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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR
KUWAIT

UNDP assistance requested by the Government of Kuwait
for the period July 1982-June 1985

INTRODUCTION

1. The third country programme for Kuwait was prepared by the Ministry of Planning in collaboration with the UNDP field office in Kuwait taking into account the Government's over-all development strategies. The Ministry of Planning initiated the country programming exercise with a meeting attended by all sectoral ministries. This was followed by sectoral review discussions involving the Ministry of Planning, the sectoral ministries and the UNDP office. During these reviews, proposals made by the United Nations specialized agencies as well as results and recommendations of project reviews and evaluations were taken into consideration.

*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 Kuwait is being submitted to the Council without an accompanying note by the Administrator. The previous country programme for Kuwait and the accompanying notes by the Administrator were issued under the document symbols DP/GC/KUW/R.1-DP/GC/KUW/R.2 and DP/GC/KUW/R.1/RECOMMENDATION-DP/GC/KUW/R.2/RECOMMENDATION, respectively.

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2. The third country programme as did the second, covers a period of three years (July 1982 to June 1985). For administrative and logistical convenience, the beginning of this country programme is made to coincide with the beginning of the Government's fiscal year.
3. As Kuwait relinquished its indicative planning figure (IPF) in December 1976, this country programme is financed by the Government on the basis of a 100 per cent cost-sharing arrangement. The Government is therefore providing all costs required, which are presently estimated at US\$7,926,157.
4. The country programme conforms to the Government's priorities, which also take into account global concerns identified by the United Nations system. Training and manpower development are still among the pressing needs in all sectors, with the Government providing necessary financing from its own budget, including the cost of fellowships abroad. The scarcity of suitably qualified national personnel has resulted in the continued need for projects featuring elements of direct support services; this is also reflected in the present country programme.

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

5. The Government of Kuwait's long-term development objectives are to establish a society characterized by a self-sustaining process of economic growth, to accelerate the rate of production and income and to guarantee adequate levels of welfare for all its people. The Government's development strategy therefore has the following main elements: (a) development of human resources; (b) diversification of the economy and broadening its base; (c) modernization of public administration; (d) conservation of national resources; (e) protection of the environment from deterioration and adverse human activities; and (f) strengthening of the economic and technical co-operation activities at the regional, Arab and international levels.
6. The third country programme for Kuwait has been formulated to respond to priorities envisaged to realize the Government's development strategy as outlined above. The average rate of growth of the country's economy during the 1960s was 7 per cent annually. This rate accelerated to 9.3 per cent annually during the decade 1970-1980. It is estimated that 62 per cent of the gross national product (GNP) is generated by the oil sector, 27 per cent by the domestic non-oil-related economy and the remaining 11 per cent is attributed to net factor income from abroad.
7. Under the third country programme for Kuwait, assistance is envisaged for ten on-going and seven new projects. Brief descriptions of these projects and the financial allocations proposed during the country programme period are given in the following paragraphs.

A. General development issues, policy and planning

8. The Ministry of Planning is the focal point for the country's development activity. As such, it is responsible for the co-ordination and mobilization of

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all resources and inputs geared towards the realization of formulated objectives relating to the macro-development strategies. With it also rests the responsibility of appraising, evaluating and following up all development programmes and projects.

On-going projects

Documentation and Microfilming (KUW/79/005) (\$367,149)

9. The project is foreseen to continue throughout the third country programme period as direct support to the Microfilming Centre to enable the Ministry of Planning to service the combined informed needs of all government institutions.

Improvement in Supply Management (KUW/79/006) (\$43,904)

10. The project, which has been on-going throughout the second country programme and is scheduled to be completed in December 1982, aims at establishing an efficient supply management system.

Assistance to the Central Statistical Department (KUW/79/015) (\$661,150)

11. The project aims at strengthening the substantive and institutional capability of the Central Statistical Department of the Ministry of Planning by institutionalizing a system of national accounting and developing the Kuwait data processing and information system. Direct support under this project started in September 1979 and will still be required throughout the present country programme.

New proposal

Co-ordinator and Economic Planning (KUW/81/005) (\$1,057,500)

12. The project aims at providing direct support services to the Ministry of Planning in the formulation of development objectives and strategies, the identification of development priorities, the co-ordination of technical assistance requirements, and the formulation, appraisal, monitoring, evaluation and follow up of development projects.

