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PROGRAMME PLANNING
COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

THIRD COUNTRY PROGRAMME FOR CAPE VERDE*

<table>
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<tr>
<th>Programme period</th>
<th>Actual resources programmed</th>
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<tr>
<td>July 1988-December 1991</td>
<td>Fourth cycle IPF</td>
<td>6 188 000</td>
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<td></td>
<td>IPP carried over from third cycle</td>
<td>9 000</td>
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<tr>
<td></td>
<td>Use of fourth cycle IPF, January 1987-June 1988</td>
<td>(2 424 000)</td>
</tr>
<tr>
<td></td>
<td>Other resources programmed</td>
<td>10 586 000</td>
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<tr>
<td></td>
<td>TOTAL</td>
<td>14 359 000</td>
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* Detailed listings of projects and other related data prepared as part of the country programming exercise are available on request. These listings include: (a) ongoing projects; (b) proposed projects; (c) distribution of resources by objective; (d) proposed use of operational funds and programmes under the authority of the Administrator; and (e) distribution of new country programme by sector.

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I. DEVELOPMENT TRENDS, STRATEGIES AND PRIORITIES

A. Current economic trends

1. The Republic of Cape Verde is currently in a period of transition, having at the end of 1986 launched its second national development plan (1986-1990), which takes into account the main obstacles which the newly established Republic is encountering to its development: increasing population pressures coupled with almost permanent drought, and heavy dependence on essentially unstable external factors which influence monetary and financial balances.

2. Until now, remittances from Cape Verde nationals living abroad, revenues from certain tertiary activities (for instance, provision of services at Sal airport and the Port of Mindelo) and external assistance have made it possible to balance external accounts. However, this balance is being eroded by a slight decline in remittances by Cape Verde nationals living abroad, the fact that external financing has reached its ceiling, and recent changes in international economic relations.

3. With regard to the domestic balance, rapid population growth (2.8 per cent per annum for a total estimated population of 350,000 in 1986) is increasing the already existing distortions in the State budget created by relatively high per capita spending in the social, educational and health areas in particular, and is testing the capacity of the basic infrastructures that have to meet the population's essential needs. Unemployment and underemployment rates also remain very high, despite job creation efforts made under the first national development plan (1982-1985) (an estimated 45 per cent of the labour force are underutilized, of whom 25 per cent are unemployed).

B. National development strategies

4. In order to remedy these growing imbalances, one of the main instruments of the second plan is an incipient land development policy designed to encourage more harmonious population distribution over the archipelago's nine islands, based on their resources and the opportunities for productive employment. The target of this policy is to create 80,000 jobs in 15 years (approximately 5,000 jobs per year), with particular emphasis on meeting the population's basic needs and controlling its growth.

5. In order to reduce external dependence, the plan aims to create a productive base, in particular by strengthening and revitalizing the industrial, fisheries and tourism sectors. In industry and fisheries, which contributed 5.7 per cent and 3.4 per cent respectively to gross domestic product (GDP) in 1985, the emphasis is on export promotion which, to start with, requires the formulation and implementation of a trade policy, a policy for the development of transport, particularly maritime transport, and a corresponding human resources development policy.

6. Taking account of the population's fundamental needs, an aspect closely linked not only to the creation of a productive base but also to the second plan's primary
objective, requires strengthening and expanding existing infrastructures and 
building new ones, namely, roads, air and sea links, the maintenance and expansion 
of current shipping fleets, and networks for the distribution of water, energy and 
other basic services.

7. By comparison with other productive activities, agriculture, which contributes 
12.5 per cent of GDP (1985), seems to be condemned for climatic reasons to a 
necessarily secondary but no less essential role, given the population's food needs 
and the employment opportunities which it nonetheless offers. Agrarian reform, 
which is one of the major reforms advocated in the second plan - the others concern 
public administration and education - should modernize agriculture and make it 
highly efficient.

