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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR ETHIOPIA

UNDP assistance requested by the Government of Ethiopia for the period 1983-1986

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INTRODUCTION

The nature of the programming exercise

1. The third country programme of UNDP technical assistance to Ethiopia was prepared by the National Revolutionary Development Campaign (NRDC) and Central Planning Supreme Council (CPSC). NRDC and CPSC provide guidelines on the strategy for the mobilization of the country's resources and determine the manner in which resources from domestic and external sources are utilized.
2. The programming exercise, which was carried out during the period April 1981 to March 1982, was fully supported by the United Nations system. UNDP made proposals on the content of the programme and, at the request of NRDC and CPSC, provided financial assistance to cover the costs of programme formulation missions from the Food and Agriculture Organization of the United Nations (FAO), the United Nations Industrial Development Organization (UNIDO), UNDP, the United Nations Educational, Scientific and Cultural Organization (UNESCO), the International Labour Organisation (ILO) and the United Nations Children's Fund (UNICEF). FAO missions advised on aspects of technical assistance in agriculture, fisheries, forestry, and livestock development; the human resources sector was covered by an interagency mission comprised of representatives from UNDP, the ILO, UNESCO and UNICEF; and advice was received from UNIDO on a technical assistance programme for the industrial sector. In addition, missions from the International Trade Centre (ITC) and the United Nations Conference on Trade and Development (UNCTAD) made proposals on the technical assistance requirements of the foreign trade sector. Moreover, a mission from the United Nations Development Fund (UNCDF) was also invited to ensure that any capital assistance which the Fund might be contemplating would be adequately supported, if considered necessary, by United Nations technical assistance.
3. Early in April 1981, NRDC and CPSC invited all relevant ministries, commissions and agencies to examine ongoing UNDP projects, to assess the contribution they were making to the social and economic development of the country and to recommend which projects should be continued. They were also requested to submit new project proposals in their various areas of competence.
4. These proposals were submitted by October 1981 and covered the entire spectrum of development activities. They were examined by NRDC and CPSC and assigned priorities for inclusion in the third country programme.
5. In screening these proposals, NRDC and CPSC took into account a number of criteria, such as the need to ensure consistency between project objectives and national development objectives, the need to utilize limited resources effectively and not spread them thinly among numerous projects, and the need to eliminate that wastage of resources which, in the past, had been caused by a duplication of activities. In addition, project progress reports, tripartite review reports and various assessments and evaluations made by government ministries, agencies and organizations of the United Nations system were considered in selecting the projects contained in this document.

6. The third country programme takes into account and consciously complements not only other existing and planned technical assistance programmes, but also those that are being, or will be, implemented entirely by the Government's own resources. Moreover, the programme embraces technical assistance requirements in sensitive areas and activities as well as those that are investment-oriented and will perhaps lead to support from both bilateral and multilateral sources.

Significant features of the country programme

7. The programme's main thrust is in four key areas of the economy: (a) agriculture; (b) industry; (c) human resources; and (d) mining, energy and water resources. In other areas, some ongoing projects, the objectives of which had not yet been attained and which are deemed to be supportive of the main programme, have also been retained.

8. Another feature of the programme is that it has been conceived not as a number of disparate projects, but as an integrated whole that is designed to achieve the maximum impact on development. Accordingly, there is coherence not only within sectors but also between and among sectors. For example, the programme in the agricultural sector comprises projects which together will have a direct impact on food production. The agricultural programme is in turn linked with the programme of industrial development, primarily because, on the one hand, many of the projects to be supported in the industrial sector rely heavily on inputs from those projects of the agricultural sector which are to be assisted by UNDP; and, on the other hand, a number of the projects in the industrial sector are directly related to increasing productivity in the agricultural sector. Moreover, the programme on mining, energy and water resources development has direct links with the development of the agricultural and industrial sectors. Underpinning these efforts and inextricably linked to them is the proposed programme for the development of human resources.

9. There is another feature which is perhaps worthy of note. The programme seeks to inculcate the spirit of self-reliance by the emphasis it places on the development of human resources at all levels of the economy by the provisions which it makes for the execution of several projects by government agencies, and by its intention to make greater and more innovative use of national talent in the implementation of projects. In this regard, the programme seeks to establish local institutions with adequate structures and with staff that is capable of perceiving requirements and of managing and monitoring both technically and administratively those aspects of technology and technical assistance that must still be obtained from external assistance and that must be followed-up after such assistance has been terminated.

10. A high proportion of the projects included in the third country programme is investment-oriented. This includes: (a) assistance in planning the establishment of large-scale settlements; (b) assistance in pre-feasibility studies for the

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erection of irrigation works; (c) various projects in livestock and fisheries development; (d) the studies for the local development of farm implements; (e) the geothermal investigations; (f) the petroleum surveys; and (g) the assistance in the development of industrial projects.

Time frame and anticipated resources

11. The second country programme for Ethiopia was approved in June 1980 and covered the period 1980 to 1982. The third programme is for the period 1983 to 1986. In order to place the national development effort within a longer time-frame, as against the current practice of annual programme implementation that began in 1978-1979, the Government is currently engaged in the preparation of a Ten-Year Perspective Plan that would subsequently be elaborated into short- and medium-term plans.
12. The illustrative indicative planning figure (IPF) for Ethiopia for the period 1982-1986 is US\$112 million, of which 80 per cent (or \$ 89.6 million) is programmable. In addition, \$.777 million were not utilized in the second cycle. However, it is planned to spend \$15,983,000 in 1982. Consequently, the resources for programming will be \$74,394 million for the country programme period (1983-1986).
13. The United Nations system also provides assistance to Ethiopia from other funds, which were taken into account when formulating the proposed programme. For example, \$700,000 have been allocated from the Special Measures Fund for the Least Developed Countries for assistance in meteorology, technical and scientific education, planning, and a study of the nomadic peoples of the country with a view to improving their quality of life. This amount is expected to be replenished from time to time. In addition, the UNCDF programme for the next few years includes projects in dairy development, farm machinery, agricultural implements and tools, and waterworks construction. Most of these will be directly supported by UNDP-assisted projects. The total UNCDF contribution, with respect to already identified projects, will be \$12 million over a three-year period.
14. The United Nations Financing System for Science and Technology for Development supports two projects. One is aimed at the development of national scientific and technical capacities in natural resources remote sensing, while the objective of the other is to popularize science and technology through the translation of scientific terms into local languages. The amount earmarked for these projects is \$1.5 million. The United Nations Fund for Population Activities (UNFPA) is assisting in the planning of the first population census to be undertaken in Ethiopia, in the country's mother and child health programmes, and in the establishment of a demographic research and training centre. The total cost to the United Nations during the country programme period is US\$ 10 million.
15. UNICEF has recently prepared a comprehensive programme for Ethiopia for the period 1983 to 1988 which will cost \$40 million. The main areas of concentration of this programme will be primary health care, water supply and sanitation, primary and non-formal education, women's development, and urban services. The World Food Programme (WFP), in addition to the emergency food aid which it supplies to Ethiopia,

supports food-for-work projects in soil and water conservation, land settlement and dairy development. The inputs provided by WFP are valued at \$130 million over a five-year period which ends in 1985. These projects receive technical assistance from UNDP.

