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**SUPPORT**

PROGRAMME PLANNING

COUNTRY, INTERCOUNTRY AND GLOBAL PROGRAMMES

Reports on mid-term reviews of country, intercountry and  
global programmes

Mid-term review of the fourth country programme for Zaire

Report of the Administrator

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## I. PREPARATION OF THE MID-TERM REVIEW

1. Extensive preparations for the mid-term review of the fourth country programme for Zaire were conducted from May to December 1989. The overall review was preceded by sectoral reviews or studies for each of the main programme sectors: economic management; agriculture and rural development; social development; and transport and communications. The industrial sector was the only sector for which a special study was not conducted, UNDP-funded activities in that sector having barely begun.
2. For the economic management sector the sectoral review was preceded by reviews of the main projects in the sector. For the social development sector, on the other hand, the sectoral review was supplemented by a strategic study that coincided with the holding of a social sector round table at Kinshasa on 30-31 October 1989 and with the launching of a social sector adjustment programme. The review of the UNDP programme in the social sector was also conducted jointly with the review of the United Nations Children's Fund (UNICEF) and United Nations Population Fund (UNFPA) programmes.
3. The review exercise mobilized several national and international consultants and received close co-operation from the relevant departments of the Executive Council of Zaire and from the United Nations executing agencies concerned.
4. The results of the review were presented to the joint review meeting held on 5-6 December 1989. The joint review meeting was highly successful and was attended by over 200 people representing the Executive Council, United Nations agencies (International Labour Organization (ILO), Food and Agriculture Organization of the United Nations (FAO), UNFPA, Office of the United Nations High Commissioner for Refugees (UNHCR), World Intellectual Property Organization (WIPO), World Health Organization (WHO), United Nations Industrial Development Organization (UNIDO), World Food Programme (WFP), United Nations Educational, Scientific and Cultural Organization (UNESCO) and UNICEF), donors and the various groups involved in the country's economic and social development.

## II. OVERVIEW OF THE FOURTH COUNTRY PROGRAMME

5. The fourth country programme for Zaire was designed to support four major objectives of the five-year plan 1986-1990:
  - (a) To assist the Executive Council in achieving a standard of economic management which would make it possible to design policies and programmes ensuring an annual growth rate of 4 per cent;
  - (b) To provide public institutional support for growth in the private agricultural and industrial sectors;
  - (c) To promote an appreciable improvement in social well-being and to make the necessary human resources available for development;

(d) To participate in the rehabilitation of certain transport and communications systems essential for economic growth.

6. The general theme of the programme was the development of Zaire's human resources to meet the needs of the sectors chosen for UNDP assistance. It was structured into four sectors, each corresponding to one of the objectives defined above. It currently comprises 26 ongoing projects.

### III. PROGRESS MADE IN EXECUTING THE PROGRAMME

#### A. Support for economic management

7. The programme covers three major areas: economic management proper (planning and statistics); public administration; and public enterprises.

8. Assistance to the public enterprise sector was in line with structural adjustment policies and was intended to rationalize the role of the State in this sector and reduce the burden on public finances. UNDP assistance involved financing a study (ZAI/83/013 - Study of public enterprise reform), the conduct of which was entrusted to the World Bank. This study, which took the form of a number of diagnoses by external consultants, resulted in recommendations on privatizing, liquidating or maintaining enterprises in the State portfolio. A new oversight mechanism, the Higher Council for Portfolio, was proposed and subsequently created for the State portfolio, as was the adoption of a management approach that gave greater autonomy to enterprises through the system of programme contracts. UNDP assistance to this sector can thus be said to have been appropriate and to have achieved its objective of making a diagnosis and presenting the Executive Council with decision-making options. UNDP involvement in the areas of economic management and public administration was far greater; the objectives were more ambitious and the results are less conclusive.