8. Lastly, particular attention will be paid to improving the management and 
optimizing the use of human resources. Education, advanced training and 
re-training of professional staff, and technical training are essential, and are 
recognized as such in the second plan. Moreover, improved national planning and 
lasting, coherent reform of the country's public administration, as envisaged in 
the second plan, should make it possible to pursue and expand the efforts made in 
recent years to ensure sound, rational management of State assets and human 
resources and to consolidate the gains of the past few years.

9. The total volume of public investments envisaged in the second plan is 
40,205,370,000 Cape Verdean escudos, or $US 446,983,750 at 1986 prices. The 
Government intends to cover 10 per cent of such investments from domestic sources, 
while the remaining funding (a little over $400 million) will have to come from 
external sources. At the second Round Table held at Praia in December 1986, 
pledges by Cape Verde's principal governmental, multilateral and financial partners 
covered approximately 70 per cent of the plan's funding needs. A conference of 
non-governmental partners, held in October 1987 as a follow-up to the Round Table, 
helped the country to mobilize additional funding which brought it closer to its 
funding targets for the plan.

C. Technical co-operation priorities

10. A request for a National Technical Co-operation Assessment and 
Programme (NaTCAP) was submitted to UNDP by the Government. This assessment should 
begin in 1988 and could help to synchronize ongoing technical co-operation 
activities and those planned for the medium term. However, the main outlines of 
technical assistance needs and priorities are already discernible in the second 
plan and the documents for the Second Round Table.

11. One major concern of the Government of Cape Verde is to enhance its citizens' 
skills and qualifications. This concern affects all areas of activity under the 
second plan, whether the development of productive sectors or basic services or the 
management of State investments. The emphasis is therefore on training (on the 
job, at seminars or abroad), an essential element for any technical assistance 
project.
12. The Government is also relying on its partners to assist in the implementation of measures to remedy deficiencies in the management of public assets, in particular:

(a) Reform of the public administration in order to create an "administration for development";

(b) Reorganization of the public enterprise sector;

(c) Consolidation of the national planning system, particularly in the areas of sectoral, regional and local planning; the preparation, development and execution of projects and annual investment plans under the second plan; and statistics;

(d) Improving knowledge in the areas of national accounting, trade, and efforts to control the debt. This assistance will also be useful for, inter alia, the design of private investment policies, the transfer of technology, and the drafting of an investment code.

13. According to the data available to UNDP, the annual volume of technical assistance to Cape Verde is around $30 million, approximately 75 per cent of which comes from bilateral partners. The United Nations system provides over 15 per cent and the remainder comes from non-governmental organizations, multilateral organizations and foundations.

D. Aid co-ordination arrangements

14. The Ministry of Planning and Co-operation co-ordinates all international co-operation. The Cape Verde Solidarity Institute is responsible basically for co-operation with non-governmental partners.

15. The Office of the Resident Co-ordinator is the focal point for all co-operation activities carried out by the United Nations system. The Food and Agriculture Organization of the United Nations (FAO) and the United Nations Children's Fund (UNICEF), which have their own offices at Praia, are also implementing major co-operation programmes with their own funds. It should be noted that UNDP, in so far as it is able, provides the technical assistance support needed to execute investment projects financed by such United Nations funds as the United Nations Capital Development Fund (UNCDF), the International Fund for Agricultural Development (IFAD) and the World Bank.

16. Lastly, at the second Round Table, the partners represented and the Government agreed to hold sectoral consultations in a number of key sectors (water resources, fisheries, agricultural research, administrative reform, industry, food aid and desertification control). For each of these sectors, a partner with the requisite experience in the area concerned was chosen to provide guidance and expertise for the consultation. Also as a follow-up to the same meeting, the earlier mentioned first conference of non-governmental partners was held in late October 1987 and helped draw increasing attention to the activities of non-governmental partners and...
to the possibilities of introducing new forms of aid and improving the co-ordination of co-operation both by the Government of Cape Verde and among non-governmental organizations (NGOs). Such possibilities are being actively sought by the Government. The conference, which was organized by the Cape Verde Solidarity Institute and was attended by some 50 non-governmental organizations, led to a number of commitments, particularly in the areas of support for co-operatives, training and literacy teaching, livestock production, agricultural production and storage, and in sectors affecting children, young people and women.

