

UNITED NATIONS DEVELOPMENT PROGRAMME



UNDP

Distr.
GENERAL

DP/CP/GAM/3*
3 November 1982

ORIGINAL: ENGLISH

GOVERNING COUNCIL
Special meeting
14-18 February 1983
Agenda item 3(b)

COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR THE GAMBIA

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

Illustrative IPF for 1982-1986: \$14,250,000

INTRODUCTION

1. The Government of the Gambia has prepared the country programme for the full duration of the third IPF cycle. The programme relates closely to the National Development Plan V (NDP/V) 1979-1985.
2. The second country programme for the Gambia has been formulated so as to coincide approximately with the Second Five-Year Development Plan and co-terminate with it in 1986. The need to align the country programme with the country's Five-Year Development Plan necessitated a delay of one year in the submission of the

*In accordance with decision 81/15, adopted by the Governing Council on 27 June 1981 (E/1981/61/Rev.1, Annex I), the third country programme for the Gambia is being submitted to the Council without an accompanying note by the Administrator. The previous country programmes for the Gambia and the accompanying notes by the Administrator were issued under the document symbols DP/GC/GAM/R.1-DP/GC/GAM/R. and DP/GC/GAM/R.1/RECOMMENDATION-DP/GC/GAM/R.2/RECOMMENDATION, respectively.

country programme to the Governing Council of UNDP. At the request of the Government, the Administrator reported to the Council the Government's wish to harmonize the UNDP country programme with its own Development Plan. The authority to extend the second country programme by one year was thus obtained. Accordingly, the third country programme covers the period 1983-1986.

3. The preparation of the country programme was undertaken through the usual process of consultation between UNDP and the Government, particularly with the Ministry of Economic Planning and Industrial Development (MEPID), which has over-all responsibility at the national level for the co-ordination of external assistance. Sectoral ministries, which are the implementing agencies for the projects, were also fully involved in the exercise.

4. Tripartite reviews or evaluations of major ongoing projects, involving the participation of most specialized agencies of the United Nations development system, in particular the United Nations, the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organisation (ILO), and the World Meteorological Organization (WMO), were carried out during the last twelve months. They provided the opportunity not only to assess past experience, but also to consider broadly related sectoral problems and to discuss prospective project activities. In view of the small indicative planning figure, except for those agencies already represented in the Gambia, the participation of agencies in the country programming exercise was considered unnecessary. However, before the exercise, an assessment of the performance of the second country programme and a note outlining the prospects for the third country programme were prepared by the Resident Representative and circulated to all agencies, inviting their comments.

5. During the recently completed formulation exercise of the Second Five-Year Development Plan, the Government reviewed its over-all technical assistance needs within the framework of the activities of its sectoral planning committees. Consultations were also held in this connexion with the various sources of technical assistance, whether multilateral, bilateral, or non-governmental. The country programme has been formulated so as to take into account and reflect not only the priorities identified by the Government, but also the availability of other and complementary sources of technical assistance.

Anticipated resources

6. For 1982-1986 the illustrative IPF for the Gambia is \$14,250,000. However, because 20 per cent of the IPF is held in reserve, only \$11,400,000 are available for programming. Furthermore, overexpenditures against the second cycle IPF amounting to \$1,160,000 are to be deducted from this sum, leaving only \$10,240,000 available to finance ongoing projects and to take some new initiatives. Moreover, since the country programme covers only the period 1983-1986, the 1982 programme (ABL) representing \$1,667,000 is to be deducted from \$10,240,000, leaving \$8,573,000 for 1983-1986.

7. In view of the decision of the Government to rephrase many of the projects which were initiated during the second cycle, few new projects are foreseen for 1983 and 1984. It is also the Government's wish to closely monitor the implementation of the country programme and introduce adjustments thereto in consonance with the Second Five-Year Development Plan. It is to maintain flexibility, therefore, that the IPF resources are not all committed for the entire period of the country programme.

