I. PREPARATORY PROCESS

1. The Government of Nigeria has pursued a Structural Adjustment Programme (SAP) since 1980 aimed at the creation of a market-oriented economy. The Government has also initiated a political transition programme to reinstate civilian rule. State and local elections have already been held. Elections at the national level are scheduled for 1992. The Government recognizes the potential of external and technical cooperation to support these processes, especially for meeting the shortfall in social and human investment requirements. At the November 1989 Consultative Group meeting, the Government and donors agreed on closer cooperation and on strengthening the national capacity for effective planning and management of external cooperation. Several Government initiatives followed, given further impetus by the principles and guidelines contained in General Assembly resolution 44/211 of 22 December 1989.

2. The first initiative of the programming process was the mid-term review of the ongoing country programme in May 1990, which involved broad-based participation by the Government at both federal and state levels, the private sector, United Nations system agencies and the donor community. The review concluded that the thrust of the country programme remained valid and that
efforts should be concentrated on removing constraints to programme implementation. The review called, inter alia, for the application of a programme approach to optimize national participation. The United Nations Development Programme (UNDP) Governing Council was informed accordingly in document DP/1991/6/Add.5. The review led to the introduction of improved implementation and monitoring practices and strengthening of the tripartite management process. This was reinforced by the establishment of a Programme Management Support Unit (PMS) within the Federal Ministry of Finance, staffed entirely by national professionals and supported by UNDP and government cost-sharing. These improvements produced a major increase in delivery, estimated at $39 million, or 90.6 per cent of the fourth-cycle indicative planning figure (IPF) allocation.

3. A national technical cooperation assessment programme (NATCAP) process was launched, as well as reconnaissance surveys with Management Development Programme (MDP) support and in close collaboration with donors and United Nations system specialized agencies. The preliminary findings resulting from these initiatives were reviewed at a three-day national workshop on aid coordination and management in November 1990, which brought together 300 participants from all levels of Government, the private sector, donors, United Nations system agencies and the news media. A communiqué was adopted, articulating the roles and responsibilities of all parties and providing operational guidelines. The potential of technical cooperation and its significance as part of the national planning and budgetary process were the focus of nine thematic workshops on the development cooperation cycle, held throughout the country during 1990-1991. These workshops brought together 1,500 participants from all levels of the public and private sectors with substantive involvement of donors, particularly the World Bank and European Economic Community (EEC).

4. In order to consolidate the participatory process and to prepare for the formulation of the new country programme, an interministerial task force was established in December 1990. During three consultative meetings with UNDP and other organizations and agencies of the United Nations system, a strategy was elaborated for a government-led Multi-Sectoral Needs Assessment (MSNA) to determine development and capacity constraints, guided by the objectives of the National Rolling Plan and the special capacity-building themes contained in Governing Council decision 90/34 of 23 June 1990. The MSNA was undertaken from June to September 1991 through field surveys covering all states by a team of Government officials and national consultants, assisted by United Nations system specialists. The MSNA report, containing sectoral needs clusters requiring $1.3 billion in technical cooperation, will be presented to the donor community in April 1992. The NATCAP exercise has resulted in a technical cooperation policy framework that was endorsed at an interministerial meeting in August 1991 and a Government–donor consultation meeting in December 1991, prior to cabinet submission. Under the MDP, a proposal is being finalized for strengthening the organizational framework and technical and management capabilities for public resources management, the first phase of which will cover external cooperation management.
5. These initiatives contributed to the preparation of the UNDP advisory note, which, through active support by United Nations specialized agencies, further advanced the tripartite consultative process. The draft fourth country programme was prepared by the Government and finalized at a joint interministerial/United Nations system meeting in February 1992. On the basis of the country programme proposals, a comprehensive technical cooperation programming exercise is to be launched in March 1992 with baseline analysis of the selected programme areas and target groups, appraisal and recommendations in respect of the corresponding national programmes and policies, and the design of coordinated donor support. Presentation by the Government of the external cooperation support programmes is envisaged for July 1992.

II. ANALYTICAL COMMENTARY ON THE COUNTRY PROGRAMME

6. The country programme supports the goals and objectives of the national transition process, particularly as they relate to restructuring the public sector and stimulating private sector investment, socio-economic diversification, environmental protection and participatory and grass-roots development. The country programme offers a strategic framework for further strengthening national participation and leadership in the application of a programme approach, responding to the priority needs identified by the MSNA. The programme will provide $125.8 million towards overall technical cooperation requirements which are estimated at $745.6 million.

