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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

SECOND PROGRAMME FOR SAO TOME AND PRINCIPE

UNDP assistance requested by the Government of Sao Tome
and Principe for the period 1983-1986

Illustrative IPF for 1982-1986: \$2 million

INTRODUCTION

1. The present country programme was formulated following a series of meetings between the Ministry of Co-operation, assisted by the other technical ministries, and the UNDP Field Office, which had the benefit of the views of the advisers of United Nations specialized agencies on mission to Sao Tome and Principe.

* In accordance with decision 81/15, adopted by the Governing Council on 27 June 1981 (E/1981/61/Rev.1, annex I), the second programme for Sao Tome and Principe is being submitted to the Council without an accompanying note by the Administrator. The previous programme for Sao Tome and Principe and the accompanying note by the Administrator were issued under the document symbols DP/GC/STP/R.1 and DP/GC/STP/R.1/RECOMMENDATION.

2. In the preparation of the country programme, due account was taken of the views of the national authorities and of the recommendations contained in the various sectoral reports prepared by the specialized agencies and bilateral aid agencies.
3. An interim national development plan is at present being drawn up. The programming exercise enabled the Government to make an inventory of the capital and technical assistance needed in order to attain the socio-economic development goals it has set itself.
4. This led to the formulation of a development strategy. Its aims are (a) attainment over the medium term of food self-sufficiency through diversification of agricultural production and maximum development of livestock production and commercial fisheries, which have hitherto played a marginal role; (b) revival of production of cash crops (cocoa, coffee, copra), the output of which, for a variety of reasons, has declined considerably in recent years; (c) expansion of education, particularly technical and vocational education; (d) expansion of the public health networks; (e) phased introduction of industrial activities adapted to the local supply of raw materials and human resources; (f) additions to the existing transport and communication infrastructure; (g) meaningful participation of women in the socio-economic development process; (h) development of regional and international trade.
5. The co-operation requested from the United Nations system generally, and from UNDP in particular, is fully in keeping with the above aims and is regarded as an integral part of the national development plan.
6. The country programme formulated for Sao Tome and Principe covers a four-year period, from 1983 to 1986, the year 1982 being regarded as an extension of the first country programme (1977-1981). It accordingly coincides with the last four years of the third UNDP programming cycle (1982-1986) and with the duration of the interim national development plan.
7. The illustrative indicative planning figure (IPF) for the third programming cycle is \$2 million, to which should be added a special island country allocation of \$300,000. After deduction of the statutory 20 per cent reserve, the overexpenditure during the period 1976-1981 (\$46,000) and the maximum amount reserved for 1982 (\$288,000), the sum available for programming for 1983-1986 is \$1,566,000.
8. Activities financed with the above-mentioned resources will also receive support from other funds, including funds administered by UNDP. A request for a total of \$1 million was recently submitted to the United Nations Capital Development Fund (UNCDF), for the purpose of creating additional infrastructure needed to increase livestock production.
9. A special allocation of \$300,000 is being granted under the regional IPF for African island countries. A number of proposals are under consideration for using this sum in the industrial sector.

10. The regional programme financed by UNDP will certainly be able to help in solving specific problems, although their overall impact thus far has been rather limited.

11. During the 1983-1986 programming period, the United Nations Fund for Population Activities (UNFPA) will complete the analysis of the data obtained from the 1981 population and housing census, thus providing the statistics that are essential for the formulation of development projects. In addition, UNFPA has recently approved a very large project, budgeted at about \$700,000, in the field of family welfare; activities under the project will also cover family planning and sex education.

12. Annual inputs from the regular programmes of agencies of the United Nations system engaged in development activities in Sao Tome and Principe amount to more than one and a half million dollars. Particularly active have been the World Food Programme (WFP), the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), the United Nations Industrial Development Organization (UNIDO) and the Food and Agriculture Organization of the United Nations (FAO).

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

13. It seems clear from the list of projects executed during the years 1977-1982 that the IPF, which was extremely small (\$1.7 million) to begin with, was spread over too many projects, which, being very modestly funded, had little impact on the process of socio-economic development initiated by the Government. They served primarily as ad hoc actions aimed at solving urgent isolated problems without, however, forming part of any comprehensive strategy.