8. During the current programming cycle, as in the past, the Government will continue to rationally blend other assistance from the United Nations system with IPF-funded activities. Among such major activities are: a population census to be carried out in 1983, health communication services and maternal and child health services - to be funded by the United Nations Fund for Population Activities (UNFPA); feeder road construction, water resources development, anti-desertification and improved wood stoves (to reduce consumption of fire wood) projects - funded by the United Nations Sudano-Sahelian Office (UNSO). The United Nations Capital Development Fund (UNCDF) has committed funds for swamp rehabilitation and rice irrigation, for equipment in water resources development, and for the promotion of small indigenous enterprises. The World Bank is involved in such sectors as agriculture, transport infrastructure, urban development and education. Funds-in-trust made available by the Governments of Denmark and Italy, complemented by funds from UNSO, the Arab Bank for Economic Development in Africa (ABEDA), and the Technical Co-operation Programme (TCP) of FAO have been utilized in the agricultural sector, with FAO acting as the executing agency. The World Health Organization (WHO) is carrying out projects in primary health care and nursing education financed from its own regular programmes. Various other sources of aid are also active in the health sector. The World Food Programme (WFP) will diversify its current assistance to primary schools by participating in the swamp rehabilitation project providing farmers with food during the period when, due to rehabilitation, they will be unable to produce food.

9. The availability of other additional resources from non-IPF sources during the third country programme period, including the Special Measures Fund for Least Developed Countries (LDC's) from which the Gambia has received to date a total allocation of \$963,000, cannot be fully ascertained at this time. Programming of such resources will take place as and when they become available on the basis of the priorities indicated in the Plan. The Government wishes to express its strong hope at this point that an improvement in the voluntary contributions to UNDP resources will make it possible to relieve the stringency of the IPF situation, permitting the implementation of a number of priority projects which the country programme is unable to accommodate.

The Gambian economy

10. The Gambia is a small country with an area of about 10,360 square kilometres (km) surrounded on three sides by Senegal. The climate in the Gambia is typical of the Sahelian zone with a long dry season (November-May) and sparse rainfall (800-1700 millimetres (mm) concentrated in the period June-October. These climatic conditions, worsened by frequent droughts, restrict agricultural production to crops with a short cycle, such as groundnuts and rice and to some tree crops that are particularly drought-resistant. Groundnuts, the production and processing of which account for 90 per cent of total export value, dominate the economy. The vulnerability to weather conditions of the Gambia's economy is illustrated by the fact that the production of this crucial crop (groundnuts) can fall dramatically by 50 per cent during a drought year.

11. The Gambia is, therefore, an LDC with, to mention only a few basic indicators per capita gross domestic product (GDP) of \$235, 12 per cent adult literacy and 12,300 persons per physician. Despite the harsh reality of the climate, agriculture is the source of income and employment for an overwhelming majority of the population; only 10 per cent of the work force is engaged in formal salaried employment. In recent years, the country has been able to produce only 70 per cent of its needs, and thus has not been self-sufficient in food production.

12. Between 1974-1975 and 1979-1980, GDP grew at an annual rate in real terms of 2.9 per cent; however, per capita GDP did not increase, on account of population growth.

13. Recently the economy has been very strongly affected by several successive years of poor weather. Export earnings are declining due to the vagaries of weather; they are also highly vulnerable to unanticipated changes in world commodity prices. Other outside influences have also aggravated the situation: international inflation through the increase in oil prices and in the prices of other imports has seriously affected the balance of payments. The low demand for tourism services (which normally contribute 9 per cent of GDP and employ nearly 3,000 persons) as a result of recession in industrialized countries has contributed to the Gambia's economic difficulties. Thus, the Gambian economy has become increasingly dependent on external financial flows to finance its development efforts. The Second Five-Year Development Plan envisages, therefore, that 85 per cent of the planned investment will be externally provided.

14. Government policy aims at the transformation of the Gambian economy, from very low levels of output and income and dependence on a single export crop, to a diversified economy, progressively self-reliant and capable of sustained economic and social progress through the development of its own natural, human, and material resources. Crucial to the future of the economy of the Gambia is the availability of water for irrigation. In view of the underdevelopment of underground water and the unreliability of rain, the Government has found it necessary to plan, in co-operation with the Governments of Senegal and Guinea, on the development of the Gambia River basin. These Governments are actively studying the possibility of building a bridge/barrage over the river and the Gambia hopes to be able to produce rice on 24,000 acres of newly irrigated land.