II. THE COUNTRY PROGRAMME

A. Assessment of previous country programme

17. The second country programme for Cape Verde, initially envisaged for the period 1983-1986, was extended to include the period January 1987-June 1988. This extension, which was approved by the UNDP Governing Council at its thirty-fourth session in May 1987, was designed to enable the third country programme to benefit from the conclusions and recommendations of the second Round Table, held at Praia in December 1986. The first national development plan had aimed essentially at laying the material and human basis for the country's future development, with a view ultimately to reducing the fundamental imbalances in the economy. The main objectives of the first national development plan taken up by the second country programme were:

(a) To improve the response to the population's basic needs;

(b) To create temporary employment and improve permanent employment prospects;

(c) To restructure and organize the State economic and administrative machinery.

18. The projects carried out under the second country programme, 1983-1988, reflect the priorities set forth in the plan and the programming flexibility indispensable for meeting additional needs experienced during periods of crisis. It should also be noted that almost half those projects actually played a key catalytic role in strengthening the Government's operational capacity to better integrate and manage technical assistance and capital inputs from its other economic and social development partners, bilateral and multilateral. That was the case, for instance, with projects in the areas of planning and statistics, water management and exploitation, maintenance of drilling equipment, fisheries, civil aviation, agrometeorology, and labour-intensive public works.

19. Systematic attention was given to the evaluation of the programme, which included a mid-term review (September 1984) and a final overall review in July 1986. The main conclusion was that almost all goals had been reached and that the programme had had the desired impact.
20. The final evaluation, however, took note of two sets of factors that had made execution of the programme more difficult. One set of difficulties involved project management by agencies whose operating delays and tendency to overestimate costs sometimes tied up already limited resources. It was therefore recommended that communication, particularly with agencies, should be improved through more frequent field visits by those in charge of projects. The second set of problems could be ascribed to the Government's lack of professional staff, which often prevents it from providing projects with the requisite counterpart personnel. One compromise frequently resorted to has been the part-time secondment of national professional staff and, given the importance of the issue, it was decided with the Government that training activities would be emphasized in all projects under the third programme.

21. Lastly, the evaluation showed that a relatively large number of sectors had received UNDP assistance. It was recognized that a proper balance must be struck between a tendency to repeat projects in the same sectors, with each project entailing additional requirements and the objective implicit in every project, namely, to ultimately enable the sector in question to manage without assistance. Achieving such a balance will also help to avoid any waste of the modest resources available to the new programme.

B. New programme proposal

22. Allowing for the extension of the preceding programme, the third country programme covers the period July 1988 to December 1991. The extension period of the second programme, however, laid the groundwork for the goals and strategies of the current programme. The overall objective of the third programme for Cape Verde is to increase the Government's capacity to manage the country's economic and social development process by establishing and strengthening the human resource, physical and social infrastructures required for this process.

23. This overall objective has the following three components:

   (a) Establishment of basic infrastructures in order to improve management and planning and increase absorptive capacities;

   (b) Establishment of infrastructures promoting production and economic growth;

   (c) Strengthening of social infrastructures which, by improving the population's living conditions, will allow them to participate more fully in activities that promote their own development.

24. UNDP support for these three components, accords fully with the second development plan of Cape Verde which advocates the transition from a young post-colonial society to a modern economy capable of playing a dynamic, positive role in the world economy. The third country programme is designed, among other things, to create and strengthen the Government's planning and operational capacity so that it is better equipped to integrate and administer internal and external inputs to the second plan and attract increased participation by other
partners. This catalytic effect will help to ensure that not only assistance from the United Nations system but all assistance received by Cape Verde has the greatest possible impact. Lastly, the programme may also help to attenuate the major consequences of the virtually permanent drought afflicting the country.