16. The formulation of all the programmes which have been adumbrated in the preceding paragraphs has been co-ordinated by the UNDP-assisted programme for this cycle. Efforts have been made to avoid overlap in the programme and, perhaps more important they support and complement each other wherever possible.

NATIONAL DEVELOPMENT OBJECTIVES AND PROGRAMMES
TO BE SUPPORTED BY UNDP

National development objectives

17. The years since the Revolution of 1974 have been marked by important changes both in economic policies and in the structure of the economy and institutions. The major objectives of the Government during this period have been the eradication of poverty, unemployment, illiteracy, hunger and disease; the elimination of exploitation; the equitable distribution of economic benefits; the redressing of inherited regional disparities; the expansion of production to meet domestic requirements; and the building of a strong, self-reliant and self-sustaining national economy.

18. The means of achieving these objectives were articulated in the Declaration of Socialism of 20 December 1974, in the Declaration of Economic Policy of Socialist Ethiopia of February 1985 and in the Programme of the National Democratic Revolution of April 1976. Of the new measures, the most important are:

(a) Redistribution of property rights, especially rural land, through land reform and the take-over by the State of enterprises in the key sectors of the economy;

(b) Establishment of grass-root institutions with the aim of mobilizing the rural and urban working masses to participate in the development process; and

(c) Development of an effective centralized planning and resources allocation system.

19. In addition, the policy statements provided incentives to local businessmen and industrialists engaged in private enterprise in certain designated areas that were considered useful to the society. Opportunities for the participation of foreign capital in the development process, insofar as they promote over-all economic advancement and bring benefit to the society, were also created.

20. NRDC and CPSC were established by proclamation in October 1978 and the first National Development Campaign Programme (Zemetcha) was launched in January 1979. Since then, three development campaign programmes have been implemented and the fourth is currently being executed. These annual campaign programmes established production targets for the major sectors, priority being given to agriculture,

especially to increasing food production. Another major thrust of the campaign was the initiation of a national drive to eradicate illiteracy.

21. However, despite the economic and political achievements that have been made since the Revolution of 1974, Ethiopia continues to face many challenging development problems, problems which remain critical even though the Government is committed and determined to eliminate them: living standards are still low, production is virtually stagnant, population growth rates are high, unemployment and underemployment are rife and the basic social services are inadequate.

22. The Government has therefore decided to formulate a Ten-Year Perspective Plan and thereafter elaborate that Plan into two short-term plans of two years and three years' duration and one medium-term plan covering a period of five years. The Ten-Year Plan, which will run from mid-1983 to mid-1993 is designed to achieve the long-term economic objectives stated in the programme of the National Democratic Revolution of Ethiopia. This programme provides a broad economic framework within which the future course of the country's development is to be charted.

23. The primary objectives of the Ten-Year Plan are to:

- (a) Improve considerably the material and cultural well being of the people;
- (b) Effect a structural transformation of the national economy by increasing the share of industrial output in the total product;
- (c) Establish a strong material and technical foundation for the building of socialism;
- (d) Conserve and develop the natural resources of the country;
- (e) Create job opportunities;
- (f) Achieve a more equitable distribution of the benefits of development; and
- (g) Strengthen and expand the foreign exchange earning capacity of the country.

24. The principal targets of the Ten-Year plan include:

- (a) Doubling the gross domestic product (GDP) in real terms by 1990;
- (b) Providing employment to about 5 million persons and reducing underemployment;
- (c) Increasing agricultural production by over 60 per cent;
- (d) Increasing industrial production four-fold;
- (e) Augmenting the country's export earnings in real terms by 2.6 times;

(f) Providing basic health services to cover 85 per cent of the rural population or about 30 million people;

(g) Eradicating illiteracy and providing polytechnic education from grades 1 to 8 to about 9 million children;

(h) Constructing 45,000 new housing units a year.

25. For the realization of these objectives and targets, the following strategies will be followed:

(a) Increasing the present low level of investment and savings substantially;

(b) Promoting the co-operativization of peasant agriculture as well as of handicrafts and cottage industries;

(c) Mobilizing people's organizations on a large-scale for a range of developmental activities;

(d) Expanding banking facilities to provide credit and mobilize savings in the rural areas;

(e) Increasing the productivity of peasant agriculture through improved production techniques, use of fertilizers, improved seeds and better storage facilities and increasing farm labour productivity through co-operative ventures;

(f) Establishing agro-industrial enterprises;

(g) Increasing the area under irrigation, in particular, through the construction of micro-dams;

(h) Controlling livestock diseases and exploiting the large livestock potential of the country by developing integrated services production and marketing systems;

(i) Employing, as far as feasible, labour-intensive techniques of production particularly in agriculture, handicrafts, rural roads, construction, afforestation, soil and water conservation;

(j) Improving managerial and organizational capacity and training of manpower;

(k) Raising substantially labour productivity;

(l) Enlarging and diversifying exports through investment in export commodities;

(m) Establishing more industries, expanding existing industrial enterprises and removing their constraints;

(n) Upgrading existing craftsmen's and industrial cooperatives through provision of credits for building, machinery and equipment and provision of technical and managerial assistance; and

(o) Expanding and improving transport and communications.

National development priorities

26. An abundance of agricultural land is Ethiopia's main asset. Agriculture contributes over 46 per cent of GDP, accounts for 90 per cent of the country's export earnings and employs 85 per cent of its labour force. The sector also supplies a large proportion of the raw materials required in the industrial process. Therefore, of necessity, Ethiopia's development effort focuses primarily on improving and expanding its agricultural base.

27. The management and protection of the environment directly influence the development of agriculture and are given high priority in the country's development plan. The counteracting of the negative effects of deforestation and soil erosion on productivity and production through the systematic implementation of planned and research-based activities in the areas of soil and water conservation, afforestation and reforestation are therefore considered to be of the greatest importance.