9. Three projects that were already under way before 1987 are being executed to support economic management. Project ZAI/83/019 - Strengthening of the National Statistical Institute was intended to reactivate the launching of a national statistical system to produce the information essential for economic management and, subsequently, to permit the processing of data from the 1984 census. Project ZAI/86/001 - Support for national planning was intended to set up a system for following up on the execution of investment projects, to regionalize preparations for the second five-year plan and to strengthen the planning capacities of certain departments. A third project, ZAI/84/011 - Support for the Department of External Aid Co-ordination, was intended to strengthen the capacity of the Planning Department to follow up and mobilize external aid flows, play its role as secretariat of the Follow-up Commission of the Donors' Consultative Group and extend co-ordination to include technical assistance and non-governmental organizations (NGOs).

10. The review of these three projects shows that they have achieved only some of their objectives. Despite the positive results achieved in training and statistics production, a national statistical system has yet to be established, such essential statistics as the national accounts are not being produced as fast as they should and the National Statistical Institute is still so weak that it needs constant help with performing its functions. The project on support for national planning has yet to see any results on investment follow-up or the regionalization and departmentalization of planning mechanisms, despite the progress made by experts in designing instruments, programmes and work methodologies. Without the presence of those experts, the continuing use of these tools cannot be guaranteed. In the co-ordination of external resources, the issue of quality has barely been touched upon, although data bases have been set up and are beginning to be used. The impact of these data bases will, however, be assured only if they continue to be updated and used after the project ends.

11. UNDP assistance to the public administration sector was provided through projects ZAI/84/012 - Reorganization of the Civil Service Department and ZAI/85/009 - Organization of the Paymaster General's Office. The latter project, which was originally being implemented in the Finance Department, is now being implemented in the Budget Department. It was intended to strengthen these structures to enable them to supervise staff, oversee pay and train civil servants. Based on objectives to which the Executive Council attaches priority, the two projects were affected by serious delays in securing inputs from the two parties: experts from UNDP and premises and counterpart staff from the Executive Council. The project on the Paymaster General's Office faced the additional handicap of having no oversight of the pay circuit since data processing had remained partly the responsibility of the Finance Department. The two projects have yielded useful results: diagnoses, reorganization measures and a major reduction in the number of civil service staff through retirement and the elimination of non-existent staff from the payroll. However, the results are still limited in terms of the desired impact on staff management, pay reform and the training of civil servants.

12. In the area of economic management, participants recommended:

(a) Greater consolidation of ongoing activities in order to achieve the goal of economic growth;

(b) Improvement in the quality of public investments;

(c) Creation of a national study group to review the role of the civil service, so as to define clearly the Executive Council's objectives in this area, and the role of public administration in the national economy at the central and regional levels.

B. Institutional support for production sectors

1. Support for agricultural production

13. UNDP assistance to the agricultural sector during the present cycle is based largely on the recommendations of an FAO mission in late 1986 which led to the identification of new projects, now in progress or about to be launched, in the areas of agricultural extension services, agricultural research, small-scale livestock production, rice growing and the restoration of access roads. The mission had also confirmed the validity of UNDP activities already under way in the agricultural sector (support for seed production and the strengthening of agricultural statistics) and the advisability of preparing a preliminary project of assistance for agricultural research.

14. Two other projects in areas related to the agricultural sector are at the preparatory assistance phase. One, the Pilot programme for the ecodevelopment of grass-roots communities (ZAI/86/006), involves experimenting with models for developing grass-roots communities in harmony with their environment while the other, Assistance in implementing the fisheries master plan (ZAI/88/002), involves small-scale fishing in a pilot zone and is based on a prior UNDP study. Lastly, the only project completed since the beginning of the cycle is one in support of cattle rearing in northern Kivu, which has been succeeded by project ZAI/87/001 - Development of small livestock production in northern Kivu, now entering its principal phase.