25. The new programme includes a number of novel forms of co-operation, such as increased provision for South-South co-operation activities supported by national, regional and interregional projects involving technical co-operation among developing countries (TCDC); increased support under the UNDP regional programme for Africa for activities that will help integrate Cape Verde more fully into the African region; new projects aimed at creating conditions for possible participation by private sector partners; and the programming of activities permitting the involvement of non-governmental organizations and/or increased participation by women in development. Available indicative planning figure (IPF) resources are not sufficient in themselves to enable UNDP to make the desired minimum contribution to these major objectives. Substantial resources from funds under the authority of the Administrator are therefore an integral part of the third country programme. Allowing for these resources, the funding provided for the third country programme for Cape Verde amounts to $14,359,000, of which only $3,773,000 or 26 per cent are IPF funds.

1. **Basic infrastructures**

Ongoing projects and projects proposed during the programming process

26. One of the biggest challenges currently facing Cape Verde is the lack of managers and planners, a situation aggravated by the poor quality of the tools (statistics, etc.) indispensable for their work. The project "Assistance to planning", the fourth phase of which (CVI/87/011) will end in June 1988, has helped to strengthen the analytical capacities of the Department of Planning and to establish study and planning offices within the main sectoral ministries. It was largely as a result of these structures that the Government of Cape Verde was able to draw up the second national development plan. Specific recommendations, based on evaluation of the previous exercise, as to the kind of assistance best able to meet the Government's needs will make it possible to reinforce this institutional support through supplementary assistance under the third country programme.

27. The project "Improvement of statistics" (CVI/83/008), which will end in 1989, will have provided on-the-job training to the staff of the Statistics Department and sectoral statistical services, and will have helped computerize data processing sequences and provided assistance to the National Institute for the Development of Data Processing. A four-year project on agricultural statistics (CVI/87/002) was begun in 1987. Mention should also be made of the project "Computerized customs system" (SYDONIA), the continuation of which in Cape Verde should be financed jointly by the regional IPF and France.

28. A new project in this sector, "Auditing of public accounts" (CVI/87/003), is scheduled for IPF funding totalling $392,000.
29. Two other projects, financed by other funds under the authority of the Administrator, will complement UNDP assistance funded from the national IPF and the Special Measures Fund for the Least Developed Countries (SMF). One is a project to support the follow-up to the second Round Table of Cape Verde's development partners, at an estimated cost of $167,000; the other is a project providing direct support to the Ministry of Planning and Co-operation. Both projects are being financed from the agency costs for Government-executed projects.

30. In the area of public administration, the Government has, since independence and with the assistance of UNDP and other partners, undertaken the urgent corrective measures required to overcome the legacy of the colonial administrative system. With assistance from UNDP and Brazil, a comprehensive analysis was made of the situation and a strategy adopted for setting up a genuine "public administration for development". This new approach to public administration derives from the new approach to the State itself and its role as a driving force for economic and social development. The public administration reform therefore aims at decentralization, involvement of civil servants and citizens, openness, and the development of basic structures providing community services. In other words, the goal of the reform is to adapt the public administration to the interests of the people of Cape Verde.

31. The Government hopes that, as in the past, UNDP will play a central role in this process. Consequently, the project "Administration for development" (CVI/86/009, allocated $195,000 from SMF), which has helped lay the groundwork for institutionalizing the administrative reform and the planned reform of the human resources management system, will be followed by a second phase (CVI/87/010) accompanying the implementation of the reform; its 1988-1990 budget will be $450,000, plus an additional annual contribution of $100,000 from Brazil.

32. The two other ongoing projects in this sector are also directed at human resources development through training, either abroad (CVI/85/001) or at the reorganized Mindelo Technical School (CVI/86/004). The budgets for these projects under the third programme are $35,000 and $148,000 respectively. UNDP training assistance is intentionally selective and should be reinforced by the competent organizations of the United Nations system. It will supplement in conjunction with the various kinds of assistance which several other of Cape Verde's development partners are continuing to provide (African Development Bank (ADB), Norway, UNICEF, World Food Programme (WFP), etc.) and which have totalled more than $10 million during the second national development plan.

