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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR
ETHIOPIA

Note by the Administrator

Programme period

1983-1986

Illustrative IPF for 1982-1986

US\$112 million

I. Nature of the programming exercise

1. This third country programme of UNDP assistance to Ethiopia was prepared by the National Revolutionary Development Campaign (NRDC) and Central Planning Supreme Council (CPSC). The NRDC and CPSC establish 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 - March 1982, was fully supported by the United Nations system. UNDP made suggestions on the content of the programme and, at the request of NRDC and CPSC, provided the

* The notes by the Administrator concerning the previous country programmes for Ethiopia were issued under the document symbols DP/GC/ETH/R.1/RECOMMENDATION and DP/GC/ETH/R.2/RECOMMENDATION.

resources required to cover the costs of programme formulation missions by representatives of the United Nations Food and Agriculture Organization (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). The FAO missions advised on aspects of technical assistance needed 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. 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 technical assistance requirements for the development of foreign trade. Moreover, a mission from the United Nations Capital Development Fund (UNCDF) was invited to ensure that any capital assistance which UNCDF might be contemplating would be adequately supported, as required, by UNDP technical assistance.

3. In early 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. These proposals, which were submitted by October 1981, covered the entire spectrum of development activities. They were examined by NRDC and CPSC and assigned priorities for inclusion in the country programme.

4. 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 any possibility of wastage of resources due to duplication of activities. In addition, project progress reports, tripartite review reports and various assessments and evaluations made by Government ministries and agencies and the United Nations system were considered in selecting the projects contained in the country programme.

5. The third country programme for Ethiopia takes into account and complements not only other existing and planned technical assistance activities, but also those that are being or will be implemented entirely by the Government's own resources. Moreover, the programme includes technical assistance requirements in sensitive areas as well as investment-oriented activities.

II. Relation of the country programme to national development objectives

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

7. The Government has sought to attain these objectives through land reform and distribution of property rights, the take-over by the State of enterprises in the key sectors of the economy, the establishment of grass roots institutions with the aim of mobilizing the rural and urban working masses for their participation in the development process, and the development of an effective centralized planning and resource allocation system.

8. The Government of Ethiopia is now formulating a Ten-Year Perspective Plan which will run from mid-1983 to mid-1993. The Plan will assign the highest priority to agricultural development, to the expansion of the industrial sector, to enhancement of the country's capacity for power generation, and to the training of skilled manpower at all levels in selected development sectors of the economy.

9. The third country programme directly supports these objectives and priorities. Indeed, the programme concentrates on the key sectors of the economy, as identified by the Government. Besides, the programme has been conceived not as a number of disparate projects, but as an integrated whole 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 country programme comprises in the agricultural sector, projects which together will have a direct impact on food production. This 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 in the agricultural sector to be assisted by UNDP; and on the other hand, a number of projects in the industrial sector are directly related to increasing productivity in the agricultural sector. Moreover, the programme of 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.

III. Content and phasing of the country programme

10. 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 that are linked to the development of these sectors: in human resource development and in the general field of infrastructural development, especially as they relate to agriculture and industry.

11. Through the emphasis it places on the development of human resources at all levels of the economy, the provisions it makes for the execution of several projects by Government agencies, and its intention to make greater and more innovative use of national talent in the implementation of projects, the third country programme for Ethiopia seeks to inculcate the spirit of self-reliance. In this regard, it attempts to establish local institutions with adequate structures and with staff 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 will have to be followed-up adequately after such assistance has come to an end.

12. The bulk of all programmed resources is concentrated on only a handful of priority sectors and, within each sector, on relatively large projects designed to have maximum impact on national development. Projects in agriculture, forestry and fisheries include assistance to land use planning, integrated systems of food and agriculture statistics, establishment of a national soils laboratory, the Institute of Agricultural Research, soil and water conservation, strengthening of the Forestry Department, development and improvement of agricultural implements, seed and crop protection, large-scale settlements, fisheries development and development of irrigated agriculture.

13. In the industry sector, assistance will be directed to industrial projects development, handicrafts and small-scale industries, agricultural tools and technology development, industrial tools manufacture and repair, and the establishment of a small steel plant based on direct reduction technology.

14. Assistance in the education and employment sectors places emphasis on teacher training, design and production of science kits and basic school furniture, strengthening of the universities of Asmara and Addis Ababa, the National Productivity Centre, manpower assessment and planning, use of mass media for education, establishment of a vocational training system and of unified technical and vocational education, and strengthening of the Alemaya College of Agriculture. Provision is also made for the transfer of know-how through expatriate nationals (TOKTEN), as well as for special training needs of nationals and high level expert services as and when they arise.

15. In the natural resources sector, assistance will go to continuing projects in geothermal power development, establishment of small hydroelectric plants, training of the personnel of the Electric Light and Power Authority, and in developing a national capacity for the legislation, exploration and exploitation of the country's mineral resources.

16. The other sectors covered by the country programme are international trade and development finance; general development issues, policy and planning; transport and communications; health; and social services.

17. A high proportion of projects included in this programme are investment oriented. These include: (a) assistance in planning the establishment of large-scale settlements; (b) assistance in pre-feasibility studies for the erection of irrigation works; (c) the 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) assistance in the development of industrial projects.

18. Sectoral provisions in the programme and the resources taken into account for programming are shown in the financial summary in the country programme document.

19. The illustrative indicative planning figure (IPF) for Ethiopia having been substantially increased from \$42 million in 1977-1981 to \$112 million in 1982-1986, the programme includes a high proportion of new projects.

IV. Special development problems and needs

20. Ethiopia is one of Africa's least developed countries (LDCs). The country has been severely affected by drought continuously since the early 1970s. The Government has requested UNDP assistance for the organization of a donors' conference in keeping with the decisions adopted in Paris in September 1981 by the United Nations Conference on LDCs the Least Developed Countries.

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