15. The UNDP programme in the agriculture/rural development sector is thus centred on nation-wide projects designed to develop the support services essential for agriculture: improved seeds, agricultural statistics, extension services, agricultural research and agricultural access roads. These projects form the nucleus of the Executive Council's strategy for revitalizing agriculture, attaining food self-sufficiency and increasing rural incomes. Each programme is planned for a period of 10, 15 or even 20 years and involves not only UNDP and the World Bank but also several donors, working alongside the national lead agency. Under this sharing of roles, UNDP is responsible for technical assistance and for training the staff of the national agency while the other partners mainly finance equipment and operational expenses. It should also be mentioned that projects ZAI/89/006 - Restructuring and strengthening of agricultural research and ZAI/88/006 - Strengthening of the National Agricultural Extension Department will shortly enter their principal phases, while project ZAI/88/008 - Strengthening of the national rice programme, another project of major importance for the success of food self-sufficiency policy, will begin its preparatory phase.

16. While the relevance and coherence of the UNDP programme in the agricultural sector has been clearly demonstrated, its impact will be felt only several years from now, first in the pilot regions where integrated actions will be undertaken and then nation-wide as a result of the application of these experiments on a national scale. In fact, since the beginning of the current cycle, UNDP assistance with project execution has been concentrated on two main projects - agricultural statistics and improved seeds; the other projects are either in the preparatory phase or have barely started.

17. Project ZAI/84/008 - Permanent system for the collection of agricultural statistics has focused since 1984 on setting up a statistical system - a vital tool for agricultural planning. In the initial phase, regional offices were established throughout the country, a large number of supervisors and survey workers were trained and grass-roots surveys were carried out. In the second phase, project ZAI/88/004 - Support for the permanent system for the collection of agricultural statistics, which will end in 1991, the permanent survey system will be consolidated. However, in order to ensure its viability and the effectiveness of statistical work, it will be necessary to establish close co-ordination among the various participants (World Bank, United States Agency for International Development (USAID), Belgian Co-operation Ministry) and to link up with the national statistical plan to be implemented by the National Statistical Institute.

18. The other major project now being executed is that for assistance to the National Seed Office (ZAI/83/003 - Support for setting up a National Seed Office), which also began in 1984. This project is of major importance to Zaire and is intended to increase food production by ensuring an adequate supply of improved seeds. It was originally funded only by the Executive Council and UNDP but later attracted interest from other donors. In 1985, the World Bank granted an International Development Association (IDA) credit to the national seed plan being executed by the National Seed Office (BUNASEM), part of which was used for technical assistance in the areas of production and financial management. Other co-operating agencies, from the United States, Belgium, Canada, France and the European Economic Community (EEC) among others, joined the project by funding experts or bearing the entire cost of seed farms. The results are encouraging: a competent institutional structure in the area of seed production is now in place, the original production targets have been met and a network of seed farms integrated into the national seed plan has been established in each region. The project has had a significant impact on agricultural output and more and more farmers are beginning to use the improved seeds. Whether this impact is sustained and grows will depend both on the success of efforts to market seeds and make production profitable and on a favourable change in the environment resulting in an increased demand for seed.

## 2. Support for industrial production

19. The principal project implemented during the cycle involves the planning and promotion of industrial development. Project ZAI/81/014 - Development of small- and medium-sized industries in Kivu, now ended, did not achieve the desired results, at least in terms of the promotion and financing of small- and medium-sized industries. A nation-wide support project for small- and medium-sized industries was to have followed, but as its formulation was never approved by the Executive Council and UNDP, a new project, ZAI/89/008 - Promotion of the private sector, based on the concept of private sector support for small- and medium-sized industries, is now being studied. A small project in support of the Industrial Property Service (ZAI/89/003) has just been approved.

20. Project ZAI/86/008 - Planning and promotion of industrial development identified promising industrial subsectors on the basis of a structural study of Zairian industry. Strategic groups consisting of industrialists and representatives of the State were formed to guide their rehabilitation and development. The success of this approach will depend largely on enterprises' real interest in reaching agreement on the future of their subsector and of industry as a whole. A new phase of studies will make it possible to assess the impact on enterprises of the economic, regulatory and administrative environment and to recommend measures with regard to the investment code, credit, taxation, etc.