33. The water supply sector, being the absolute priority, continues to receive the sustained attention which UNDP and the Department of Technical Co-operation for Development (DTCD) have given it since independence. The main aim is to improve the management of available resources and to provide the means for such improvement, with a view primarily to co-ordinating the many ongoing activities in this area and drawing the greatest possible benefit from other external assistance. It is therefore proposed that the sum of $700,000 be earmarked for this important sector from immediately available IPF funds.

34. Initially, the main objectives of the "Water resources" project (CVI/87/001) were the following: to expand and improve the water resources data bank currently...
used in Cape Verde; to lay the bases for a master plan for water resources management in Cape Verde; to establish effective co-ordination of national, bilateral and multilateral activities in the water sector; to strengthen the technical capacities of the Water Resources Board in planning and managing water resources; and to set up a maintenance and repair shop for the Board's equipment.

Because of the magnitude of the funding required for the last of these objectives ($770,000), it was decided to transform it into a separate project for which IPF funding cannot be guaranteed, and it is not covered by the sum mentioned in the preceding paragraph.

35. Among the principal partners who are to contribute to activities in this sector, ADB, the European Economic Community (EEC), the Federal Republic of Germany, UNICEF, USAID, the World Bank and the World Health Organization (WHO) have already provided a total of over $50 million. The IPF allocation, although large, helps cover only a part of institutional needs. Supplementary funding is therefore urgently needed.

36. Lastly, in 1986 the Government instituted a project designed to draw on the large pool of expatriate Cape Veredian scientists, technicians and other specialists. The initial TOKTEN (Transfer of Knowledge through Expatriate Nationals) project was allocated $50,000, and a $151,000 extension funded from SMF is planned under the third country programme. In addition, Cape Verde is embarking on an increasing number of activities in co-operation with other developing countries and has therefore asked UNDP for support in this field. Project CVI/87/009, which is being supported to that end by UNDP regional and interregional TCDC projects and by an IPF contribution from Brazil, and for which a budget of $145,000 has been provided, should facilitate the joint activities in several sectors undertaken by Cape Verde and its partners, notably Brazil, Morocco, Senegal and Egypt.

Programmed reserve

37. No reserve is programmed for this objective.

2. Infrastructures promoting production and economic growth

Ongoing projects and projects proposed during the programming process

38. The development of an export-oriented industrial sector was chosen by the second plan as one means of reducing the foreign trade imbalance. Accordingly, project CDI/84/002, "Assistance to industrial planning and development", was carried out during the extension period of the second programme. Begun in November 1985 with joint financing by UNDP and the Government and with the participation of the United Nations Industrial Development Organization (UNIDO), this project should, in theory, achieve its basic objectives by the end of 1988, namely, the establishment and launching of a study and planning office and an industrial promotion unit. The project was designed to prepare the ground for capital investments. Three potential investments already amount to nearly $29 million. They are:

/...
39. Clearly industrial development, like any other development, is not feasible without adequately trained human resources. The Government is trying to obtain funding totalling $271,000 for an industrial training project so that it can train a broad range of people, from workers to senior managerial staff.

40. With regard to fisheries, another key sector under the second plan, the Government set up for the period covered by the plan a programme to develop small-scale and industrial fisheries. The industrial component will be financed by the Arab Bank for Economic Development in Africa (ABEDA) and other funds for a total amount of approximately $10 million. The small-scale component will be financed by IFAD and ADB for a total cost provisionally estimated at $12 million. New project CVI/86/006 is the key element which, with an input from project CVI/78/002, "United Nations Volunteers (UNV)", will facilitate implementation of the programme. The total estimated cost of these two IPP fisheries projects is approximately $780,000 or roughly 20 per cent of the national IPP. Close links have been established between project CVI/86/006 and a non-governmental organization working in the same sector, permitting more rational use of available resources.