28. Industrial development, with emphasis on the handicraft and small-scale industries subsector in the initial stages, is the second priority area of the Ten-Year Plan. The objectives are gradually to increase the contribution of this sector to the national economy and to assure the sector's transformation. This goal will be attained through the strengthening, expansion and establishment of light and cottage industries.

29. The expansion and development of industries, however, is conditioned by the scale and capacity of power generation and the extent to which mineral resources are exploited. Therefore, the synchronization of these activities in the formulation and implementation of programmes and projects is of paramount importance. The mineral resources sector is also one of the priority areas.

30. The development of science and technology for practical application in both agriculture and industry, in order to increase output and productivity and to lay a firm scientific and technical foundation for the country's over-all development, is another priority. Since the determining factor for this undertaking is the availability of skilled manpower, the training of manpower geared to the general developmental requirements of the national economy assumes the highest significance.

UNDP-supported programmes

31. In the light of the Government's development plan and its priorities, UNDP assistance is being sought mainly in the key sectors of the economy: in agriculture and industry. Its support is also required in those areas which are linked to the development of these sectors - in human resource development and in the general field of infrastructural development, especially as they pertain to agriculture and industry.

A. Agriculture, livestock and fisheries development

32. In general, agricultural productivity in Ethiopia is low. This is due to a combination of factors: the utilization of degraded land; the adverse influence of land degradation on the quality of the soil and the availability of water; the low level of technology that is employed; the limited access of farmers to essential inputs; and the inadequacy of the rural infrastructure.

33. In order to overcome these constraints to the development of the sector, the Government has given priority to the following objectives:

(a) Creation and expansion of peasant co-operatives and the strengthening of agricultural extension services;

(b) Expansion of the area under irrigation in order to reduce the country's dependence on rain-fed agriculture;

(c) Improvement of the quality of livestock through breeding schemes, provision of improved pastures and strengthening of national veterinary services;

(d) Increase of both marine and inland fish production, both for export and for internal consumption;

(e) Conservation and proper utilization of the country's natural resources, particularly its soil, water, wildlife and forest resources;

(f) Extension of the area under settlements in order to improve the lives of the nomadic population; and

(g) Enhancement of the technological base through the intensification of research and training.

34. Some of the prerequisites for attaining these objectives may be classified as follows: (a) possession of the basic information and data for decision making; (b) availability of a cadre of trained manpower at all levels; and (c) establishment of the means and systems to increase productivity.

35. Accordingly, the Government of Ethiopia requests support from UNDP in the provision of the following programme of technical assistance in the agriculture, livestock and fisheries sector.

1. Ongoing projects

Soil and Water Conservation (ETH/77/005)

36. Population pressure, erratic rainfall and exploitative agricultural practices have all combined to denude the Ethiopian countryside of much of its topsoil and to diminish the water regulatory capacity of its mountain catchments. As a result,

droughts have become almost endemic and agricultural productivity has been reduced. In addition, the area of land covered by forests, though now a mere 4 per cent, is under increasing demand for animal grazing and for fuel. It is therefore necessary to undertake extensive schemes for the rehabilitation of degraded lands. This ongoing project is accordingly designed to train personnel in the techniques of soil and water conservation. UNDP contribution: \$1.6 million (1983-1985).

Seed Production (ETH/78/002)

37. This project will, in effect, be a continuation of the assistance UNDP now provides to the Seed Corporation. However, its scope will be broadened to include the improvement and multiplication of a range of seeds for crops suitable both for export and local consumption. The project will also establish demonstration centres and advise on the distribution of the improved seeds to peasant associations and co-operatives. UNDP contribution: \$0.5 million (1983-1985).

Land-Use Planning (ETH/78/003)

38. The current phase of this ongoing project will end in 1982. A new phase envisages the refinement of the master land-use plan that is now being finalized, the preparation of larger scale maps and the provision of services to agencies engaged in micro-land-use planning. UNDP contribution: \$2.0 million (1983-1986).

Institute of Agricultural Research (ETH/78/004)

39. Since its inception in 1966, this Institute has been receiving technical assistance from UNDP. The objectives of this assistance were to establish a viable research organization, formulate research policies and consolidate research at the national level. These objectives will be achieved when the current phase of the project ends in mid-1983.

40. It is now proposed that a new project be designed to strengthen the Institute's capacity to undertake research in specific areas which have been neglected in the past and for which it lacks expertise. UNDP contribution: \$1.5 million (1983-1986).

Support to Forestry Development (ETH/78/012)

41. This project is intended ultimately to maximize the contribution of the forestry subsector to the national economy in general and to the rural economy in particular; to assist in arresting the degradation of the land needed for continued food and crop production; and to increase and strengthen Ethiopia's forestry manpower resources. It will provide support to forest and forest industries development planning, forest management, silviculture and research, in-service training, and courses and workshops for peasant associations.

42. The present project, which ends in 1982, though providing much useful information and undertaking important research, barely touches the problems in this subsector.

A new, more comprehensive phase is now proposed to cope with the situation.
UNDP contribution: \$1.0 million (1983-1986).

Development of Irrigated Agriculture (ETH/78/013)

43. This is a new phase of a project that is designed to undertake studies to enable the Government both to plan and to implement the utilization of the country's water resources to the optimum, with particular emphasis on the development of irrigated agriculture. The project will concentrate its efforts on the development of those extensive land areas that are now under-exploited or are idle for want of regular supplies of water. UNDP contribution: \$3.8 million (1983-1986).

Integrated System of Food and Agriculture Statistics (ETH/79/013)

44. The machinery and institutions for the collection and analysis of agricultural statistics is currently being strengthened with UNDP assistance, but additional assistance is required to attain fully the objectives of this project.
UNDP contribution: \$0.4 million (1983-1984).

Large-Scale Settlements (ETH/80/015)

45. With over 5 million people now receiving emergency aid, the Government's desire to settle them permanently in areas capable of sustained agricultural production is understandable. UNDP is now assisting in both the planning and implementation of these settlements at a cost of \$2.6 million. In this new phase of the project, it is intended to round-off the assistance given and to concentrate efforts on further refinements of the planning process and, more important, on training at both the technical and professional levels. UNDP contribution: \$1 million (1983-1985).

Agricultural Implements Research and Improvement Centre (ETH/82/004)

46. The major objective of this project is to increase agricultural production and the incomes of the peasant farmer by developing and popularizing improved farm implements and tools for mass production and distribution to co-operatives and peasant associations. UNDP contribution: \$2.3 million (1983-1986).

