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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECT

Consideration and approval of country programmes

FIRST COUNTRY PROGRAMME FOR
THE CAYMAN ISLANDS

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

Illustrative IPF for 1982-1986: \$560,000

INTRODUCTION

1. The country programme was prepared by the Department of Finance, in collaboration with the training officer and other department heads, and with the assistance of the UNDP.
2. The programme covers the third programming cycle of UNDP, 1982-1986. As in the second cycle, the programme is limited to fellowship requests, this being considered the most appropriate way to utilize the very small allocation.
3. The total illustrative IPF for the 1982-1986 cycle is \$560,000 of which 80 per cent (\$448,000) only has been programmed, due to the financial stringencies imposed on the programme as a result of lack of funds. No carry-over from the second cycle is expected.

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

The previous UNDP supports activities in the Cayman Islands were described in the country programmes of the Caribbean and in this accompanying notes by the Administrator symbols DP/GC/CAR/R.1-DP/GC/CAR/R.2 and DP/GC/CAR/R.1/RECOMMENDATION-DP/GC/CAR/R.2/RECOMMENDATION, respectively.

4. The Government has indicated that an amount up to \$34,000 will be made available in the event of over-expenditure above available IPF resources.
5. A large proportion of the total allocation of funds from the UNDP second cycle (1977-1981) was assigned to fellowships. A significant result is that an increasing number of Caymanians are now in positions of responsibility in the medical services, public works, tourism, and the fire fighting and prevention services. UNDP assistance has complemented and supported the Government's efforts to train Caymanians to fill all types of positions in both public and private sectors which are now occupied by foreign staff.
6. UNDP also provided very valuable consultant expertise from which the radio broadcasting service and the vehicle funding scheme have benefitted. The consultancy in computer management systems has resulted in the reorganization and computerization of Government statistics - a vital accomplishment in view of the increased public sector activity expected as a spin-off from economic development. In the petroleum industry, the groundwork for future negotiations is being laid through the advisory expertise of the consultants provided under UNDP assistance.
7. Altogether, with very few exceptions, the second cycle country programme has successfully met established goals.

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

8. Despite their small size and the absence of natural resources, the Cayman Islands enjoy a level of prosperity greater than most of their Caribbean neighbours. The Government feels, however, that the relatively high per capita GNP of the Cayman Islands is disguising the low level of real development, as evidenced by the lack of trained indigenous manpower and the inadequacy of such basic amenities as housing, water supply and sewage systems. The per capita GNP of the Caymans estimated in 1977 at CI\$4,000 (US \$4,800) is on a par with that of some developed countries and belies the pressing need which exists for development assistance in the areas mentioned above.
9. Given the relative absence of skilled personnel, economic expansion has been accompanied by an influx of immigrants, who now account for over one-fifth of the population. In an attempt to ease the pressure on the infrastructure and curtail high import demand for consumer goods, particularly food, the Caymanian Protection Board is monitoring closely the number of work permits issued. In addition, the Board is insisting on the training of nationals by foreign firms as part of the Government's overall strategy of broadening the educational base, improving the quality of the labour force and thereby raising the level of productivity.
10. Since 1977, the Cayman Islands have been experiencing an economic boom evidenced by dramatic increases in real estate business and tourism as well as the number of banks and companies on register, and the Government is careful to maintain a climate conducive to the continued prosperity of these industries which form the mainstay of the economy.
11. Education has benefitted from the resultant revenue in the amount of US\$ 4.2 million, over US\$ 1.2 million of which has been spent on scholarship awards, advanced training for teachers and other overseas and local training courses.

12. This underscores the Government's strong commitment to education and training and the high priority it accords to developing qualified Caymanians for positions in the public and private sectors. The objectives of training within the Civil Service are therefore seen as:
- (a) Remediating any inability of staff to perform at the required level of efficiency in their posts;
 - (b) Preparing officers for new responsibilities and duties arising from reorganization or the development of new techniques within departments; and
 - (c) Providing for localization of the service as may be consistent with the maintenance of adequate standards of efficiency.
13. UNDP assistance is being sought for fellowships in the following fields: fire fighting and prevention service; medical services; broadcasting; civil aviation; public works (engineering, construction and draughtsmanship); central funding scheme; and education, at an estimated cost of \$273,350 (\$25,000 already approved from the second cycle).
14. Training assistance sought from UNDP which will have a direct bearing on private sector development includes: town planning - planning assistant course; lands and survey - course in draughtsmanship; and agriculture - animal health assistant, estimated to cost \$69,600.
15. The balance of \$80,500 has been earmarked for a Water Resources Development Project forming part of the broader UNDP Regional Project CAR/79/R01.
16. The full extent of third cycle assistance from other United Nations system organizations is not yet known. However, assistance has been identified.
17. The Pan American Health Organization has, during the second cycle, rendered technical assistance in the areas of environmental health, management of health services, health services development, health information systems and dental health. Planned ceilings for 1982-1986 include resources for more training through the Allied Health Project and a decentralized system of fellowships within the region.
18. The Inter-Governmental Maritime Consultative Organization will send a preparatory mission, at the appropriate time, to the Cayman Islands to consult with the Government on its needs, priorities and willingness to co-operate in regional programmes of technical assistance.
19. Assistance is anticipated from the United Nations Educational, Scientific and Cultural Organization for Radio Broadcasting and Education.
20. The country's Water Resources Development Project (CAY/81/001) scheduled to begin in 1982, will benefit from the regional project Water Resources Development in Smaller Islands (CAR/79/R01). UNESCO is presently studying the draft project document with a view to providing assistance wherever possible.
21. In addition to the above, the Canadian Government, through the Canadian International Development Agency (CIDA), is expected to provide approximately \$100,000 in 1982. This, as well as US \$30,000 - \$40,000 from the British Executive Services Overseas (BESO) will be channelled into both private and public sectors.

Annex

FINANCIAL SUMMARY

A.	<u>Resources</u>			\$
	(a)	IPF and other resources		
		(i) Illustrative IPF for programme period	560 000	
		(ii) Carry-over from previous IPF cycles	-	
		(iii) Other resources (Government cost sharing)	34 000	
	(b)	Provision for adequate programming	-	
		TOTAL	594 000	
B.	<u>Use of resources</u>			
	(a)	Programmed		
		(i) Ongoing projects	30 009	
		(ii) New projects and new phases included in the country programme	423 450	
		(iii) Earmarked for specific objectives and activities for which projects are to be worked out (continuous programming at a later stage)	-	
		Subtotal	453 459	
	(b)	Reserve	28 541	
	(c)	Unprogrammed balance <u>a/</u>	112 000	
		TOTAL	594 000	
C.	<u>Financial distribution of programme, by sector</u>			
		<u>Sector b/</u>	<u>Ongoing</u>	<u>New</u>
		(according to ACC classification)	<u>projects</u>	<u>projects</u>
			\$	\$
			\$	\$
02	General development issues and Planning	--	69 600	69 600
03	Natural resources	10 500	80 500	91 000
04	Agriculture and fisheries	--	21 600	21 600
06	Transport and communication	6 200	167 150	173 350
10	Health	--	10 000	10 000
11	Education	3 309	63 600	66 909
12	Employment	10 000	11 000	21 000
	Total	30 009	423 450	453 459

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/FPFG/FIELD/111; UNDP/PROG/HQTRS/126.

b/ According to ACC classification.