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PROGRAMME PLANNING

Country and intercountry programmes and projects

FIFTH COUNTRY PROGRAMME FOR KENYA

Note by the Administrator

I. PROGRESS OF THE PROGRAMMING EXERCISE

1. The country programme process commenced with the presentation of the Resident Representative's note in August 1985, which set out the lessons learnt from the third cycle programme. It stressed the comparative advantages of United Nations Development Programme (UNDP) assistance in general, such as its multilateral character with no conditionality, a factor which makes it extremely suitable for sensitive high level advisory assistance. Also emphasized was the country programming system, which relates to the development priorities of the government, the use of national expertise and encouragement of Government execution.

2. The assessment of the fourth country programme, including numerous tripartite reviews and several in-depth evaluations, provided a wide spectrum of experiences, which served as guidelines for the new programming exercise.

II. THE FIFTH COUNTRY PROGRAMME

3. The most important feature of the fifth country programme is that it provides a framework for the Government to rationalize and prioritize external aid inputs. It also helps United Nations agencies to improve their action for the overall co-ordination of development assistance from the United Nations system and other multilateral and bilateral donors to integrate their efforts in an overall technical assistance programme.
4. The Government has established employment as the major theme for the country programme. This has been translated into four specific objectives:

(a) To improve the environment in which social and economic development takes place, i.e., by improved policy-making, investment designs and information systems (17.7 per cent of total requirements, 21 per cent of the indicative planning figure (IPF));

(b) To refocus formal and non-formal education and training towards self-employment, instead of wage-employment, as is traditionally the case (14.4 per cent of total requirements, 19.5 per cent of IPF);

(c) To introduce new packages for employment creation in the informal and small-scale agricultural sectors, through the provision of credit, tools, management skills and business counselling (31.5 per cent of total requirements, 27.4 per cent of IPF);

(d) To upgrade public services essential for the development of the employment potential of the private sector (35.8 per cent of total requirements, 27.0 per cent of IPF).

5. The second major feature of the country programme is resource mobilization. The critical role for UNDP is not only to manage its own resources, but, more importantly, to assist in achieving higher levels of resource flows to Kenya. This will be reinforced by more effective co-ordination of United Nations system technical co-operation and greater quality control of projects. During the programming process, an additional $34.5 million has been identified as available from other organizations of the United Nations system, thus raising the size of the programme to $68.5 million. Further, $182 million is expected from bilateral third-party cost-sharing and parallel financing, raising the total programme to $251 million, when all funding is realized.

6. The programming process can also be credited with providing critical support to the World Bank decision to launch a major employment mission to Kenya in early 1988, which is expected to result in additional lending for employment-oriented activities.

7. The 1987-1991 IPF is $34,585,000, of which $27,668,000, or 80 per cent, is available for 1988-1991. The IPF balance from previous years is $6,332,000, which results in a total of available IPF resources of $34,000,000 (1988-1991) of which 4 per cent, or $1,500,000, is set aside as unprogrammed reserve. Of the available funds, $7.1 million (20 per cent), is earmarked for ongoing projects, whereas the remainder of $26,900,000 (80 per cent) is available for new projects.

III. MANAGEMENT OF THE COUNTRY PROGRAMME

8. As described in the country programme document, several mechanisms for the management of the programme, such as the three-year forward rolling budget, regular donor meetings, periodic Consultative Group meetings and selected co-ordinating
groups at the sectoral level, are in place. These will have to adhere to two principles:

(a) Comprehensive, integrated technical assistance, regardless of source of funding;

(b) Prioritization of needs through budget rationalization and aid-co-ordination.

9. These principles, however, can only maximize desired results if the following conditions are met:

(a) strict budgetary discipline from the side of the Government and acceptance of this by the donors in terms of aid priorities, as these are reflected in the forward rolling budgets;

(b) active resource mobilization by all parties concerned;

(c) intensive monitoring of the total programme with timely adjustments where required;

(d) donor support for operational costs in view of the scarcity of Government resources arising from its austerity measures as set out in the Government document entitled "Economic Management for Renewed Growth".

10. The specific role of UNDP in assisting the Government with the implementation of this country programme is to monitor programme implementation actively and to promote resource mobilization for the total programme.

IV. RECOMMENDATION OF THE ADMINISTRATOR

11. The Administrator recommends that the Governing Council approve the country programme for Kenya.