### C. Social development

21. This sector covers action in a number of fields: health; employment, particularly the employment of handicapped and disadvantaged persons; youth; training of instructors; and study of manpower needs.

22. In the health area, apart from WHO consultancy missions sent to design plans for combating onchocerciasis and restructuring epidemiological services, which were characterized by long implementation and reporting delays, the main activity to have been undertaken is a vast project, ZAI/87/003 - Primary health care, involving three components. The first component is an on-the-job training programme for staff in health zones. This programme is of the utmost importance and is designed to enhance the quality of health care and to provide access to such care for the greatest number of people. UNDP assistance is already proving highly successful and is remarkable for the fact that it is being administered by national rather than foreign experts. The second component is assistance to the central co-ordinating office for action to combat acquired immunodeficiency syndrome (AIDS). UNDP undertook to provide such assistance at a donor meeting held in February 1988, but activities are being hampered by the failure of WHO to recruit the planner responsible for co-ordination activities. The last component, which has just been approved, involves support for a national campaign against iodine deficiencies.

23. In the employment area, UNDP action has involved training and reintegrating handicapped and disadvantaged persons through support for the National Vocational Training Centre for the Physically Handicapped (ZAI/85/020 - Professional integration of handicapped persons) and for the Mama Mobutu Foundation (ZAI/89/001). A small-scale project (ZAI/85/019) was aimed at integrating young people into agricultural life. There are no plans to follow up these projects, which achieved only some of their objectives and were intended as short-term operations. Job creation will be taken up again in project ZAI/88/001 - Special programme of urban public works, which is currently being formulated and will take a labour-intensive approach. Lastly, the forthcoming approval of project ZAI/89/007 - Fund for grass-roots initiatives will make it possible to provide financial incentives to communities to select and carry out initiatives that contribute to their own development.



24. In the training area, two projects for the training of instructors and one for technical training, all of them limited in scope, have been completed or are near completion. A large-scale study (ZAI/85/014) has also been conducted by the World Bank, with UNDP financing, with a view to drawing up a comprehensive, coherent programme for human resources development within the framework of the five-year plan. This study produced a detailed evaluation of the situation with regard to the match between training and job openings which will serve as a guide for future action in the sector.

25. The success of UNDP action in the social development sector has also been mixed. The programme has suffered from an absence of an integrated planning - partly a legacy of the previous cycle which lumped together a group of disparate unrelated projects with no common guiding thread. According to the sectoral review, the impact of assistance in the employment area has been limited and it is unlikely that the action taken to strengthen and provide training to the structures receiving support will have any lasting effect. In the health area, on the other hand, the project in support of primary health care is likely to have a major impact on the population's well-being.

#### D. Transport and communications

26. The sectoral objective was to develop selectively the technical and planning capacities essential for rehabilitating key institutions in the transport and communications sector, namely postal services, telecommunications and civil aviation. Three projects, one in each of these areas, were undertaken following studies or projects carried out during the previous cycle. The three projects are due to end in 1990 or 1991. A study has also been funded by UNDP, in conjunction with support for agricultural production, for a programme to rehabilitate and maintain the rural road network.

27. Projects ZAI/86/009 - Assistance to telecommunications and ZAI/86/010 - Postal reorganization and training concern services that are in an advanced state of neglect, and also the National Bureau of Posts and Telecommunications in Zaire (ONPTZ), which suffers from mismanagement and gross overstaffing. Starting with staff training, the impact of these two projects on the Bureau's ability to function properly is beginning to be felt. The postal service is being reactivated and had it not been the Executive Council's failure to provide its full share of the financing for equipment, telephone service at Kinshasa would have been partly restored. The longer-term impact of these projects will be felt only when the Bureau adopts modern management methods and restructures its staff by keeping on the staff it needs and laying off the rest. This could be done within the broader context of public enterprise reform and the establishment of mechanisms for redeploying redundant employees. The application of such mechanisms to the Bureau was the subject of a study under project ZAI/85/001 - Public enterprise reform. In the telecommunications sector, there is also a need to improve co-ordination among donors in order to ensure that training programmes match up with programmes for installing new equipment, particularly the programmes at Kinshasa, to be funded by the African Development Bank.