2. New projects

Establishment of a National Soils Laboratory

47. In order to facilitate the work of the land-use planners and to practise a rational system of land-utilization, it is necessary to possess the facility for analysing and classifying the soils of the country. However, there is at present only one soils laboratory in Ethiopia, which is inadequate as it is ill-equipped and under-staffed. Accordingly, UNDP assistance is being requested in the establishment of a central soils laboratory. A major aspect of the project will be the training of local laboratory technicians and soil scientists.
UNDP contribution: \$2.0 million (1983-1986).

Livestock Development

48. Ethiopia possesses considerable livestock resources, but their quality is generally poor and the contribution they make to the country's development minimal. Yet the potential of the subsector to earn foreign exchange, to assist in the diversification of the export economy, and to enhance the dietary standards of the citizens of the country is enormous. Accordingly, the Government places great emphasis on the general upgrading of these resources through the improvement of animal health services, through the provision of adequate pasture and fodder, through breeding programmes, and through the employment of better production and processing techniques. UNDP assistance is therefore being sought for general livestock development. UNDP contribution: \$2.5 million (1983-1986).

Crop Protection

49. UNDP has been assisting the Government to develop a programme for controlling crop losses by grain-eating birds. This project is being phased out and will be replaced by a programme which will seek to strengthen the capacity of the country's crop protection services and to attack the general problems of the pre- and post-harvest losses in a more comprehensive manner. UNDP contribution: \$2.5 million (1983-1986).

Fisheries Development

50. The country possesses about 90,000 square kilometres (km²) of fishing grounds on its Red Sea coast, with an estimated annual potential output of 60,000 tons. In addition, there are the rift valley lakes and the streams and rivers in the rest of the country. All, however, are inadequately exploited at present. The objective of this project is therefore to exploit the country's potential through the use of appropriate fish culture and fish extraction techniques and through the provision of adequate services and facilities. The project will also embrace the establishment of a pilot fish-processing plant and fish cannery. UNDP contribution: \$2.5 million (1983-1986).

51. The UNDP-assisted programme in the agriculture, livestock and fisheries sector will be complemented and supported by current and planned technical assistance programmes from bilateral and other multilateral agencies, the main components of which are described below.

52. There are, at present for example, projects in veterinary medicine and livestock development that are financed by the European Economic Commission (ECC), and the Governments of Cuba and France. These projects will provide some support to the proposed UNDP project of livestock development (paragraph 48) to increase the productivity of the animal population. The International Bank for Reconstruction and Development (IBRD) and the International Fund for Agriculture Development (IFAD), through their Minimum Package Programme (MPP II), assist the Ministry of Agriculture in the staffing and equipping of regional, awraja (district) and woreda (sub-district) offices. Indeed, 37.5 man-years of internationally recruited staff are included in

this project, which complements and will be supported by the proposed assistance from UNDP. In addition, both the African Development Bank (AFDB) and the Government of the Union of Soviet Socialist Republics (USSR) provide technical assistance in the field of irrigated agriculture.

53. Assistance is also provided by the Swedish International Development Agency (SIDA) and the Government of the Federal Republic of Germany in the fields of forestry and soil and water conservation. The nature and scope of this assistance were taken into account in devising the programmes in these subsectors in order not to duplicate the international effort. Moreover, the proposed extension of the soil and water conservation project was formulated jointly with WFP, which provides food to those nationals to be trained by the project, and UNCDF, which assists in various aspects of capital development in this project. In addition, the activities foreseen in the settlement project will be supported by complementary projects financed by UNICEF. EEC is also active in the inland fisheries subsector in a project which will complement the one proposed for UNDP assistance.

B. Industry

54. In the past, industrialization was not conceived as a process which influenced the pace and direction of the development of other sectors of the economy and was, in turn, influenced by them. As a result, the sector did not have a significant impact on the development of the country's infrastructure nor did it contribute to the effective and appropriate utilization of domestic resources. However, the Government of Ethiopia now intends to reorient the industrialization process by correcting the former predilection for industries that were designed to replace imported consumer goods and by establishing and improving linkages with the other sectors, especially agriculture.

55. The objectives of the Perspective Plan are to: (a) increase basic industrial production for consumption and for export; (b) supply industrial inputs required by the other sectors; (c) encourage the maximum possible utilization of domestic resources; (d) create employment; and (e) ensure a balanced, integrated and co-ordinated pattern of industrial development for a sustained and self-reliant economy.

56. These objectives will be achieved by focusing initially on the expansion of medium- and small-scale industries and handicrafts and then on laying down the basis for the building and expansion of heavy industries which, in turn, will transform the structure of the economy.

57. The sectoral programme which requires technical assistance from UNDP has been formulated with the foregoing objectives in mind. It seeks to create the institutional infrastructure for planning the development of the sector and for laying the foundation for new industries, and it pays particular attention to the development of the less capital intensive aspect of the sector, i.e. the handicrafts and small-scale industries subsector.

1. Ongoing projects

Handicrafts and Small Industries (ETH/77/018)

58. The highest priority in the industrial sector has been accorded to the development of handicrafts and small-scale industries in order to: (a) increase the industrial production of basic goods for the population at large; (b) create employment opportunities in both the urban and rural areas through the use of labour-intensive technologies; (c) decentralize industry; and (d) achieve a more equitable distribution of income and a more equitable geographical distribution of employment.

59. This ongoing UNDP-supported project is designed to assist the Handicrafts and Small Industries Development Agency (HASIDA) to promote handicrafts and small industries, to produce efficiently, to market products, and to train personnel at all levels. The project, which started in 1978, is due to be completed in 1982. It is now proposed that this new phase of the project should continue to assist in the general development of the handicraft and small industries subsector and, in particular, train and upgrade urban and rural artisans, help in the establishment of extension services and provide equipment to support the training and demonstration activities. UNDP contribution: \$3.5 million (1983-1986).

Industrial Projects Development (ETH/80/013)

60. This ongoing project assists the Ministry of Industry in improving the performance of existing industries. The obsolescent condition of manufacturing plant and the range of technical problems which arise from time to time together justify the continuation of the project. Although in its new phase the project will retain much of its present character, it will address particularly the problems that are concomitant with the early stages of establishing new industries, which are to be in areas identified by the Government in its industrial development programme. UNDP contribution: \$3.2 million (1983-1986).