The Gambia's development strategy

15. Following earlier capital expenditure programmes, the First Five-Year Development Plan, 1975-1976 - 1980-1981, represented a more systematic effort to define national objectives and formulate a development strategy. Building upon this experience, the Second Five-Year Development Plan for Economic and Social Development, 1981-1982 - 1985-1986, has carried the planning process further. National planning institutions, from sectoral planning committees to the National Development Council, have come into full play, mobilizing a larger number of Gambians into a planning process which has begun to move towards decentralization and regionalization. For the first time also, formulation of the Plan has been based on the preparation of a comprehensive macro-economic framework, and its implementation has been prepared by setting up a project reporting system. Like the First Plan, the Second is a medium-term plan, but the annual planning exercise, which is to be carried out over the five-year period, will provide the opportunity to evaluate implementation progress and to adjust investment programmes and policies, while keeping the planning process continuous and alive.

16. The central philosophy of the First Plan was based on rural development, popular participation, and self-reliance. The major objectives of the Plan were to reduce the Gambia's heavy dependence on a single export crop (groundnuts) through diversification of agricultural production, to achieve self-sufficiency in cereals and to narrow the disparity between rural and urban incomes. For the Second Five-Year Development, the "Te Sito" (self-reliance) continues to be the development philosophy of the Government. The Plan takes realistic account of those areas where plan objectives were not fully

realized, but its broad development objectives and strategy build on and continue those outlined in the First Plan.

17. The Second Plan, however, places greater emphasis on investment in directly productive sectors. Development expenditures reflect this shift in the strategy. A large share of investment in the First Plan was allocated to completing the infrastructural needs of the country, particularly in transport and communications. Under the Second Plan, the share of agriculture will increase significantly, reaching 28 per cent of total development expenditures, whereas it was only 16 per cent under the First Plan; the share of industry will also increase sizeably.

18. The Second Five-Year Development Plan projects a rate of increase of GDP of 5.1 per cent a year in real terms during the Plan period. Taking into account the 2.6 per cent per annum growth rate of the population, per capita GDP would grow at 2.5 per cent annually. This is based on the projection that agricultural production, the backbone of the economy, will experience an over-all growth rate of 4.9 per cent; industry, 7.2 per cent; and hotels and restaurants, the core of the tourism sector, 12.1 per cent. For both agriculture and tourism, these fairly high growth rates are based on a realistic expectation of recovery from the depressed levels of recent years. On the other hand, realization of these goals is contingent on the availability of external capital and technical assistance in the volume and quality expected by the Government. The Gambia is confident that her bilateral and multilateral development partners will rally behind the Government's effort to achieve the targets set in the Second Plan.

19. It is against this background that the country programme has been formulated. In alignment with the Plan, many UNDP-assisted projects undertaken during the First Plan are to continue or to be extended into new phases, with the necessary modifications in objectives, taking into account the new sectoral and programme emphasis of the Second Five-Year Development Plan.

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

20. The Government has consciously opted to apply the IPF resources to certain interrelated activities which are designed to support other external capital and technical assistance programmes, thereby reflecting its view of UNDP resources as a catalytic input. It is with this in view that the Government has selected the following areas for inclusion in the country programme.

A. General development issues, policies, and planning (\$1,765,000)

21. This broad area deals with what may be called management of the development process. The major objectives of the Plan must be pursued within an appropriate policy framework to ensure balanced and uninterrupted progress and to avoid financial and other bottlenecks. The effective formulation and implementation of the economic policies outlined in the Plan are particularly important, because severe budgetary and foreign exchange difficulties are expected to continue through much of the Plan period. UNDP has been and will continue to provide technical assistance in this strategic domain.

22. Since the creation of MEPID in 1974, the Gambia has developed a multilevel system of national development planning, with structures at the national, sectoral, and

regional levels. The United Nations has been providing assistance under the project (GAM/75/012) to the national planning effort by providing a team of planners which played a key role in the finalization of the Second Five-Year Development Plan.