41. The AGHRYMET national project (CVI/86/007) will continue during its second phase - up to 1991 - to focus essentially on training professional staff at various levels, thereby making it possible to consolidate the positive results already obtained and, in particular, to extend their benefits more widely to farmers. An amount of $282,000 has been earmarked for this purpose. The project will continue to receive supplementary assistance from some other donors which, with UNDP, are supporting the AGHRYMET regional programme of the Permanent Inter-State Committee on Drought Control in the Sahel, notably USAID and the Federal Republic of Germany. It will thus also continue to set the tone for the massive agricultural development effort receiving support from funding sources associated with UNDP (UNCDF, United Nations Development Fund for Women (UNIFEM), United Nations Sudano-Sahelian Office (UNSO)) during the same period ($2.45 million), not to mention the inputs into the same sector which are to come from the EEC (European Development Fund), FAO ($3.82 million) and WFP ($387,400 committed since 1984).
42. The situation in the tourism sector is virtually the same as that in the industrial sector. A hotel-management training project is on the list of projects on the drawing board for which funding is being sought.

43. With regard to export promotion, an indispensable element for developing the productive bases, project CVI/87/005, "Exports and trade", aims to lay the foundations for the export strategy recommended by Cape Verde for both its industrial and fisheries products. The budget for this activity is $397,000. Apart from this project, the only assistance which the trade sector in Cape Verde is currently receiving from the United Nations family is assistance from the SYDONIA regional project of the United Nations Conference on Trade and Development (UNCTAD). The Government intends, inter alia, to request support from the United Nations Centre on Transnational Corporations in studying and drafting an outline law on foreign investments and in training Cape Verdan professional staff to negotiate with transnational corporations on investments and the transfer of technology.

44. A number of projects have been planned with regard to the physical infrastructures needed to support the activities described above. The first of these, funded from the national IPF, is designed to prepare the telecommunications development plan. The cost of this project is $218,000. A request has been made to UNSO to launch a second phase of its project to repair and extend air field runways (assistance for Sao Nicolau and Sao Vincente islands). The cost of such assistance has yet to be determined.

45. Lastly, the sector is far from being neglected by donors other than UNDP and its associated funds. ADB, the International Labour Office (through Italian funds held-in-trust) and the EEC are together going to invest nearly $15 million in this sector.

46. Although the IPF does not finance projects relating to the science, technology and energy sector, the Government nevertheless hopes to receive assistance from some funds associated with UNDP and the EEC in order to cover its needs, inter alia through the regional programme for Africa and the United Nations Financing System for Science and Technology for Development (UNFSSTD), with a biogas programme the cost of which has yet to be determined. Other contributions will also be requested for projects forming part of the second plan.

Programmed reserve

47. No reserve is programmed for this objective.

3. Social infrastructures

Ongoing projects and projects proposed during the programming process

48. UNCDF recently provided a new loan of $1,595,000 to finance a second phase of primary school construction in Cape Verde during the period 1988-1990. The accompanying project, CVI/80/003, financed from the IPF, has therefore had to be extended to support the governmental services responsible for carrying out the
UNCDF programme. An amount of $60,000 has been earmarked for this purpose. Assistance will also be provided in this sector by:

(i) ADB (ADF) for an amount of $1,214,040 (study of the Education II project);

(ii) ADB (ADF) for an as yet undetermined amount (Education project);

(iii) The World Bank for an amount of $3,539,459 (improvement of the quality of basic education).

49. In order to support the process of educational reform recommended by the second plan, financing is being sought for a $318,000 technical assistance project. All in all, the education sector is already assured of a minimum capital investment of $6,350,000 during the period covered by the second plan.

50. In the health sector, a major component of the TCDC project (CVI/87/009) involves the provision of medical expertise (medical specialists) by Brazil including training for Cape Verdan doctors on specialization courses in Brazil. The Government of Brazil, through the TCDC project included in its fourth UNDP programme, will participate in the project by providing a third-party contribution.

51. The housing sector, a main focus of the second plan, is also targeted under this part of the third programme. Following the preparatory work done under project CVI/81/007 and two missions financed by the UNDP-administered Netherlands Trust Fund and HABITAT, UNCDF provided $2,598,000 to finance preparation of all the records and implementation of the main components of the programme to improve the most disadvantaged neighbourhoods of the city of Praia (relocation/rehousing; roads and drainage; water supply; public lighting; markets; land survey). The current project CVI/86/009, for an amount of $587,000 drawn from IPF funds, will strengthen the Government's capacity to implement the UNCDF programme and will create the national expertise needed to carry out similar work in other areas of Cape Verde. The same project will undertake the construction of three schools and three kindergartens in the neighbourhoods concerned, for an amount of $395,000 financed from funds left over from project CVI/79/002. Also under this project, HABITAT financed the construction of nine pilot houses in 1987.