2. New projects

Establishment of Industrial Projects Study Agency

61. The Government of Ethiopia has decided to establish a semi-autonomous agency with the specific task of identifying, preparing and overseeing the implementation of industrial projects. The assistance being requested is to strengthen the Ministry of Industry's capacity in these areas. The initial inputs will be the provision of expertise which will assist in the establishment of such a unit and in the actual preparation of feasibility studies of selected industrial projects as well as train national counterparts in the relevant fields. UNDP contribution: \$1.8 million (1983-1986).

Engineering Design and Development Centre

62. The creation of an industrial engineering design capacity is considered to be basic to the self-sustained and self-reliant development of the industrial sector. The Government therefore intends to establish such a centre. UNDP assistance is being requested for the preparation of a scheme to establish the centre, to initiate its work, to identify its fields of emphasis and concentration, to prepare tender documents for machinery and equipment, to analyze bids, and to finance the machinery and equipment required by the centre for the training of technical personnel. UNDP contribution: \$3 million (1983-1986).

Pilot Plant for the Demonstration of Rural Agricultural and Related Technologies

63. The tools and implements that are now utilized in Ethiopia agriculture are simple, primitive and inefficient. This has been an obstacle and a constraint to increased productivity, to the expansion of farming activities, to the development of rural technology and to the reduction of the time spent on particular agricultural activities by the farmer.

64. This project will concentrate its attention on the pilot production, for demonstration purposes, of those farm implements and tools for which research and investigation have yielded positive results. It therefore complements the research project described in the agriculture sector and should be phased to begin one year after that project. UNDP contribution: \$3 million (1984-1986).

Pilot Tool Workshop

65. The objective of the project is to establish a pilot tool workshop in order to train Ethiopians in the manufacture and repair of small precision items such as cutting tools, jigs, fixtures, gauges, dies and moulds. At present no facilities for such undertakings exist in Ethiopia. As a result, several industries face delays in production: machines lie idle, and scarce foreign exchange is spent on spare parts. UNDP contribution: \$3 million (1983-1986).

Integrated Mini-Steel Plant

66. The development of the steel and metal industry is of paramount importance for laying down the basic foundation for the establishment of medium- and large-scale industries and for providing important inputs to other sectors of the economy. The objective of this project is to investigate the possibility of establishing a mini-iron and steel plant using local raw materials by direct reduction technology. UNDP contribution: \$0.3 million (1983-1986).

67. Only a relatively small amount of bilateral or other multilateral technical assistance is being provided to Ethiopia in this sector. The main resources of aid are the Government of the Federal Republic of Germany and the USSR in the fields of the training of mechanics and petroleum refinery operation, respectively.

C. Human resources development

68. Ethiopia suffers from an acute shortage of trained and skilled manpower in almost all sectors of the economy. This problem has been exacerbated by the rapid economic and social changes which the country has been undergoing since the Revolution of 1974. Moreover, it is evident that the Ten-Year Perspective Plan, which is being elaborated into medium-term plans, will generate an unprecedented demand for skilled manpower and will further strain the country's manpower resources. Indeed, it has already been projected that the greatest demand will be for professional and technical staff and for workers with middle-level technical skills. Accordingly, the general educational system has been reoriented to include general polytechnical education, and it is planned to establish a large number of new technical schools throughout the country. In addition, it is intended that there be other technical institutions for specialized skills.

69. At the highest level, the Plan requires the expansion of institutions of higher education to increase the number of degree and diploma graduates in the fields of technical and vocational teacher education, science and technology. Further, the Government attaches great importance in its educational policy not only to producing skilled manpower at various levels but also to raising rapidly the general level of productivity through participation by the masses in the development process. Therefore, the Government is vigorously implementing a functional literacy campaign through a network of community skills training centres, basic education centres and multipurpose training centres designed specifically for peasants.

70. The programme of technical assistance that is proposed for support by UNDP will focus on three objectives: (a) reducing the gap between the demand and supply of skilled manpower, both in terms of quality and quantity; (b) reorienting the general education system towards technical and vocational education; and (c) improving the Government's capacity to assess its manpower resources, to estimate needs and to plan its development.

1. Ongoing projects

National Productivity Centre (NPC) (ETH/77/009)

71. This assistance, which is in effect an extension of an existing project, is designed to help to broaden and diversify the current programme of NPC. One objective is to include clientele beyond the Ministry of Industry, as is now the practice, in order to meet the nation's multisector needs for skilled managers and supervisors. Another is to strengthen NPC, to enable it to extend its services to such critical areas as rural development and to introduce management dimensions into technical training programmes and the special requirements of small-scale industries. UNDP contribution: \$2.0 million (1983-1986).

Production Infrastructure for Education (ETH/78/020)

72. This ongoing project has the dual objective of strengthening practical education at the secondary level by linking theoretical studies with practical work and of providing training in the production and design of basic furniture for school needs. It also seeks to expand existing activities, in the preparation of science kits for primary schools. Further UNDP assistance is required in order to enable the project to attain fully its objectives. UNDP contribution: \$0.5 million (1983-1985).

Teacher Education (ETH/78/022)

73. UNDP currently assists the Government in training teachers in a particular trade or vocation (metal work, wood work, electricity, commercial education, physical education, etc.). In order to meet its declared policy objectives of strengthening, expanding and creating new polytechnical schools, the Government now intends to expand the enrolment capacity of its main teacher education institution and upgrade its standards through the production of sufficiently equipped trainers. It therefore seeks the continuation of UNDP assistance for the provision of experts and training equipment. UNDP contribution: \$2.0 million (1983-1986).

Assistance to the Asmara University (ETH/81/004)

74. The University of Asmara was founded in 1958 but not chartered until 1965. It may be regarded as the forerunner of future regional universities, the character of which should reflect the opportunities and needs of the regional environment. At present, the Faculty of Science provides for only 150 students, but enrolment could easily be raised to 1,000 with improved equipment and teaching facilities. The proposed project would provide teaching staff, equipment and materials to the faculty of science of the Asmara University for the purpose of strengthening and expanding its activities in basic science, marine science and arid zone agriculture. UNDP contribution: 1.4 million (1983-1986).

2. New projects

Manpower Assessment and Planning

75. There is a shortage of information on the actual number of different types of manpower in Ethiopia and there are lamentably few manpower planners. This project is therefore designed to establish the machinery for manpower surveying and planning, to forecast manpower needs, and to train nationals in the appropriate fields for these purposes. UNDP contribution: \$0.5 million (1983-1984).