23. This project, Strengthening of Economic Planning (GAM/75/012), has helped improve the national capacity for plan formulation and co-ordination, by providing technical services to revise the First Plan, training of national planning staff and contributing to the creation of important planning institutions. However, the shortage of qualified staff continues to constitute a bottleneck for the Ministry of Planning. As it embarks on the implementation of the Second Plan, which is to be monitored through a new project reporting system and carried out through the formulation of annual or operational plans, the Ministry will require the continuation of technical assistance, albeit on a smaller scale. Thus, a new phase of technical assistance, Strengthening of Economic Planning and Plan Implementation, Phase II (GAM/82/005), will focus on these aspects and strengthen the capacity of the Ministry of Economic Planning and Industrial Development by adding expertise in project analysis.

24. The need to strengthen the capacity of the civil service for development administration, both at the central and at the local levels, has been felt for a long time. The establishment of a Management Development Institute (MDI) was already indicated as a priority project during the second country programme but, for a variety of reasons, was not implemented. It is now intended that the project GAM/81/001 become operational in 1983. While the World Bank will provide funds for the building, equipment and staff, UNDP will contribute to the salaries of the instructors until Gambians are prepared to take over the operation of the Institute. The United Nations, as executing agency, has assisted the Government in planning for the Institute and is expected to recruit soon the nucleus staff without which training cannot commence.

25. For a number of years UNDP has been assisting the Government in reinforcing its capacity to produce data, which are the vital basis of any planning process and development management effort. Through the project, Strengthening of Statistics (GAM/73/009), the objective of building up the central institution responsible for the production of statistics has been largely achieved. However, in view of the impending national population census in 1983, and of the household survey that may be undertaken in 1984, this assistance will be complemented by the delivery of a mini-computer and programmers are being trained for its use. The Government attaches great significance to this activity, considering that the Gambia's population, together with its known natural resources, constitute the nation's most important development potential.

26. Improvement of the data relating to foreign trade and the balance of payments, as well as better analysis of their significance for the formulation of relevant policies, are crucial to the Gambia at this juncture. In the past two years, ad hoc support has been provided to the Trade Division of the Ministry of Finance and Trade through services provided by the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Volunteers (UNV).

B. Natural resources
(\$1,654,000)

27. As elsewhere in the Sahel zone, the development of water resources is basic to the well-being of the people in the Gambia and to their future. The objectives of the Second Plan in this sector are to seek a better understanding of weather and climate, to make optimal use of both surface and ground-water resources for irrigation

and domestic purposes and to provide drinking water throughout the country, thereby contributing to the improvement of health standards. The following two UNDP-funded projects, which are directly concerned with these objectives, have been in operation and will continue during the third programming cycle with greater emphasis on a regional approach.

28. Under the supervision of the Water Resources Division of the Ministry of Water Resources and Environment, the project, Strengthening of the Department of Hydrometeorological Services, Phase II, (GAM/82/003), had achieved most of its immediate objectives: reinforcing the meteorological and hydrological data collection network and connecting it with the WMO global telecommunication system; establishing a computer centre, a water quality laboratory, a weather forecasting office capable of issuing regularly rainfall and agrometeorological reports; and training national staff. The project has now begun its third phase, principally to carry forward the objectives enumerated above and to build up an agrometeorological service to serve farmers through radio programmes on weather and weather-related subjects such as pests and plant diseases. The project, which was part of the regional hydromet project for Sahelian countries and later became a national project, is considered to be the most successful among similar projects in Sahelian countries. With complementary assistance from UNSO, this project is expected to carry out a training programme, after which the Government hopes to be self-reliant in this sub-sector.

29. The project, Rural Water Supply (GAM/74/007) is of crucial importance to the Gambia. The project was first initiated in the wake of the great drought which afflicted Sahelian countries in the early 1970s. The project has been able, in co-operation with UNICEF, UNSO, and UNCDF, to undertake an extensive programme of construction of water wells for human consumption as well as boreholes for cattle. The Phase II project will also aim at organizing a reliable maintenance system, including training national staff at all levels of the operation, expanding its scope to systematic research on aquifer conditions as well as improving the hygienic education of water users. To support the Government's objective of developing underground water for irrigation, the Government of the Federal Republic of Germany and the United Nations Financing System for Science and Technology for Development are also providing assistance.