28. Lastly, in the air transport subsector, project ZAI/86/011 (Support for civil aviation) executed by the International Civil Aviation Organization (ICAO) is helping to strengthen the Department of Transport Civil Aviation Office so that it can fulfil its responsibilities in the area of technical oversight of air transport safety. This project has achieved only some of its objectives, because of difficulties in recruiting senior staff, inadequate counterpart funding and delays in administrative decisions. Considerable progress has been made with regard to training and the compilation of records and regulations.

#### IV. TRENDS IN THE OVERALL SITUATION AND RELEVANCE OF THE CO-OPERATION PROGRAMME

##### A. Trends in the economic situation and in Executive Council policies

29. The frame of reference for Zaire's fourth country programme, which was drawn up in late 1986, was the first five-year plan 1986-1990 adopted by the Executive Council in early 1986. This basic framework was supplemented by a priority public investment programme drawn up on the basis of the plan, and by a structural adjustment programme supported by a World Bank structural adjustment credit for industry and an International Monetary Fund (IMF) credit covering the period April 1986-February 1988.

30. In 1987, however, the five-year plan lost its status as reference tool for development and economic management policies to the first economic policy framework document, which covers the period 1987-1990 and sets forth the structural adjustment programme launched by the Executive Council in 1987. The structural adjustment programme was suspended in early 1988, however, because the Executive Council's fiscal and monetary policies were deviating sharply from the commitments made under the programme. Following negotiations with the World Bank and IMF, it was replaced in May 1989 by a new structural adjustment programme, accompanied by an updated economic policy framework document, which is now serving the guide for development strategies and policies up to the year 1992.

31. The medium-term macro-economic objectives set forth in the economic policy framework document are: to achieve a growth rate of 3.5 to 4 per cent for the period 1990-1991, to reduce the annual inflation rate from 90 per cent in 1988 to 15 per cent by 1991, and gradually to reduce the budget deficit from 17 per cent of gross domestic product (GDP) in 1989 and the negative balance in the balance-of-payments current account to 11.3 per cent of GDP by 1992.

32. On that basis, the priority public investment programme sets the amount of public investment and allocates investment resources among priority sectors and projects.

33. Lastly, as a complement to the overall structural adjustment programme, the social sector adjustment programme, which is to receive a World Bank credit, envisages a set of measures to restore public spending on education and health to minimum levels, encourage the non-governmental sector to provide services to the population and create jobs for disadvantaged urban and rural groups.

## B. Relevance of the co-operation programme

34. It can be said that, in the economic management sector, UNDP activities are highly relevant. In the areas of public enterprise reform and also staff management and pay oversight in the civil service, the objectives of UNDP activities form an explicit part of structural adjustment policies and are set forth in the economic policy framework document. In the areas of support for regional planning, public investment follow-up and statistics, UNDP activities ensure the institution-building essential, in the short- and medium-term, for the success of the Executive Council's adjustment policies. The support given to external aid co-ordination provides information essential for following-up on co-operation and, through its outreach to NGOs, is helping increase the participation of organizations that have now become essential partners in development projects at the grass-roots and intra-regional levels.

35. In agriculture, UNDP assistance is central to the Executive Council's long-term policy for agricultural development and food self-sufficiency. The components of that assistance (extension services, improved seed, agricultural research and agricultural access roads) are also among the measures explicitly provided for in the economic policy framework document. UNDP is involved in strengthening the main links in the chain of essential support services that must be provided to agriculture if output and exports are to grow and rural incomes are to improve. The relevance of UNDP activities in fisheries and small-scale livestock production is also obvious from the standpoint of achieving food self-sufficiency, increasing protein intake and enhancing the incomes of fishermen and women farmers.