Educational Mass Media

76. The Government of Ethiopia has embarked upon a literacy campaign, which so far has been eminently successful. However, it finds it increasingly difficult to reach

the rural population, not only to teach them the basic elements of reading and writing, but also to follow up those already trained and to provide remedial services. This project has been designed to enhance the educational impact of radio in rural areas, and particularly to "reach out" to the farmer to impart basic techniques of farming. The training of national personnel in relevant fields will be given special emphasis. UNDP contribution: \$1.2 million.

Addis Ababa University

77. The major source of professional manpower for Ethiopia is the University of Addis Ababa and it will continue to be a major source for some years to come. However, the University is overcrowded, facilities are inadequate, the library stock is low and there are few reference materials. Most important, the staff is relatively young and inexperienced. It is proposed, through this project, to strengthen the Faculties of Science and Technology by providing experienced staff in civil and mechanical engineering, in physics, chemistry, biology, computer science and geology; by training local graduates abroad; and by providing relevant teaching materials. UNDP contribution: \$3.6 million (1983-1986).

Modules of Employable Skills

78. The ILO has developed a universally applicable and flexible training methodology which it calls "Modules of Employable Skills". These modules are designed to meet the changing and varied needs of employers for trained personnel of all types and levels and thus make vocational training more relevant, efficient and effective. Under this project it is proposed to introduce these modules to Ethiopia and to train nationals in their utilization. UNDP contribution: \$0.4 million (1984-1986).

Establishment of a National Vocational Training System

79. Although there is a number of vocational training centres in the country, there is neither uniformity in entrance qualifications nor a common national curriculum to ensure consistent training throughout the country. The objective of the project is therefore to assist the Government in identifying the institutional arrangements necessary for establishing a national vocational training system, in developing apprenticeship and instructors schemes and curricula for all trades, and in creating a national teaching and certification system. UNDP contribution: \$1.8 million (1983-1986).

Development of a Unified System of Technical and Vocational Education

80. In the past, the content of education was largely academic and there was little attempt to train productive citizens. Indeed, the system encouraged, inter alia, a scorn for traditional handicrafts and for manual labour. More recently, the Government has made serious attempts to change these attitudes by reorienting syllabuses and curricula. However, progress has been slow. The background of students in science and technology is poor because of the over-emphasis on academic teaching methods, and inadequate educational programmes, teaching materials,

textbooks and teaching aids. Moreover, outmoded curricula and syllabuses are still in use and do not yet reflect the scope and objectives of polytechnical education.

81. The objectives of this project are: (a) to assist in the development of a unified system of technical and vocational education as a means of reorienting the general education system; and (b) to help in the development of curricula for technical and vocational education. UNDP contribution: \$2.7 million (1983-1986).

The Alemaya College of Agriculture: Assistance to Post-graduate Agricultural Studies

82. The agricultural sector in Ethiopia is extremely short of trained manpower. Consequently, all UNDP-assisted projects have a high training component. Although some counterparts benefit from overseas fellowships, the number of participants which can be selected is limited and often the training that is received is not directly relevant to conditions in Ethiopia. A strong post-graduate agricultural school in Ethiopia would allow many more students to receive specialized training. This project will extend the range of specializations at the Alemaya College of Agriculture as well as increase its current capacity for undergraduate and graduate students. UNDP contribution: \$800,000 (1983-1986).

Transfer of Know-how through Expatriate Nationals (TOKTEN)

83. In this scheme, under the aegis of UNDP, high-level Ethiopian professionals who are residents abroad would be invited to return home for specified periods in order to undertake specific assignments in their fields of specialization. UNDP contribution: \$200,000 (1983-1986).

Special Training Needs and Expert Services

84. From time to time the need is felt for the provision of fellowships and training courses and for experts in fields not specifically identified during the programming exercise. In such cases, the unavailability of funds often prevents the Government from pursuing projects of relevance and importance to the national economy. This project is therefore proposed in anticipation of these needs. UNDP contribution: \$1.0 million (1983-1986).

85. The UNDP programme in human resources development is being complemented by technical assistance from various international and bilateral sources. For example, UNICEF is involved in the development of basic education; IBRD provides support for teacher training and for a graduate veterinary school; SIDA assists in rural and primary education and grants fellowships in forestry; UNESCO, through its regular programme, organizes ad hoc workshops and training courses in various educational areas; the Governments of the German Democratic Republic and the Federal Republic of Germany both give general educational assistance, particularly in the field of technical training; the Governments of Czechoslovakia and the USSR provide scholarships tenable in their respective countries for studies in various fields at

University education in Ethiopia itself; the Government of Canada and SIDA are involved in the training of water engineers; and the Government of Cuba and the USSR are engaged in vocational training activities. These are the major sources of assistance in this sector which reinforce the programme proposed here.

D. Mining and energy

86. Although Ethiopia's hydroelectric potential is estimated at 56 billion kilowatt hours (KWh), only 1.2 billion are being tapped. Its huge geothermal potential remains unutilized. Moreover, a great deal of work still remains to be done in the exploration and exploitation of the country's mineral resources. This subsector, too, is not making any significant contribution to the growth of the national economy.

87. It is evident, therefore, that every effort should be made to develop Ethiopia's natural resources. Accordingly, geological investigations, mining development activities and the undertaking of technical and economic feasibility studies of the river basins for multipurpose activities are priority areas in the Government's development plans.

88. The objectives of developing the natural resources sector are geared to reducing the dependency on imported oil (a commodity that is increasingly determining the pace of the country's development), to attaining self-sufficiency in food by bringing more land under irrigation, to diversifying exports and to providing raw materials and power for industrial growth. The projects proposed below for UNDP assistance are directly linked to these objectives.

1. Ongoing projects

Development of Geothermal Resources (ETH/78/007)

89. This activity, financed jointly with EEC, is aimed at ascertaining, by drilling, the existence of adequate geothermal steam resources to fuel an economically viable power plant in the Lakes District area. This phase of activities will concentrate on the completion of the 9 hole drilling programme and the finalization of a reservoir engineering study. UNDP is financing the project to the end of 1982. However, further work will be required to complete current activities. It is also proposed that the scope of the project be expanded to cover other geographical areas with potential geothermal resources. UNDP contribution: \$0.9 million (1983-1985).

Ethiopian Electric Light and Power Authority Training Institute (ETH/78/018)

90. The objective of this ongoing project is to develop a national capability to plan and utilize the energy resources of the country, particularly electric energy. It is necessary to continue this project in order to ensure an adequate supply of skilled manpower and to enable Ethiopia to cope with the technological changes in the subsector. UNDP contribution: \$0.6 million (1983-1985).