C. Agriculture, forestry, and fisheries
(\$2,285,000)

30. The agricultural development policy objectives in the current Plan do not differ significantly from those of the First Plan. However, in response to the Lagos Plan of Action and in concert with other Sahelian countries, greater emphasis is placed on the need for diversification and food security and sufficiency. Accordingly, priority will be accorded to the provision of basic services to the farming community aiming at heightening farmers' awareness regarding better farming methods, agricultural inputs and after-harvest loss. As an increased share of development expenditure will be channelled into this high priority sector, the tasks involved in identifying, formulating, and evaluating projects as well as formulating marketing and pricing policies will continue to put great demand on the analytical and organizational capacity of the Ministry of Agriculture.

31. In response to these needs, a project to establish a viable planning, programming and management unit within the Ministry of Agriculture has received increasing attention over the last few years. In view of the Gambia's heavy reliance on agriculture, the

Government accords high priority to agricultural planning. The newly designed project, Establishment of a Planning, Programming and Monitoring Unit (PPMU), (GAM/81/003), is therefore expected to be operational soon and aims at training Gambians to staff this important government department.

32. Two new agricultural projects will be included in the country programme: these are Sheep and Goats Development (GAM/81/004) and Post-Harvest Loss Prevention (GAM/82/009). While the first aims at improving the protein intake of the population, the latter addresses itself, in a modest way, to food security.

D. Transport and communications
(\$30,000)

33. During the latter part of the First Plan, rural telecommunications was accorded high priority. Under the project (GAM/78/003), UNDP and the International Telecommunications Union (ITU) provided direct support to the Telecommunications Department in developing a rural telecommunications network, in training national staff in installing and maintaining transmission equipment and in operating a microwave link to Senegal. During the Second Plan, a sizeable investment will be made with the assistance of the Government of France to replace the Banjul telephone exchange with combined national and international transit exchanges, to improve inter-city links and linkages with the Pan-African Telecommunication Network (PANAFTEL) in keeping with the objectives of the United Nations Decade for Transport and Communications in Africa. Objectives related to the above activities are the restructuring of the management and organization of the telecommunications services and accelerated training for national staff.

34. The Government's plans for extending rural telecommunications will certainly require more external co-operation and UNDP support is expected to continue in the crucial area of further training.

E. Education
(\$470,000)

35. A human resource development project (GAM/82/006) consisting of technical personnel to supervise the construction of classrooms for primary schools is a feature in the country programme. This personnel will reinforce the school construction unit of the Ministry of Education. This project is accorded high priority considering that, in the Gambia, only 29 per cent of the relevant age group attends primary school and existing schools have badly deteriorated due to lack of maintenance. The ability of the Ministry of Education to utilize capital assistance is limited by lack of capability to supervise construction and maintain the schools.

F. Employment
(\$791,150)

36. In its opening chapter on Objectives and Strategy, the Second Plan recognizes that the shortage of skilled manpower is one of the main constraints to the country's development. The Plan's strategy is to intensify the ongoing human resources development efforts in order to meet the national needs for technical, professional, and managerial personnel, whether in the private or the public sector.

37. Two projects, which are already in existence and are to be continued, address, at different levels, the needs of the economy in the private sector for technical

and managerial skills. With assistance provided under the project, the Vocational Training Programme (GAM/74/014), helped establish the National Vocational Training Board and its related institutions; reinforced the activities of the existing training vocational centers and improved their effectiveness with village workshops; and assisted in training instructors for the new Technical Training Institute being constructed near Banjul under a credit from the International Development Association (IDA). This project will continue through 1984, focusing on assisting the Government in formulating vocational training standards and policy.

38. The project, Assistance to the Indigenous Business Advisory Service (IBAS) (GAM/74/013), has been one of the large-scale projects financed during the second IPF programming cycle. The purpose of the project was to encourage the establishment and expansion of Gambian private enterprises, particularly in the informal sector, both urban and rural. Under this project, the Government has been able to assist Gambians to establish and operate their own businesses. In this connexion, a UNCDF loan guarantee scheme has enabled the Government to provide credit to Gambian enterprises, particularly those in urban areas, where unemployment is developing into a serious social problem.

