

# UNITED NATIONS DEVELOPMENT PROGRAMME



# UNDP

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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

SECOND COUNTRY PROGRAMME FOR

NIGERIA

Note by the Administrator

Programme period

1983-1986

Illustrative IPF for 1982-1986

\$55 million.

## I. Nature of the programming exercise

1. Preparations for the second country programme for Nigeria started in September 1981 when the new civilian Government, which had assumed power in October 1979, requested UNDP assistance in the formulation of a country programme for Nigeria for submission to the Governing Council at the earliest possible date. At the request of the Government, the Assistant Administrator and Director of the Regional Bureau for Africa, accompanied by a team of senior UNDP staff, visited Nigeria in January 1982 for a thorough review of the UNDP programme in Nigeria with the Federal Ministry of National Planning, and other federal ministries involved or interested in cooperation with UNDP, with a view to determining the present status and, in particular, the future orientation of UNDP assistance to Nigeria. Agreement was reached not only on the details and schedule of the country programming exercise, but also on the desirable levels of future Government financial participation under the Government's cost sharing arrangements with UNDP. The range of issues covered during this mission and the nature of agreements and understandings reached obviated the need for preparation of the Resident Representative's note on the country programme.

\*The note by the Administrator concerning the previous country programme for Nigeria was issued under the document symbols DP/GC/NIR/R.1 RECOMMENDATION.

2. The specialized agencies of the United Nations system actively participated in the country programming exercise in accordance with the wishes of the Government. Apart from regular consultation with the respective country representatives based in Lagos, the views of all agency headquarters were formally solicited by the Resident Representative in February 1982. Many agencies made substantial programme contributions. In addition to special programming missions which visited Nigeria in 1981 and 1982, the UNDP Resident Representative visited a number of agency headquarters in April 1982 in order to discuss the status of their ongoing and future programmes in Nigeria. The first draft of the country programme was circulated to UNDP headquarters and all agencies in August 1982.

3. The level of resources available for programming in 1982-1986 totals US\$48,203,000 (based on a carry-over from the previous cycle of \$4,203,000 together with \$44 million, representing 80 per cent of the illustrative indicative planning figure (IPF) for Nigeria for 1982-1986 of \$55 million). Commitments for 1982 total \$9,973,000 (excluding cost sharing). Thus, IPF resources available for programming in 1983-1986 total \$38,230,000. With a Government cost sharing contribution of \$9,163,000, this brings to approximately \$47,393,000 the total level of resources available in 1983-1986.

## II. Relation of the country programme to national development objectives

4. The timing and content of the country programme follow closely Nigeria's Fourth National Development Plan (1981-1985). The Plan attaches priority importance to diversification of the national economy away from the current dependence on the petroleum sector and places emphasis on self-sufficiency and self-reliance, particularly in agriculture and manufacturing. Agricultural production, especially food production and processing, receives particular attention as the Government wishes to drastically reduce the present high imports of essential food products and also to provide the basic raw materials which are required for the country's agro-based industries. To deal with these problems, the Government has launched its Green Revolution Programme, which is a comprehensive action programme designed to improve both the quantity and quality of food available in Nigeria at the earliest possible date. Integrated rural development of small holder production is the main focus of the Government's strategy for both agricultural and industrial development.

5. As a result of the Government's reliance on the petroleum sector, one of the major constraints to development in Nigeria is the uncertainty of national revenues due to unpredictable fluctuations in demand and pricing of Nigerian oil. This phenomenon has not only handicapped the Government's capacity to execute approved plans and programmes, but also more recently, it has obliged the Government to cut back on project implementation as well as obligations and commitments. The oil boom and the related drain on rural manpower resources have resulted over the past ten years in a significant drop in agricultural production and related activities, leaving the country with massive food importation bills and diminishing raw material for its agro-based industries.

6. In relation to the level of government resources available for public investment under the Fourth Plan (1981-1985) (i.e. 82 billion naira or approximately US\$130 billion), the country's shortage of skilled manpower, particularly at the intermediate and upper technical and management levels, increasingly emerges as the most severe constraint to the Government's capacity to utilize national resources

effectively for development. This, and the related weak national and state infrastructural facilities, combine to constitute a serious bottleneck to the rapid and sustained development of manpower resources, the improvement and strengthening of infrastructural facilities both at the federal and state levels, the over-all diversification of the economy and greater emphasis on smallholder production, particularly in agriculture and manufacturing. It is expected that over and above the contribution being made by UNDP through IPF resources, the Government will resort to UNDP to address some of these issues through projects that may be financed from the Government's own resources, using cost sharing arrangements.

7. The Government's view is that the UNDP country programme should focus primarily on the above priority areas and on constraints to Nigeria's development, giving special attention to manpower development at the middle and upper technical and management levels, the strengthening of institutional capabilities in economic financial and social programming and improved utilization of Nigeria's extensive resources from oil revenue through increased small holder production for both export and domestic consumption. UNDP assistance is also to be directed to those economic and social areas which are either particularly sensitive or not covered by other aid programmes. The new country programme, therefore, constitutes a reorientation of the 1975-1979 country programme and of activities during 1980-1982. Close adherence to the Government's declared priorities, as indicated above, has been achieved through intensified UNDP activities in the agricultural sector and through a major project for an agro-industrial complex in the industrial sector.