Small-Scale Hydroplants (ETH/80/009)

91. This ongoing activity is aimed at reducing the country's dependence on imported fuels by developing national capacity to undertake feasibility studies of small hydroplants. It involves the completion of feasibility studies on two rivers and the extension of similar studies to other river basins. UNDP contribution: \$0.8 million (1983-1985).

Geology and Mining (ETH/80/016)

92. This is a new area in which the Government is seeking technical assistance from UNDP. The country lacks the institutional base and the expertise for the systematic development and control of mining activities. It is therefore necessary to train national staff in the formulation of a legal framework for exploration and mining, in the actual activities of exploration and exploitation of minerals (with emphasis on petroleum exploration) and in the establishment of systems for mining development and mines control. UNDP contribution: \$3.5 million (1983-1986).

93. This subsector also receives assistance from the Governments of Italy and the USSR and from EEC. It is also proposed that the World Bank finance (with a substantive technical assistance component) certain activities relating to petroleum exploration. The projects for which UNDP assistance is sought during this programme period have been consciously designed to complement those financed from the Government's own resources and by other bilateral and multilateral agencies.

F. Trade

94. The strengthening and expansion of the foreign exchange earning capacity of Ethiopia is strongly emphasized in the Perspective Plan. It is therefore imperative that the activities of the external trade sector be further rationalized. It is also necessary to ensure that the quality of the goods produced in the country be of an acceptable standard. Accordingly, assistance is being provided in the basic areas that are described below.

1. Ongoing projects

Strengthening of the Foreign Trade Sector (ETH/77/010)

95. The primary objective of this project is to provide the Ministry of Foreign Trade with the manpower and facilities required to discharge its responsibilities, particularly in foreign trade planning, control and monitoring; basic trade intelligence collection and dissemination; multilateral and bilateral trade policy negotiations; trade expansion (especially with other developing countries); and import procurement techniques. UNDP contribution: \$0.7 million (1983-1986).

Establishment of the Quality Control Centre (ETH/79/003)

96. The establishment of the Quality Control and Testing Centre is at an advanced stage of implementation. The project is currently being supported by UNDP but needs

an additional allocation to complete the work. The centre will establish minimum standards for products and will test and control the goods that are produced in the country both for home consumption and for exports. UNDP contribution: \$0.2 million (1983).

2. New project

Establishment of the Metrology Centre

97. The objective of this project is the development and adoption of a system of scientific measurements and organization with a view to improving the quality of the goods produced in Ethiopia for the home and export markets. Metrological services will be provided to various industries and also to weights and measures activities. This project supports and complements the one described above. UNDP contribution: \$1.2 million (1983-1986).

98. Additional assistance is being provided in this sector by ITC from its regular programme funds. The type and nature of this assistance is programmed to complement that provided by UNDP.

G. General development issues, policy and planning

99. Ethiopia, as is the case in most developing countries, lacks the basic data for planning its development. It is short of those skills that are necessary for formulating policies and plans and for monitoring their implementation. It is also in great need of personnel able to identify technologies that are relevant to its development. It therefore seeks UNDP assistance in general development issues in order to ensure that its programmes are well-conceived and implemented and that the technical assistance which it receives is adequately co-ordinated.

1. Ongoing projects

Ethiopian Centre for Technology (ETH/77/001)

100. The project is designed to assist the Government in reducing Ethiopia's dependence on external derived technology and to remove some internal technological constraints to economic development through the improvement of the terms by which it acquires external technology and by helping to develop its indigenous technological capacity. A centre has been established and some studies completed for certain subsectors such as food and pharmaceuticals. An extension of the project is required to consolidate the Centre's activities and complete studies of selected subsectors. UNDP contribution: \$0.6 million (1983-1985).

Strengthening of the Ethiopian Mapping Agency (ETH/78/016)

101. Ethiopia is not adequately surveyed and mapped. This has hindered the capacity of the Mapping Agency to provide adequate information to the various economic sectors

for development planning and for implementing such activities as geological investigations, hydrological works, land-use studies, irrigation projects and census preparations. The objective of the project is to continue to assist in the improvement of the standard of services of the Agency. UNDP contribution: \$1.0 million (1983-1986).

Development of Projects Study Agency (ETH/80/005)

102. This Agency, which has been established relatively recently with UNDP assistance, is entrusted with the responsibility of establishing standards for the preparation of projects and providing guidance and consultancy services to all government agencies in the provision of information related to projects, technology and investment. Continued support from UNDP is required to make this important institutional machinery viable. UNDP contribution: \$1.0 million (1983-1986).

Audit Services Corporation (ASC) (ETH/80/020)

103. This project is designed to help the Government to establish more efficient auditing and accounting systems. It is also advising on the creation of a consultancy unit within ASC, which will improve the accounting procedures of the Government's industrial corporations. UNDP contribution: \$0,06 million (1983)

Programme Support to the National Revolutionary Development Campaign (NRDC) and the Central Planning Supreme Council (CPSC) (ETH/80/022)

104. This project is intended to improve the efficiency of the implementing and co-ordinating capacity of NRDC and CPSC by providing training for, and logistic support to, local personnel in these organizations. UNDP contribution: \$0.8 million (1983-1986).

105. The technical assistance provided to Ethiopia in this area from bilateral and other multinational agencies is not considerable. Ad hoc consultancies are provided by the Governments of Sweden and Yugoslavia; the Government of the Federal Republic of Germany assists in integrated development, and general advisory services are supplied by the Government of Hungary.

H. Transport and communication

106. Because of its rugged topography and the paucity of its financial resources, Ethiopia has a density of all-weather roads of only 10 kilometres (km) per 1,000 square kilometres (km²). This is among the lowest in Africa. Indeed, it is estimated that about 75 per cent of the country's farms are situated more than half a day's walking distance from a road. Thus, parts of this mountainous country form isolated economic units with only weak links to the rest. The importance, in these circumstances, of developing functional transport and telecommunications services and of providing a network of rural roads cannot be over-emphasized. The ongoing projects which UNDP will continue to support in the third country programme are designed to supplement the Government's own efforts in this endeavour.

1. Ongoing projects

Ethiopian Telecommunications Service (ETH/80/010)

107. The development objective of this ongoing project is to ensure the supply of manpower required in order to meet national objectives as well as the higher targets associated with the goals of the United Nations Decade for Transport and Communications in Africa (1978-1988). UNDP contribution: \$0.5 million (1983-1986).