52. The uncontrolled overcrowding on the outskirts of urban centres, a phenomenon indirectly attributable to the drought that has lasted almost without interruption since 1968, is a source of grave concern for the Government, which has decided to concentrate 50-60 per cent of its indicative programme of co-operation with the European Development Fund on developing the city of Praia and the surrounding area (master plan and other projects). The overall cost of this programme is approximately $26 million. A similar programme for the country's second city, Mindelo, has been undertaken with the assistance of ABD. The above-mentioned IPF- and UNCDF-financed projects will therefore be executed in close co-operation with the European Development Fund programme.

53. In addition to the contributions by UNDP, UNCDF and HABITAT, two large-scale activities are planned for the population of the communities concerned. One of them, funded by DTCD, is intended to teach a number of women from two neighbourhoods...
about basic hygiene and efficient water use; these women will then pass on what they have learned to the city's other neighbourhoods. The second activity, which is being funded by Canada, will make it possible to install basic sanitation units in houses in the neighbourhoods.

54. Since project CVI/83/004, "Assistance to a labour-intensive programme", ended in December 1987, a new project has been set up for 1988, one of the main objectives of which is to make a study of the future place and role of the labour-intensive sector in Cape Verde. The project is being co-financed by the IPF and by the International Labour Office with funds from Norway. UNDP assistance to this sector will come to a definite end in December 1988.

Programmed reserve

55. No reserve is programme for this objective.

C. Unprogrammed reserve

56. In view of the small size of the IPF and the pressing need for technical assistance, the Government has decided to programme all the resources available for 1988-1991, while keeping open the possibilities offered by continuous programming to make changes during implementation. An unprogrammed reserve is not, therefore, envisaged.
Annex

FINANCIAL SUMMARY

I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

A. UNDP-administered sources

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<td>Third cycle IPF balance</td>
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<td>Fourth cycle IPF</td>
<td>6 188 000</td>
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<td>Use of fourth cycle IPF, January 1987-June 1988</td>
<td>(2 424 000)</td>
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<tr>
<td>Total IPF</td>
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<td>Special Measures Fund for the Least Developed Countries</td>
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<td>Special programme resources</td>
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<td>Third-party cost-sharing</td>
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<td>Operational funds under the authority of the Administrator (UNSO, UNCDF, UNV Regional/interregional programme)</td>
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<td>UNDP special trust funds (UNIFEM, Emergency Operations Trust Fund)</td>
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<td>Total UNDP non-IPF funds</td>
<td>474 000</td>
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B. Other sources

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<tr>
<td>Funds from other United Nations agencies or organizations committed at the end of the programming process (World Bank, United Nations Population Fund)</td>
<td>754 000</td>
<td></td>
</tr>
<tr>
<td>Parallel financing from non-United Nations sources (Brazil, France)</td>
<td>355 000</td>
<td></td>
</tr>
<tr>
<td>Total, other sources</td>
<td>-</td>
<td>1 109 000</td>
</tr>
<tr>
<td>TOTAL ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING</td>
<td>14 359 000</td>
<td></td>
</tr>
</tbody>
</table>

II. USE OF RESOURCES

<table>
<thead>
<tr>
<th>Description</th>
<th>$</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing projects</td>
<td>4 377 000</td>
<td></td>
</tr>
<tr>
<td>New project proposals</td>
<td>9 982 000</td>
<td></td>
</tr>
<tr>
<td>Programmed reserve</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total programmed resources</td>
<td>-</td>
<td>14 359 000</td>
</tr>
<tr>
<td>Unprogrammed reserve</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>TOTAL USE OF RESOURCES</td>
<td>14 359 000</td>
<td></td>
</tr>
</tbody>
</table>