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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR BAHRAIN

UNDP assistance requested by the Government of Bahrain for the period 1982-1986

Illustrative IPF for 1982-1986: \$2.5 million

INTRODUCTION

1. The third country programme (1982-1986) of the Government of Bahrain coincides with the five-year period of the third programming cycle of UNDP. The two preceding country programmes, spanning activities and assistance over the ten-year period 1972 to 1981, reflected a growing confidence in the goals of UNDP through increased voluntary contributions and increased involvement in UNDP-assisted projects through Government cost-sharing.

2. While the indicative planning figure (IPF) for each five-year period has remained at US\$2.5 million, the Government contributed US\$1.1 million to the first country programme (1972-1976) and an estimated US\$4.7 million to the second (1977-1981). It is anticipated that the Government cost-sharing contribution to the third country programme will be about two-thirds of UNDP project costs.

Note: In accordance with decision 81/15, adopted by the Governing Council on 27 June 1981 (E/1981/61/Rev.1, Annex I), the third country programme for Bahrain is being submitted to the Council without an accompanying note by the Administrator.

The previous country programmes for Bahrain and the accompanying notes by the Administrator were issued under the document symbols DP/GC/BAH/R.1-DP/GC/BAH/R.2 and DP/GC/BAH/R.1/RECOMMENDATION-DP/GC/BAH/R.2/RECOMMENDATION, respectively.

3. The programming exercise for the third country programme was carried out in close co-operation with all concerned departments and agencies of the Government and the office of the resident representative in Bahrain. The draft country programme was submitted to all United Nations agencies for their comments prior to finalization. The country programme is reviewed annually, along with other projects assisted by the United Nations system, to provide for continuous programming and flexibility to adapt to changing conditions and priorities of the Government.

4. In line with the Government programme of diversification of the economy and the development of the services sector for finance, insurance, tourism and related businesses, the demand for manpower engaged in these services, has increased five-fold. It is estimated that a number of projects with a total value of nearly US\$3 billion will be launched in the very near future. These include the causeway to Saudi Arabia, which will cost about US\$750 million, which will be paid entirely by Saudi Arabia, and will bring important spin-off activities to Bahrain; the Gulf Petrochemical Company, costing about US\$400 million, for the production of ammonia and methanol, in which Saudi Arabia and Kuwait are partners with Bahrain. The Arab Iron and Steel Company will also build a US\$300 million plant in Bahrain for making iron pellets. Private interests in Kuwait, Iraq and Jordan are partners with the Government of Bahrain in this venture. The Gulf Aluminium Rolling Mill, supported by Saudi Arabia, Kuwait, Iraq, Qatar, Oman and Bahrain, will invest about US\$100 million in the next few months. A new 400-kilowatt power station has also been planned for 1982.

5. Moreover, two major construction projects will soon be implemented: a new town for 74,000 inhabitants on the west coast, which will be built entirely by the Government; and the Arab Gulf University, which will require accommodation for 14,000 people.

6. These new projects will increase economic activity, but they will also increase demand for foreign labour since the number of trained Bahrainis is not sufficient to meet the need. Therefore, the Government has embarked on an ambitious plan to train 10,000 Bahrainis within the next ten years to meet the increased demand for services and to achieve its goal for self-reliance. Foreign labour represents about 33 per cent of the population of Bahrain, and about 60 per cent of the unskilled labour force.

7. The third country programme will continue the trend of previous programmes by emphasizing the training of nationals at all levels. Several training institutions have been established with technical inputs provided by UNDP-assisted projects. Other smaller projects have concentrated on in-service training and training abroad. Other objectives of the third country programme are the development of social services, the integration of women in development and food production.

UNDP TECHNICAL CO-OPERATION ENVISAGED IN SUPPORT OF NATIONAL DEVELOPMENT PRIORITIES

8. At the present time, there is no central planning body in Bahrain. Development projects, considered individually on their own merits, are included in the biennial state budget, which usually contains three-year projections of development ventures.

9. The Government has requested UNDP, during the third country programme, to

continue assistance in promoting educational and technical training capabilities in order to provide skilled manpower and to free the economy from heavy dependence on imported labour. The thrust of UNDP assistance, therefore, will be in three directions:

(a) To speed up the development of middle- and higher-level academic and technical education;

(b) To generally improve the quality of life through the development of social services; and

(c) To strengthen the services sector through transfer of appropriate technology.

10. Below is a summary of ongoing and proposed projects for UNDP assistance during the next five years. This summary represents a list of projects planned so far in the country programme.

A. General development issues, policy and planning

11. To strengthen the services sector, the Government has requested UNDP assistance, starting in 1984, for an industrial and establishments census to collect statistical data related to all activities in the industrial and business sector. Financial inputs covering 12 man-months of expert services are estimated at US\$120,000.

B. Agriculture and fisheries

12. The three-year project, Animal Production and Health (BAH/78/003), which commenced activities in April 1979, has been renhased through July 1983. The objectives of the project are to support food production programmes in livestock and to set up a diagnostic laboratory. The training of national technicians is one of the main objectives of the project. UNDP inputs during the third cycle, covering personnel, training and equipment, are estimated at US\$239,800, including cost-sharing.