B. Agriculture

13. As part of the Government's development strategy of diversifying the economy and broadening its base, greater efforts have been made to develop the agricultural sector. Due to limitations imposed by adverse climatic, water and soil conditions, greater emphasis is being laid on the application of modern agricultural techniques, particularly in the field of protected vegetable production. The results obtained have been very encouraging. Interest in agriculture has grown considerably and large areas have come under production. In 1980, there were about 1400 hectares (ha.) of vegetable cultivation under plastic films compared to only about 400 ha. in 1970.

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The target for 1985 is 3000 ha. Most of this expansion is taking place in the Wafra and Al-Abdali areas. Large investments are being made by the private as well as the public sectors in this field and it is the Government's intention to encourage this activity in order to reduce, as much as possible, the country's dependence on imports of similar agricultural produce from other countries.

On-going projects

Economic Application of Protected Vegetable Production (KUW/79/012) (\$732,490)

14. The results obtained from the application of protected vegetable production and controlled irrigation techniques have been so encouraging that both the private and public sectors are investing heavily in protected vegetable production. Without the continued technical advice rendered by the project, the Department of Agriculture is of the strong opinion that this activity could relapse. Besides assessing the commercial viability of vegetable production, the project will render advice and assistance on the economics of other crops and agricultural produce.

15. The project will continue to utilize the services provided under the regional project, Agricultural Marketing (RAB/78/013), particularly in the form of seminars on the packaging and marketing of vegetables.

New proposal

Assistance in the Establishment of a National Nutrition Institute (KUW/82/001) (\$285,570)

16. Health and medical services in Kuwait are of a high quality and at an advanced level. Free medical treatment is provided to all. The Ministry of Public Health is intending to establish a National Nutrition Institute. The project aims at providing advisory services and in-service training for the Nutrition Department staff in the field of nutrition, clinical dietetics and food service systems. The Institute will also conduct research and surveys as necessary and will develop, at the national level, policies on aspects of food and nutrition in Kuwait.

C. Industry

17. Despite the relatively small, albeit increasing, role industry plays in the country's economy, the Government, in pursuit of its development strategy to diversify the country's economy and broaden its base, continues to encourage industrial ventures, particularly those dependent on machinery rather than on labour, which is scarce. However, apart from the essentially large-scale petro-chemical industry, other industries are necessarily small and of an import-substitution nature. Almost all industrial activity is concentrated at the Shuaiba Industrial Area, where all physical and services facilities have been adequately planned and provided.

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On-going projectAssistance to the Shuaiba Area Authority (KUW/80/002) (\$993,090)

18. In order to guard against environmental pollution as a result of industrial waste and to ensure safety of industrial plants and personnel, the Shuaiba Area Authority requested direct support services provided by experts in corrosion, industrial safety and chemical analysis. The project started in July 1980 and will continue until the end of the third country programme.

D. Transport and communications

19. The rapid pace of development in Kuwait has necessitated, in parallel, accelerated growth in the sector of transport and communications and particularly in telecommunications and air transport. In telecommunications, an ambitious expansion was undertaken and ultra-modern systems were introduced. New electronic equipment has also been introduced in civil aviation and its aeronautical meteorological section. Due to this expansion and modernization, training in telecommunications and in the use of new systems as well as direct support to meet the emerging administrative and financial management requirements as well as the maintenance of such equipment are of great priority.

On-going projectsTelecommunication Training Institute (TTI) (Phase IV) (KUW/79/002) (\$385,404)

20. This Phase IV project, which started in July 1979, is concerned with the training of instructors at the Telecommunication Training Institute, of in-service staff of the Ministries of Communication and Information and the Department of Civil Aviation, and of new recruits from schools to meet the expanding needs of all institutions. The project will continue in the third country programme for one year.

Assistance to the Civil Aviation Department (KUW/81/002) (\$414,912)

21. The project aims at developing a sound and efficient organization and the procedures for the planning, installation and maintenance of electronic systems and equipment in civil aviation and also at updating the existing master plan for Kuwait international airport with a view to ensure the proper siting and effective integration of new facilities with the existing aerodrome physical infrastructure.

New proposalsMaintenance of Aeronautical Meteorological Equipment (KUW/82/002) (\$285,57

22. The aeronautical meteorological section of the Department of Civil Aviation has introduced new electronic equipment. The project aims at providing direct support in the proper maintenance of this equipment and training of national staff in its use and maintenance.

Assistance to the Ministry of Communication (KUW/82/003) (\$1,397,120)

23. With the rapid development in telecommunications, the Ministry of Communication is in dire need of top-level management, particularly in disciplines where further improvement is needed. This project will provide the direct support services of five experts to reinforce the existing organizational machinery in planning, operations, management, finance and accounting, and in the development of technical management of information systems and procedures.

