fund for Least Developed Countries</td>
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B. Other sources

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<td>committed as a result of the country programme exercise:</td>
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<td>WFP</td>
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<td>Parallel financing from non-United Nations sources</td>
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<td>Subtotal, other sources</td>
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TOTAL ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

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<th>Amount</th>
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II. USE OF RESOURCES

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<td>TOTAL USE OF RESOURCES</td>
<td>$45,724,394</td>
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a/ Not including funds allocated for 1987 ($6,200,000) but including one fifth of the IPF for the fourth cycle for 1992 ($4,854,200).