7. The programme development strategy draws on the comparative strengths of UNDP in support of the national transition process. The UNDP focus on human and longer-term sustainable development fosters increased dialogue on the perspective and modalities of national development, based on the compatibility between national development priorities and the special capacity-building themes. The advances made in needs assessment, and the effectiveness of assistance provided to programme development and donor consultation (including the NATCAP process and the MDP) are being further supported by UNDP by conducting baseline programming studies. These studies are being undertaken by the Government with support from UNDP and other United Nations agencies and organizations and will result in comprehensive frameworks for donor support of national policies and programmes. The outcome of the studies will determine the technical cooperation requirements for UNDP support. The studies should also facilitate mobilization of additional national and donor resources for both technical and capital requirements, with emphasis on capacity-building and the transfer of management skills and technology. In addition, this strategy enhances the mobilization and integrated use of all available resources administered by UNDP and promotes optimal utilization of the successor arrangements to agency support costs. Likewise, it allows for the incorporation of global efforts (related in particular to education, children, environment and the acquired immune deficiency syndrome (AIDS)) and for the concerted use of special implementation modalities, including technical cooperation among developing countries (TCDC).
8. Within this context, three areas of concentration, with eight constituent components, have been selected for UNDP cooperation.

Socio-economic management and sustainable development

9. To be effective, the transition process to a market-oriented economy and democracy requires broad participation and national consensus building regarding the long-term goals of human and sustainable development. To this effect UNDP will provide cooperation for improving key policy, management and technical capacities in the areas of socio-economic policy, planning and administration and technical cooperation programming and management. For the environment and natural resources management subprogramme, UNDP will provide core programming and capacity-building support to a national programme designed for much wider donor involvement.

Private sector support

10. Despite the improved business climate, the private sector in Nigeria is confronted by many obstacles at both the national and international levels. Domestic reform for economic recovery cannot be successful without addressing impediments to external trade, commodity prices, the debt burden and the inadequacy of current resource inflows. UNDP, supplemented by activities under the UNDP regional programme, will provide programming and catalytic support for government programmes in respect of investment, trade and tourism promotion; and informal sector and small and medium-size enterprise development.

Human and participatory development

11. National development strategy and programmes as well as external cooperation with Nigeria are now based on the prerequisite of participatory development, whereby overall national development is seen in relation to improving living standards and opportunities for advancement. UNDP will provide core and catalytic programming support to national programmes in rural development; core programming and implementation support for women in development programmes; and core and catalytic support to national programmes in basic health and education services.

III. MANAGEMENT OF PROGRAMME IMPLEMENTATION

12. The successful implementation of the programme will depend on the outcome of the baseline programming studies and will furthermore be contingent on the finalization of the policy and organizational framework for technical cooperation, progress in the preparation of the perspective plan, the evolving political and administrative situation and the expected increase in donor resources. Assessment of performance will require verifiable indicators of achievement for each of the national programme components to be supported by UNDP. Particular attention will be paid to the establishment of performance indicators at the time of formulating programme support.
13. Initially, therefore, special committees will be established for each of the support programmes to provide policy guidance and supervision to programme managers. These Management and Coordination Committees (MCCs) will be responsible to, and coordinated by, the Federal Ministry of Finance. The MCCs will comprise line-ministries, the private sector and non-governmental organizations (NGOs) and may also include other donor representatives. Cooperating arrangements will be considered with national or international agencies (including United Nations specialized agencies and the Office for Project Services (OPS)) to support either the management or technical operations of any of the MCCs. Administrative support systems and procedures will be reviewed as part of the baseline studies, including recruitment, procurement, substantive reporting, evaluation, accounting and audit. Since progress towards full national execution entails practical experience, UNDP and the Government, in collaboration with the United Nations specialized agencies, will monitor progress and constraints in programme implementation, through both formal and informal review meetings, so that all parties can fully benefit from the experience gained.

IV. RECOMMENDATION

14. The preparation and implementation of the country programme are designed to strengthen national leadership in mobilizing and integrating donor cooperation as part of overall national socio-economic management. The areas of concentration form a synthesis of the priority needs and capacity constraints identified by MSNA and duly reflect national development priorities, capacity and policy advocated by UNDP. The programme, and the envisaged management and implementation arrangements, are thus fully integrated with and of strategic importance to the national development agenda.

15. The Administrator recommends that the Governing Council approve the fourth country programme for Nigeria.