13. The single most important confining factor in agriculture is the availability of water. Only about 10 per cent of the total area of Bahrain is under cultivation, and this is limited by the scarcity of underground water supply, as rainfall is insignificant. UNDP assistance is requested for irrigation control to develop a strategy for the proper use of the diminishing volume of water and to train technicians. A feasibility study to be carried out by the regional project for land and water use of the Food and Agriculture Organization of the United Nations (FAO)/Near East Co-operative Programme (NECP) has been requested prior to formulation of the project. A provision of US\$500,000 has been allocated for a three-year project.

14. The project, Mariculture Development (BAH/82/002), has been requested to increase fish consumption and reduce the increased amount of imported meat. Activities will entail studies on topography, soils, tides and salinity as well as management techniques and cultivation of stock. Estimated costs over a four-year period, including a feasibility phase of 12 man-months amount to US\$770,000.

15. Both of the above-mentioned project proposals are geared to improve and increase the yield of food production. At the same time, they will generate improved economic conditions for the lowest income group, the small farmers and fishermen.

C. Industry

16. In line with Government concern to develop science and technology, the newly established Gulf Aluminium Rolling Mill Company urgently requires the expertise of an adviser in aluminium rolling mills to provide technical advice and guidance on the transfer of technology. Estimated total cost for 12 man-months of expert services, commencing early 1982, amounts to US\$95,000.

D. Transport and communications

17. Improvement of the physical flow of traffic and restructuring of the administrative sector are the main objectives of the project Assistance to the Directorate of Traffic and Licensing (BAH/79/001). Project activities began in September 1979. UNDP inputs in 1982, when the project ends, amount to US\$42,500 covering personnel, training and equipment.

E. Human Settlements

18. Due to exhaustion of the IPF for the second cycle early in 1980, the project Physical Planning (BAH/80/002), was approved with financing from Government cost-sharing, and third party cost-sharing from the United Nations Conference on Human Settlements (UNCHS) and the United Nations Fund for Population Activities (UNFPA). The development objective of the project is to strengthen the capacity of the Ministry of Housing in the field of comprehensive physical planning and the preparation of regional, urban and rural spatial development plans. Approved financial inputs in the third cycle amount to US\$396,900, covering personnel and in-service training, as well as an individual fellowship abroad. Project activities will end in 1983.

19. The increase in building and physical planning programmes has resulted in greater demands on departments outside the Physical Planning Directorate. The project, Human Settlement Development (BAH/81/002), will provide experts in urban renewal, landscaping, analysis and management of public housing and training abroad. The one-year project at an estimated cost of US\$377,600 is scheduled to start activities in March 1982.

F. Health

20. Health services in Bahrain have greatly improved over the past few years with a new, modern central hospital, more clinics and locally trained personnel. The College of Health Sciences requires UNDP assistance under the project (BAH/82/003) to provide a dental hygienist for 24 man-months to teach in the college and train counterparts.

21. Extreme climatic conditions and improper storage and transport handling result in the rapid deterioration of imported foodstuffs. The Government has requested UNDP assistance under the project Training of Technicians in Food Analysis and Control (BAH/82/004) for 12 man-months.

22. The above two project proposals are priority areas requiring early implementation. Estimated financial inputs covering personnel and training amount to US\$410,000 for both projects.

G. Education

23. A major Government achievement during the second country programme was the establishment of the University College of Arts, Science and Education. UNDP assistance to the project covered 290 man-months of expert services and training of Bahrainis abroad. A Phase II project, Assistance to University College (BAH/81/001) covering a three-year period, started in September 1981 at an estimated cost of US\$1,719,600 in the third cycle. UNDP is providing mainly personnel inputs.

24. Proper planning of manpower resources is essential for the realization of the Government's priority to train 10,000 Bahrainis in the next ten years. Assistance has been requested in drafting proposals for projects in vocational guidance and the training of personnel for school libraries. The proposed projects should develop strategies geared towards school leavers and train personnel. Estimated financial inputs for one year of expert services for each proposal amount to a total of US\$186,000.

H. Employment

25. The first two country programmes gave high priority to vocational training projects which have contributed to the development of medium- and low-level skilled Bahraini manpower. The ongoing project, National Vocational Training Development Unit (BAH/74/011), is scheduled to be phased out by 1983, with financial inputs estimated at US\$22,800 in the third cycle.

I. Social conditions and equity

26. During the third country programme, in line with its second priority, the Government attaches great importance to developing social services, and particularly to assisting the more deprived groups of the population. Five of the 16 currently approved projects fall within this objective and under the competence of the Ministry of Labour and Social Affairs.

27. Extension of the ongoing project, Integration of Women in Community Development (BAH/78/002) which started in June 1979, has been requested for one year through February 1983 in order to achieve all project objectives. Estimated UNDP inputs in the third cycle amount to US\$163,100 for personnel and training.

