

UNITED NATIONS DEVELOPMENT PROGRAMME



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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR

UNITED ARAB EMIRATES

Note by the Administrator

Programme period

1982-1986

Illustrative IPF for 1982-1986

US\$1 million

I. Nature of the programming exercise

1. The country programme was prepared by the Government of the United Arab Emirates, represented by the Ministries of Foreign Affairs and Planning as co-ordinating agencies, in consultation with UNDP. As a first step, a meeting was held between the officials of the two Ministries and the resident representative to agree on what steps were to be taken to ensure the participation of various Government departments.

2. An evaluation of the ongoing projects was undertaken and discussed between the planning authorities, the Government counterpart agencies and the office of the resident representative. A series of meetings were held between the officials of the External Co-operation Department of the Ministry of Planning and the officials of the sectoral ministries to discuss the future development of ongoing projects.

^{1/} The notes by the Administrator concerning the previous country programmes for United Arab Emirates were issued under the document symbols DP/GC/UAE/R.1/RECOMMENDATION-DP/GC/UAE/R.2/RECOMMENDATION.

3. The Government had requested several Agency missions to review progress in such fields as planning and administration, agriculture, industry, communications and labour in order to recommend future action. The reports of these missions served as an input into the programming exercise. In consultation with sectoral ministries, the planning authorities compiled a pipeline of new project proposals which, after careful scrutiny, represented the basis for the country programme.

II. Relation of the country programme to national development objectives

4. The development objectives of the United Arab Emirates include the strengthening of the Federation, the reduction of regional imbalances, the achievement of an optimal population structure, the diversification of the sources of national income to lessen dependence on oil and the promotion of the private sector as an important agent in the development process. In terms of the structure of the economy, it is intended to align the demand for manpower more closely with development requirements at each stage, to absorb into the work-force increasing numbers of nationals and to expand the productive base, particularly in the manufacturing industry.

5. It is the Government's intention to maintain the total population number at the 1980 level of 1.04 million, with any increase being confined to nationals rather than expatriates. The next five years are expected to effect a change in the structure of the work-force, which will show an increase in skilled labour and a decrease in unskilled and semi-skilled labour. The work-force in manufacturing and extracting industries, apart from crude oil, is likely to increase, whilst it is expected that employment figures in other sectors such as construction, transport and communications will fall.

6. The draft Five-Year Plan for 1981-1985, now awaiting Cabinet approval, envisages a rate of growth of 3.9 per cent per annum. If the crude oil sector were to be excluded, then the rate of growth envisaged would come to 9.6 per cent per annum. The manufacturing industry is expected to be the leading growth sector with an annual growth rate of 27 per cent. National income is expected to rise from Dh. 98.8 billion in 1980 to Dh. 125.4 billion by 1985, and the per capita income will increase from Dh. 95.000 in 1980 to Dh. 120.500 (roughly US\$32,000) by 1985.

7. The preparation of the third country programme of the Government of the United Arab Emirates followed closely on the formulation of its first Five-Year Development Plan. The United Nations system was called upon to assist in the preparation of the Plan through interrelated UNDP support projects to the Federal Ministry of Planning. In consequence, the technical co-operation requirements set out in the country programme closely reflect the Government's development priorities and objectives as identified in the Plan and, while by no means comprehensive, are complementary to the Government's own efforts to directly recruit outside expertise for operational purposes.

8. The third country programme reflects the Government's increasing confidence in assistance provided by the United Nations system and, compared with the second cycle, envisages a three-fold increase in resources with the entire increase coming

from Government cost sharing. In addition to an illustrative IPF figure of US\$1 million, the Government's total contribution to the third country programme under cost sharing will come to US\$26.6 million. Most of the projects identified will be financed under the 100 per cent cost-sharing formula, and for budgetary considerations the Government has decided to provide financing on a project-by-project basis. The Administrator is negotiating with the Government of the United Arab Emirates a suitable increase in its contribution in support of UNDP local office costs in accordance with decision 79/35 in respect of Governments participating in cost sharing activities in excess of 25 per cent of the established IPF.

9. The share of new projects in the total programme amounts to more than 75 per cent. The main feature of the programme is that it is primarily intended to have an integrative effect since technical co-operation activities will be implemented through federal institutions, although the needs of individual Emirates have been taken into account. The programme focuses on infrastructure and human resources development with particular emphasis being given to development planning and administration. Also included are projects in the productive sectors and in the transfer and adaptation of technology. Since manpower considerations are of major concern to the Government, priority will be given to the training of nationals in both management and technical areas to assume leadership roles in key sectors. A large number of projects included cover the Northern Emirates, whether in the productive or service sectors, in line with Government policy of achieving regional balance.