II. GLOBAL AND REGIONAL PRIORITIES

39. A number of the projects assisted by both bilateral and multilateral donors address themselves to such global and regional priorities as women in development, the International Drinking Water Supply and Sanitation Decade, and the most deprived population groups or the poorest of the poor. The Rural Water Supply programme has proven of direct benefit to women since the drawing of water, often across long distances, has been their traditional task. At the same time, the programme furthers the objectives of the Water Decade. Similarly, the maternal child health programme of UNFPA directly benefits rural women.

40. A salt processing project executed by the United Nations Industrial Development Organization (UNIDO) and initially financed by the United Nations Industrial Development Fund (UNIDF) aims at involving women in development, since salt processing is generally undertaken by women in the Gambia. The UNSO stove improvement project is designed to be of direct benefit to women both in terms of saving time and protecting their health. Almost all development activities initiated in the rural sector attempt to tackle some of the causes of absolute poverty, whether these are lack of water, health facilities, or basic food. Thus, the Government has consciously attempted to take account of those issues and priorities to which international fora have attached importance since such issues are of equal importance to the country itself. Thus, for example, Government effort to work towards self-sufficiency in food is in a direct response to one of the imperatives of the Lagos Plan of Action. The energy master plan, the elaboration of which the World Bank, UNDP and UNSO have supported, will be the basis for investment in this sector.

41. As to pre-investment projects, none is envisaged within the context of IPF resources. However, the Government has initiated action and is negotiating sizeable investments in fisheries, tourism infrastructure, irrigated rice production, energy and urban development. Here again, the Government has opted to use other funds to prepare pre-investment projects. However, it is the Government's intention to utilize the IPF resources to support such investments through technical assistance inputs.

42. The Government intends to experiment with government execution of projects during the third programming cycle. Already the Government is executing jointly with the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the World Health Organization (WHO) two-UNFPA funded projects in the fields of educational film production and mother/child health. Likewise, the Government is executing an umbrella training project designed to utilize IPF resources to assist selected civil servants to take advantage of training programmes organized by various United Nations agencies in certain priority areas.

43. In conclusion, the Government wishes to impress upon the donor community that aid should be absorbable. In other words, the more the Government is required to provide in terms of local resources to implement an externally assisted project, the more difficult it is to apply the aid. It is the firm hope of the Government that donors will make greater effort to provide financing for as many of the components of a project as possible. In this connexion, the Government wishes to stress the fact that recurrent cost of aid projects will be increasingly onerous and that donors should give serious consideration to assisting the Government by adopting a flexible policy in this regard.

Annex

FINANCIAL SUMMARY

A. Resources

<u>IPF and other resources</u>	\$
(i) Illustrative IPF for 1982-1986	14 250 000
(ii) Less unprogrammed balance a/	(2 850 000)
(iii) Less authorized budget level for 1982	(1 667 000)
(iv) Previous IPF cycle balance	(1 160 000)
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Total resources available for programming:	8 573 000
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B. Use of Resources

<u>Programmed</u>	
(i) Ongoing projects	1 176 800
(ii) New projects and new phases of ongoing projects included in the country programme	5 818 000
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Subtotal:	6 994 800
(iii) Earmarked for specific objectives and activities for which projects are to be worked out at a later stage	1 578 200
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Total programmed:	8 573 000
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C. Financial Distribution of Programme, by sector

<u>Sector</u> b/	<u>Ongoing projects</u>	<u>New projects</u>	<u>Total</u>
	\$	\$	\$
02 General development issues, policy and planning	160 500	1 604 000	1 764 500
03 Natural resources	595 200	1 059 000	1 654 200
04 Agriculture, forestry and fisheries	-	2 285 000	2 285 000
06 Transport and communications	30 000	-	30 000
11 Education	-	470 000	470 000
12 Employment	391 150	400 000	791 150
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TOTAL	1 176 850	5 818 000	6 994 850
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a/ Representing 20 per cent of the illustrative IPF which has not been taken into account for programming

b/ According to ACC classification.