28. Activities under the UNDP-assisted project, Rehabilitation and Integration of the Disabled (BAH/78/004), started in 1979, with the main objective of establishing a Centre for the Handicapped. A Phase II project, Assistance to the Rehabilitation Centre (BAH/82/001), will strengthen the Centre and train nationals to take over upon completion of the project, scheduled for August 1984. Estimated cost for personnel and training amounts to US\$788,000.

J. Culture

29. In order to preserve its cultural heritage and create tourist attractions, the Government established a Directorate of Antiquities responsible for excavations, preservation of sites and monuments, and the running of the national museum. UNDP assistance is sought to strengthen the Directorate of Antiquities through provision of personnel, training abroad and equipment. Estimated financial inputs for the proposed project amount to US\$512,000.

OTHER RELATED PROGRAMMES

30. Bilateral assistance has been provided to the Government of Bahrain mainly in the form of financing physical facilities (school building, roads, etc.), fellowships abroad for higher education and advisers to sectoral ministries as well as teachers. Several Arab countries provide bilateral aid; however, Saudi Arabia and Kuwait are the most prominent, especially in financing physical infrastructure projects.

31. United Nations assistance from sources other than the IPF has been approved from FAO, NECP, the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Voluntary Fund for the United Nations Decade for Women, as well as UNFPA programmes. Ongoing or approved projects include:

- (a) Experimentation and Demonstration on Protected Vegetable Production (TF/BAH/501(KUW));
- (b) Specialist in Secondary Education Development (BP/BAH/ED/001);
- (c) Strengthening Population Components in Social Development (BAH/79/PO1);
- (d) Training in Population Statistics, Methods and Policies (BAH/79/PO2);
- (e) Development of Family Planning Services and Training of Health Personnel (BAH/79/PO4);
- (f) Assistance to Demographic Aspects of Physical Planning (included in BAH/80/002) (BAH/80/PO1); and
- (g) Preparation of Prototype Educational Materials for Women's Extension Programmes (BAH/VFDW/11).

Financial inputs during the third cycle for approved technical assistance from sources other than the IPF are estimated at US\$743,000.

32. Project proposals submitted by the Government for financing from UNFPA include a pilot project for population education, which would increase awareness of population phenomena, encourage the development of responsible attitudes and behaviour, and introduce, on an experimental basis, population education into the curricula of primary, intermediate and secondary schools. Other UNFPA project proposals are for assistance to the Population Statistics Training Centre, planned to begin activities within the next two years, and training in data processing.

PARTICIPATION IN REGIONAL AND INTERREGIONAL PROJECTS

33. The Government of Bahrain gives strong support to regional and interregional projects assisted by UNDP and the United Nations system which aim at the strengthening of economic and technical co-operation with its neighbours. Active participation will continue in UNDP-assisted regional projects, particularly: Civil Aviation Training College (Gulf States) (RAB/74/001), which will continue in the third IPF cycle under (RAB/81/014); and the projects Research on Shrimp Resources of the Gulfs (RAB/30/015) and Development of Fisheries in the Gulfs (RAB/81/001), which will be merged under a new project, Fisheries Development Project for the Gulfs (RAB/82/___). Support will also continue to be provided to FAO agricultural projects. The team leader for the radio propagation study and proposal for a frequency plan executed by the International Telecommunication Union (ITU) is based in Bahrain.

Annex
 FINANCIAL SUMMARY

A. Resources

(a)	IPF and other resources	
	(i) Illustrative IPF for programme period	2 500 000
	(ii) Carry-over from previous IPF cycles	-
	(iii) Other resources: Government cost-sharing and third-party cost-sharing	5 000 000
(b)	Provision for adequate programming	-
	TOTAL	7 500 000

B. Use of resources

(a)	Programmed	
	(i) Ongoing projects	2 962 300
	(ii) New projects and new phases included in the country programme	3 381 000
	(iii) Earmarked for specific objectives and activities for which projects are to be worked out (continuous programming at a later stage)	-
	Subtotal	6 343 300
(b)	Reserve	656 700
(c)	Unprogrammed balance <u>a/</u>	500 000
	TOTAL	7 500 000

C. Financial distribution of programme, by sector

	<u>Ongoing projects</u>	<u>New projects</u>	<u>TOTAL</u>
<u>Sector b/</u>	\$	\$	\$
02 General development issues, policy and planning	-	120 000	120 000
04 Agriculture and fisheries	239 800	1 270 000	1 509 800
05 Industry	-	95 000	95 000
06 Transport and communications	42 500	-	42 500
09 Human settlements	774 500	-	774 500
10 Health	-	410 000	410 000
11 Education	1 719 600	186 000	1 905 600
12 Employment	22 800	-	22 800
14 Social conditions and equity	163 100	788 000	951 100
15 Culture	-	512 000	512 000
TOTAL	2 962 300	3 381 000	6 343 300

a/ Representing 20 per cent of the illustrative IPF which has not been taken into account for programming in accordance with the Administrator's instructions contained in UNDP/PROG/FIELD/111; UNDP/PROG/HQTRS/126.

b/ According to ACC classification.