36. The relevance of the support provided to the industrial sector is perhaps less assured, given that the decisive factor for industrial recovery would, in all probability, be a radical improvement in the investment climate. Any support to small- and medium-sized enterprises would, in theory, be of obvious relevance, but its practical relevance will be largely contingent on the aforesaid improvement in the business environment.

37. In the social development sector, UNDP activities are clearly relevant to targeted needs. Some of them, however, have not been of the highest priority. As a result, UNDP is in the process of reviewing its approach to bring it more into line with the policies of the Executive Council. The support to be provided to the social sector adjustment programme, which will be the cornerstone of the Executive Council's social policy in the years to come, must be considered from this perspective. The primary health care project is also directly linked to the policy, advocated by the Executive Council, of developing health care at the grass-roots. The UNDP-funded study on human resources development in the modern sector will, for its part, play a major role in the design of policies for matching training to job openings and in arousing donors' interest in the reform of technical education. Lastly, the projects in the transport and communications sector are in keeping with the Executive Council's desire to rehabilitate certain infrastructures and essential services whose proper functioning is always an absolute prerequisite for normal economic activity.

38. In short, the sectoral evaluations permitted a thorough review of all aspects of the fourth country programme for Zaire and found it to be relevant and in line with the policies of the Executive Council. In those areas where the programme does not appear to be totally relevant, the adjustments under way will ensure that UNDP and its executing agencies increase their contribution to achieving the Executive Council's objectives and to improving socio-economic conditions in Zaire.

#### V. UTILITY OF THE FOURTH PROGRAMME FOR IDENTIFYING TECHNICAL ASSISTANCE PROJECTS

39. One important aspect of UNDP action is its role in promoting new approaches to development and acting as a catalyst for the mobilization of funding from other donors, whether through studies or co-financing or in response to projects it has initiated. New approaches would be the projects Ecodevelopment of grass-roots communities, Implementation of the fisheries master plan and Small-scale livestock production in northern Kivu. Co-financing projects would be the National Seed Office, Agricultural extension services, Agricultural research and Agricultural access roads. Lastly, the following studies would be likely to elicit assistance from other donors: Public enterprise reform, Human resources development in the modern sector and Fisheries master plan.

40. Through their institution-building and training activities, projects such as Telecommunications and Civil aviation, also help to attract assistance from other donors. In short, the impact of the fourth country programme cannot be measured solely in terms of the programme's immediate action, but must include the further assistance it generates. Without making a precise estimate of this impact in financial terms, we can say that it far exceeds the amounts disbursed by UNDP. In other words, the fourth country programme for Zaire is not just technical assistance but profitable co-operation.

#### VI. FINANCIAL EXECUTION OF THE PROGRAMME

##### A. Available resources

41. The indicative planning figure (IPF) funds for the fourth country programme totalled \$68,105,000 (see annex).

##### B. Allocation of budgets and expenditures by sectoral objective

42. The allocation of financial resources among the programme's main sectors corresponds, in theory, to the priority given to each sectoral objective (see annex II). The few rare cases in which budgets have been allocated to projects which do not respond specifically to sectoral objectives involve project budgets from the previous cycle which were revised to permit the completion of ongoing activities of projects designed to strengthen programme follow-up and evaluation capacities, such as projects ZAI/88/009 - Programme support and ZAI/88/003 - Logistical support.

43. After three years of programme execution, 68 per cent of available resources have been committed but only 44 per cent have been spent. Moreover, the budgets proposed for new projects currently in the planning stage amount to \$33.5 million compared with an uncommitted funds balance of \$21.8 million. Such over-programming is necessary because of the relatively low execution rate - 70 to 75 per cent - of approved budgets. While it is likely that all available resources will have been committed by 1992, it is unlikely that they will have been spent, with the result that the cycle will end with a balance of committed but unspent funds. This will, however, be a major improvement on the previous cycle, when over 25 per cent of a \$44 million IPF had to be carried over to the current cycle. It should be noted that the relatively low level of real expenditures as at 31 October 1989 by comparison with the original allocations, especially those for the agricultural and industrial sectors, is due to delays in implementing projects in those sectors as a result mainly of their scope and complexity.