Consultants Services in Telecommunication Training (KUW/82/004) (\$285,570)

24. Assistance to the project, Telecommunication Training Institute (Phase IV) (KUW/79/002), will terminate by the end of June 1983. The national management and instructors will then take over. It is felt, however, that the TTI, from time to time, will need short-term consultancy advice in the various disciplines in which training is being conducted. The new project, therefore, will aim at providing such consultancy services as needed during the later stage of the country programme.

E. Health

25. The conservation and protection of the environment are necessary for the continuity of human activities and the promotion of over-all development in an integral framework. The Ministry of Public Health has under its patronage the Council for Environmental Protection. Lately, due to industrial development and the increase of industrial wastes, great concern has arisen about coastal environmental pollution and its effects on marine life.

New proposal

Coastal Environmental Protection (KUW/82/005) (\$285,570)

26. The project aims at providing advisory services in the protection of the coastal environment in support of the activities of the Council for Environmental Protection, which has been established under the auspices of the Ministry of Public Health.

F. Education

27. Kuwait has achieved remarkable progress in the education sector. However, in the field of educational administration, support was requested during the last country programme to augment the capabilities of certain departments within the Ministry of Education.

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On-going project

Support to the Ministry of Education (KUW/80/005) (\$63,667)

28. This project aims at providing direct support in educational television, examinations in mathematics, vocational guidance and school buildings. The project will continue into the third country programme for a period of approximately nine months.

G. Employment

29. With the rapid pace of development in all sectors, there is a constant need for increasing numbers of skilled and technically qualified personnel. Shortage of such manpower constitutes one of the critical development constraints for Kuwait. Therefore, there is a continuous need for manpower development. In order to meet this objective, vocational training schemes for the various sectors are being emphasized.

30. In order to improve the labour employment climate in Kuwait, the Ministry of Labour has begun to set up an occupational safety inspection service designed to protect all workers against occupational hazards.

On-going projects

National Vocational Training Programme (KUW/79/007) (\$280,149)

31. The project aims at developing the Central Training Department (CTD) of the Ministry of Social Affairs and Labour as a competent authority to implement the policies of the Vocational Training Development Plan. The project is foreseen to continue for a period of one year during the third country programme.

Occupational Safety (KUW/80/003) (\$101,772)

32. The project aims at assisting the Ministry of Social Affairs and Labour in the improvement of occupational safety of the workers in line with the Government policy of stimulating the social and economic development of the nation. This on-going project is foreseen to continue into the third country programme for a period of one year and one month.

New project

Consultants Services in Vocational Training (KUW/82/006) (\$285,570)

33. As indicated above, assistance to the project, National Vocational Training Programme (KUW/79/007), will terminate in June 1983. It is felt that the CTD will need short-term consultancy advice from time to time in the field of vocation training. The new project is conceived to provide such consultancies as needed during the later part of this country programme.

Annex
FINANCIAL SUMMARY

A.	<u>Resources</u>		\$
	<u>IPF and other resources</u>		
	(i) Illustrative IPF for 1982-1986 <u>a/</u>	-	
	(ii) Other resources: Government cost sharing <u>a/</u>	7 926 000	
		7 926 000	
	Total resources available for programming:	7 926 000	
		7 926 000	
B.	<u>Use of resources</u>		
	(a) <u>Programmed</u>		
	(i) Ongoing projects	5 101 000	
	(ii) New projects and new phases of ongoing projects included in the country programme	2 825 000	
		7 926 000	
	Subtotal:	7 926 000	
	(b) <u>Reserve</u> <u>b/</u>	-	
		-	
	Total programmed plus reserve:	7 926 000	
		7 926 000	

C. Financial distribution of programme, by sector

	<u>Sector</u> <u>c/</u>	<u>Ongoing projects</u>	<u>New projects</u>	<u>Total</u>
		\$	\$	\$
02	General development issues, policy and planning	2 130 000	-	2 130 000
04	Agriculture	732 000	286 000	1 018 000
05	Industry	993 000	-	993 000
06	Transport and communications	800 000	1 968 000	2 768 000
10	Health	-	285 000	285 000
11	Education	64 000	-	64 000
12	Employment	382 000	286 000	668 000
	TOTAL	5 101 000	2 825 000	7 926 000

a/ Kuwait relinquished its IPF in December 1976. The total programme is being financed by the Government under 100 per cent cost sharing.

All figures exclude 14 per cent agency overhead costs.

b/ The Government will provide additional funds to meet the requirement of this programme should this become necessary.

c/ According to ACC classification.

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