Flight Calibration (ETH/80/018)

108. This ongoing project is assisting the Government to establish a flight calibration unit. The unit ensures that navigation aids for aviation are accurate and, therefore, help improve air safety. Some activities are not yet complete, notably the installation of the equipment and the training of nationals in its use. UNDP contribution: \$0.131 million (1983).

109. China has an ongoing project in Ethiopia in road construction, while EEC has granted assistance to upgrade the country's railway rolling-stock.

I. Health and social conditions

110. In pre-revolutionary Ethiopia, health services were concentrated in the urban areas and emphasized curative, as opposed to preventive, medicine. Eighty-five per cent of the population did not receive even minimum health care. The Government plans to provide basic health facilities to the country's entire population by the year 2000 and has formulated a programme, the major priorities of which are the prevention of communicable diseases, the expansion and upgrading of health services, the rationalization of traditional medicine and the development of an effective referral system. In addition, the Government will pay particular attention to its disabled population. UNDP assistance is required to complete ongoing projects which were originally designed to help the Government to attain its objectives.

111. In pre-revolutionary Ethiopia, no more than 15 per cent of the population had access to health services. Although this proportion has now increased to 43 per cent, coverage is not uniform, and, in many cases, only the most rudimentary facilities are provided. In the delivery of health services, the focus is on prevention and the assistance required from UNDP is mainly in this area.

1. Ongoing projects

Vocational Rehabilitation of the Disabled (ETH/75/043)

112. It has been estimated that Ethiopia has among the highest proportion of disabled citizens in the world. The Government's policy is aimed at enabling these disadvantaged and handicapped persons to become productive citizens and UNDP is assisting in the implementation of this policy. Further assistance is now sought to enable the government agency concerned to implement a comprehensive rehabilitation programme, with particular emphasis on the rural and war-affected areas. UNDP contribution: \$0.4 million (1983-1986).

National Health Laboratory Network (ETH/77/024)

113. This ongoing project was originally formulated to assist in the establishment of a network of health laboratories, to provide equipment and supplies for these laboratories, to provide expertise in key fields and to train nationals at the technical and professional levels. Most of these objectives have been achieved. However, there is one important lacuna: the project has been unable to train a sufficient number of professionals in certain disciplines. Accordingly, the assistance now sought is to enable nationals to complete their training abroad and return to run the network laboratories. UNDP contribution: \$0.988 million (1983-1985).

Development of Traditional Medicine (ETH/78/023)

114. This ongoing project has been formulated in order to help develop a national research capability to undertake research on traditional medicines and on the methodologies that they employ. Its aim is to integrate traditional practitioners, safe and proven traditional medicines and useful practices into the national health care delivery system. UNDP contribution: \$0.11 million (1983-1984).

Sanitary Engineers Training (ETH/78/025) and (ETH/81/002)

115. The objective of these ongoing projects is to institutionalize the training of sanitary, public health and environmental engineers in order to meet the manpower needs of the country and to develop research capability in these disciplines in the Faculty of Technology of the Addis Ababa University. UNDP contribution: \$0.085 million (1983).

Prevention and Control of Communicable Diseases (ETH/79/006)

116. The objective of this ongoing project is to establish the infrastructure for the provision of effective basic health services at regional, subregional and district levels. Although much progress has been made, full coverage is still far from being attained. It is therefore requested that this project continue because of the enormity of the problem which it seeks to overcome. UNDP contribution: \$1.2 million (1983-1986).

Environmental Health Control (ETH/79/011)

117. The project is intended (a) to assess the implications of planned agricultural development in the river basin areas of Ethiopia for rural health and environment, and (b) to develop solutions and special programmes to prevent any adverse effect which agricultural and industrial development might have on public and environmental health. It is an ongoing project that will be completed during the third programming cycle. UNDP contribution: \$0.12 million (1983).

118. Ethiopia receives assistance in the health and social conditions sectors from several bilateral and multilateral sources. For example, from the regular programme funds of the World Health Organization (WHO) and the ILO, from SIDA and UNICEF. In addition, resources are made available by several non-governmental

organizations (NGO), which operate in the country. Of particular importance to the programme proposed here for the rehabilitation of the disabled is the fact that the UNDP contribution is for a core project that will have ancillary projects in various areas of vocational training which will be financed by FAC, the ILO, UNICEF and bilateral agencies. The Government of Cuba also provides a significant amount of assistance in this sector.

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Annex I

FINANCIAL SUMMARY

<u>A. Resources</u>	<u>Dollars</u>
(a) <u>IPF and other resources</u>	
(i) Illustrative IPF for 1982-1986	112,000,000
(ii) Less unprogrammed balance <u>a/</u>	(22,400,000)
(iii) Less authorized budget level for 1982 Anticipated resources for 1987	(15,983,000)
(iv) Previous IPF cycle balance	777,000
(v) Other resources: Cost sharing	-
Special Measures Fund for LDCs	965,000
 (b) <u>Provision for adequate programming</u>	<hr/>
Total resources available for programming:	<u>75,359,000</u>
 B. <u>Use of resources</u>	
(a) <u>Programmed</u>	
(i) Ongoing projects	40,784,000
(ii) New projects and new phases of ongoing projects included in the country programme	32,200,000
(iii) Earmarked for specific objectives and activities for which projects are to be worked out at a later stage	2,375,000
 Subtotal:	<hr/> 75,359,000 <hr/>
 Total programmed plus reserve:	<hr/> 75,359,000 <hr/>

a/ Representing 20 per cent of the illustrative IPF which has not been taken into account for programming.

C. Financial distribution of programme, by sector

	<u>Sector b/</u>	<u>Ongoing projects</u> \$	<u>New Projects</u> \$	<u>Sectoral earmarkings</u> \$	<u>TOTAL</u> \$
02	General development issues, policy and planning	3 460 000	-	-	3 460 000
03	Natural resources	5 800 000	-	-	5 800 000
04	Agriculture, forestry and fisheries	14 100 000	9 500 000	-	23 600 000
05	Industry	6 700 000	9 300 000	-	16 000 000
06	Transport and communications	631 000	-	-	631 000
07	International trade and development finance	900 000	1 200 000	-	2 100 000
10	Health	2 893 000	-	-	2 893 000
11	Education	3 900 000	9 300 000	-	13 200 000
12	Employment	2 000 000	2 900 000	-	4 900 000
14	Social conditions	400 000	-	-	400 000
	TOTAL	40 784 000	32 200 000	-	72 984 000

b/ According to ACC classification.