## VII. MODE OF EXECUTION AND MAIN DIFFICULTIES ENCOUNTERED

### A. Mode of execution

44. The fourth programme for Zaire uses only one mode of execution, namely, executing agencies of the United Nations system whose main source of expertise is long-term experts. Nevertheless, UNDP also uses national expertise (experts, consultants, national research institutes, etc.), which offers the considerable advantage of being available, less costly, more familiar with the local situation and more adaptable. There has been a significant increase in the use of national expertise and United Nations Volunteers to implement the programme. This trend should continue in the future as non-governmental organizations and private operators become involved in such projects as: grass-roots initiatives, Social sector adjustment programme, Promotion of the private sector, Ecodevelopment, Small livestock production in northern Kivu, Special urban public works programme, and Water and sanitation.

### B. Difficulties encountered in individual sectors

45. The evaluation mission found that of the two main sectors in which UNDP assistance is concentrated, problems of execution are greater in economic management than in agriculture. Agricultural projects have more specific objectives for which ad hoc structures are often created. The counterpart contribution is paid more systematically. Most projects are also jointly assisted by several donors and co-ordination and consultation are conducted on the basis of quasi-formal mechanisms.

46. Almost the reverse is true of projects in the economic management sector. Objectives are less specific, so that project activities may be pre-empted by other priorities; the counterpart contribution is often paid on a purely random basis; and national project directors often have other responsibilities that are more important than their project responsibilities. The deficiencies and shortcomings of executing agencies' technical support are more acutely felt in adapting projects

to a changing environment or changing circumstances. Lastly, the lack of co-ordination among donors' activities causes overlapping and diminishing returns.

### C. Follow-up and evaluation

47. The mission notes that the UNDP office at Kinshasa attaches great importance to applying the follow-up and evaluation guidelines. A seminar on this subject was organized in September 1989 for the national directors and principal technical advisers of the various projects.

48. In practice, the office has tried to keep up with the timetable of activities provided for in its management programme: tripartite reviews; internal evaluation; in-depth evaluation; technical missions, field visits; etc. The office is also trying to implement the recommendations emanating from the various tripartite consultations. In general, however, the effectiveness of these measures is often diminished by a number of constraints, in particular the failure of the Executive Council and the headquarters offices of UNDP and executing agencies to act on the recommendations of tripartite meetings and evaluation missions.

49. The mission notes that executing agencies' technical follow-up in the field is often inadequate. This could be because agencies' headquarters officials must supervise several projects in several countries and generally cannot undertake more than one mission a year per project. The technical follow-up possible during a mission lasting a few days cannot, of course, be as thorough as major, technically complex, projects require. The adverse effects of this lack of oversight are most acutely felt in projects in the economic management sector.

50. Moreover, the supervisor's role is limited to one project, with the result that co-ordination among projects executed by the same agency in the same sector often goes no further than a statement of intent in project documents, or else is left to the local office in which case its scope is limited by lack of resources and technical skills. Co-ordination among projects is even more difficult when projects in the same sector are executed by different agencies of the United Nations system. In short, sectoral follow-up is also lacking.

### D. Executive Council inputs

51. The Executive Council inputs consist of facilities, national project staff and counterpart funding.

52. Project physical facilities are generally inadequate; this deficiency is more critical at the regional level. In several cases, the Executive Council's financial difficulties have forced UNDP to step in and provide the facilities needed to keep projects going.

53. The precarious state of Zaire's public finances has meant that many projects have suffered from inadequate or non-existent Executive Council counterpart funding. Programme delivery has been seriously hampered by the lack of counterpart

funding to cover operational expenses. This was an acute problem for several projects in 1988. However, in 1989, a marked improvement was apparent in the Executive Council's financial inputs.