### III. Content and phasing of the country programme

8. With respect to specific sectors of UNDP assistance, the programme devotes the largest share of programmed resources to agriculture (37 per cent), followed by industry (16 per cent), development planning (10 per cent), education (9 per cent), employment (9 per cent), transport and communication (7 per cent), human settlements (6 per cent), natural resources (3 per cent), health (2 per cent) and science and technology (1 per cent). Additional projects anticipated at a later stage during the programming cycle, mainly in the education sector, will be accommodated to a certain extent through the unallocated portions of IPF resources in accordance with the policy of continuous programming.

9. In the field of agriculture, the country programme focusses on agricultural production, with a special orientation towards small holder production in crops, livestock and fisheries. Infrastructural facilities, extension services and training are key elements of the programme. Improved capability and capacity in production, marketing and distribution of small holder farmers is expected to be enhanced through co-operative programmes to be developed under the National Agricultural Co-operative Management Development Centre, which is to be strengthened and for which UNDP has allocated approximately \$1.4 million.

10. In the industrial sector, the country programme reflects the emphasis of the Development Plan on a more balanced development in order to strengthen linkages within and outside the sector. Assistance continues in the establishment and promotion of small-scale industries through the provision of extension services to small-scale

entrepreneurs and the strengthening of training institutions through expert and advisory services. New UNDP activities include strengthening of the Investment Information Centre, as well as assistance in the establishment of an industrial data bank. A major new area of assistance, linked closely to the Government's priorities, is the establishment of integrated agro-industrial complexes. Advisory services are also being provided to the Government in the establishment of some of the new institutions and parastatal corporations identified in the Fourth National Development Plan, namely the Federal Institute of Industrial Research, the National Institute for Hotel, Catering and Tourism Training, etc.

11. In the field of development planning and management, UNDP will continue to assist in national development planning, financial administration and statistical services at both the federal and state levels. The major new activity, to be conducted jointly with the World Bank and the International Monetary Fund (IMF), is in budget reform, where the main emphasis will be on introducing programme performance budgeting in federal and state institutions.

12. The projects in education are primarily in educational planning, teacher training, curriculum development, science and technical training as well as the development and production of didactic materials, especially science teaching materials. UNDP assistance is both at the federal and state levels and is basically of an institution-building nature. Project activities include establishment and initial operation of new institutions, strengthening and upgrading of curriculum and course content, development of model schools, post-graduate and in-service training of teachers, research and advisory services.

13. Projects in the human settlements sector are largely a continuation of previous assistance in physical planning and development. The key projects remain in town planning (Kaduna), the development of master plans for metropolitan Lagos and Ibadan, and implementation of the master plan for metropolitan Lagos. An important new activity is the assistance to the Federal Capital Development Authority in the implementation of the master plan for the new national capital at Abuja.

14. In transport and communications, UNDP assistance remains limited to telecommunications planning and training and assistance to civil aviation. In civil aviation the new assistance emphasizes aviation safety and ground services improvement through the Nigerian Airports Authority in order to maintain national and international standards. Assistance to the Nautical College in Nigeria will also continue.

15. Projects concerning science and technology relate to continued assistance to the Nigerian Institute for Oil Palm Research and the establishment of National Office for Technology Transfer. A new small-scale project is planned for research into the development of a meat preservation system in the tropics.

16. In the field of employment, assistance is being provided essentially in vocational training, productivity and labour statistics. The major new activity however, will be training in skills development and improved technology for rural women.

17. In the field of health, the only UNDP continuing activity will be to complete previous assistance to the Epidemiological and Laboratory Services. The only new assistance is to the Federal School of Radiography for improvement and upgrading of its training programmes.

18. In the field of natural resources, assistance will continue to be provided to the National Institute for Water Resources. New assistance is planned for rural water supplies in Benue State, which will also receive assistance in rural electrification.

19. The new projects in the country programme represent 60 per cent of the total resources programmed. This ratio, which is unusually high, is the result of the UNDP/Government review exercise in January 1982 referred to in paragraph 1 above and during which the Government decided to eliminate either weak or redundant projects and to develop strong ones more in line with the new emphasis of the Fourth National Development Plan. A number of these new projects, whose total budgets are estimated at no less than \$8 million, are in the early stages of project formulation. While these should have been considered as sectoral earmarkings, they have been included under the rubric of new projects to more graphically demonstrate the thrust of the new country programme. In addition, a sum of \$1,270,300 has been set aside as unprogrammed reserve. A further amount of \$752,100 has specifically been earmarked for new projects from the various state governments, mainly in the field of education. Thus, together, all of these elements provide the flexibility required for effective continuous programming.

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