54. The input of national staff is uneven. There are problems with regard to the qualifications and availability of counterpart staff which can be traced to conditions of recruitment and remuneration. Low pay levels for project staff have become a major problem since they act as a disincentive, while the payment of bonuses by other donors or by the Executive Council has led to a lack of interest in UNDP projects which do not offer similar benefits. Frequent changes of counterparts within the Executive Council also create problems for project continuity and follow-up.

#### VIII. PROPOSED PROGRAMME ADJUSTMENTS

##### A. Co-operation priorities

55. The mid-term review confirmed the validity of continuing the activities now in progress, most of which run until the end of the fourth programming cycle. However, some adjustments would appear to be necessary, especially in the economic management and social development sectors, in order to make activities more coherent and maximize their impact.

##### B. Programme readjustment: economic management

56. An analysis of the macro-economic constraints on Zaire's economy shows that there are two prerequisites for the reactivation of growth: re-establishing the role of the State in creating an environment conducive to economic and social development, and providing satisfactory social services to the population.

57. Restoration of the State's capacity to play its role requires a thoroughgoing civil service reform, including:

- (a) An overhaul of civil service structures and regulations;
- (b) A remodelling of the State employment structure, including:
  - (i) Staff cuts;
  - (ii) Formulation of a pay policy;
  - (iii) A training policy;
- (c) Government decentralization.

58. Such a reform cannot be approached as a side issue; there must be a clearly expressed readiness on the part of the Executive Council to tackle it. The priority for UNDP in the public management sector should be to help restore the

State's capacities. UNDP is already contributing, through its action, to the beginnings of a reform. However, the magnitude of the undertaking exceeds the scope of its present activities and future UNDP action in this sector should therefore:

(a) Support the Executive Council in its consideration, from a medium-term perspective, of the components, stages and scope of the reform, in conjunction with the Special Action Programme in Public Administration and Management for Africa (SAPAM) and joint action with other donors;

(b) Readjust ongoing activities with a view to increasing their effectiveness.

C. Programme readjustment: social development

59. The need to pool efforts in order to solve social problems prompted the Executive Council to develop a social sector adjustment programme and to organize a Round Table conference of donors on 30-31 October 1989 in which UNDP and other United Nations agencies took part. UNDP will use the social sector adjustment programme as a means of integrating its actions in the health, education and employment fields.

60. Together with other donors, UNDP plans to take action at three levels:

(a) Direct support for the social sector adjustment programme through a sectoral programming and follow-up mechanism;

(b) Co-financing of sectoral programmes identified in the adjustment programme, such as labour-intensive rural and urban public works designed to solve housing and unemployment problems; grass-roots initiatives; women in development; social reintegration; ecodevelopment, etc.;

(c) Preparation of subsidiary programmes under the adjustment programme, the purpose being to tackle fundamental problems identified in sectoral analyses but not directly linked under the programme financing arrangement. These include safeguarding of basic education, developing a literacy strategy, ensuring a better match between training and job openings, and providing access for rural populations to drinking water and simple sanitation techniques.



Annex

FINANCIAL SUMMARY

I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

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A.	<u>Total resources taken into account for programming at time of approval of country programme</u>	65 000 000
B.	<u>Resources taken into account for programming at time of mid-term review of programme</u>	68 105 000
	IPF allocation <u>a/</u>	68 105 000
	Cost-sharing	-
	Government cost-sharing	-
	Third-party cost-sharing	-
	Other sources	-
C.	<u>Net change in resources</u>	68 105 000

II. USE OF RESOURCES

	<u>Start of programme</u>	<u>Mid-term review</u>
Approved projects	38 050 000	46 276 000
New project proposals	31 950 000	32 752 000
Unprogrammed reserve	-	-
Total	<u>70 000 000</u>	<u>79 028 000</u>

a/ Including \$3,105,000 approved by the Governing Council at its thirty-fifth session (1988) as supplementary funding.

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