14. For that reason, it has been decided that the IPF funds subject to programming for the period 1983-1986 will be allocated entirely to projects in the agricultural sector so that their projects, being furnished with the necessary human and financial resources, can have a real effect on the country's economic revival. This "compact" UNDP programming is fully in accordance with the wishes of the Head of State, who wanted the activities undertaken in collaboration with international organizations to produce concrete and visible results conducive to improved living conditions for the people of Sao Tome and Principe.

A. Situation of the agriculture, livestock production and fisheries sector

15. Since the country has no natural resources and little or no industry, the agricultural sector is considered the keystone of development in Sao Tome and Principe. It is accordingly given absolute priority. Planned development of agriculture should enable the country, firstly, to increase production of the cash crops that are essential for obtaining the foreign exchange it needs to finance its development and, secondly, to achieve food self-sufficiency over the long term.

16. In that connection, the Government has already initiated large-scale programmes aimed at regenerating the cocoa plantations and increasing and diversifying food production. To attain those objectives, the Ministry of Agriculture can count on assistance from friendly countries and organizations such as the European Economic Community (EEC) and the Cuban, French, Netherlands and other Governments.

17. The development of commercial fishing has also entered an operational phase. A large new trawler was purchased recently and other vessels of medium tonnage are under construction in the country.

18. Although agricultural production is showing an upward trend, supplies of animal protein in the country are far from satisfactory. At present, the Government imports at great expense from the African mainland and from Europe nearly all the meat consumed in the country.

19. Following the complete destruction of the pig population in 1978 as a result of an epidemic of African swine fever, imports of meat increased from 20,000 kg in 1976 to 215,000 kg in 1979. Annual per capita consumption, which is estimated to have averaged 5 kg, fell to 3 kg in 1973 and subsequently underwent a slight decline with the termination of imports of live animals.

20. There is therefore every justification for the Government's desire as part of its policy, to promote livestock production in the best possible conditions in order to supply the local market with meat. The plans for developing this activity have already been drawn up, and they envisage technical and financial assistance from UNDP which will absorb nearly all the IPF available for programming.

B. UNDP assistance

1. Ongoing projects

21. Nearly all the projects that were started during the first country programme (1977-1981) were completed before the beginning of the present programme (1983-1986). Others are nearing completion, particularly the following:

Assistance to INE (STP/75/030)

UNDP contribution \$388,973

Duration: 8 years

22. This project achieved its objectives in 1979. It is now receiving only the services of a United Nations volunteer and funds for a fellowship abroad. Once the fellowship-holder has returned and the volunteer has completed his contract, the project will be finally terminated.

Secondary education (STP/79/001)

UNDP contribution \$288,392 Duration: 6 years

23. This project provides a team of United Nations volunteers, all of whom are assigned as teachers at the State secondary school in Sao Tome and Principe.

Assistance to the medical sector (STP/79/004)

UNDP contribution \$82,395 Duration: 5 years

24. This project provides direct assistance to the Ministry of Health through United Nations volunteer physicians.

Training of diplomats (STP/77/002)

UNDP contribution \$30,000 Duration: 1 year

25. This project, which involves the granting of fellowships for a course of training abroad for officials planning a diplomatic career, was approved in 1978 but could never be implemented for lack of candidates. Implementation has been deferred until the end of the second country programme, provided that funds are still available after the priority projects have been executed.

2. New project

Development of livestock production, food production and training (STP/82/001)

UNDP contribution \$1 million Duration: 4 years

26. The purpose of this project is to assist the Government in the formulation of a policy for producing animal protein locally and to contribute to the development of livestock production in order to reduce imports in that sector. The activities envisaged under this project, which by itself absorbs nearly the whole amount of the IPF available for programming for the period 1983-1986, has three components.

27. One component involves the provision of technical assistance and supplies for the production of piglets at the pig-breeding centre established in 1982 with assistance from a project under Technical Co-operation Programme (TCP) of FAO, which provided the first nucleus of 150 breeding animals imported from the United Kingdom. The project is intended to take over from and expand upon the FAO project, increasing the number of breeding stock to 300, which will produce an average of 3,800 piglets a year to be distributed to local stock-raisers for fattening. Another important part of the project is the formation, in two phases, of a breeding herd of 500 head of bovine cattle of an exotic strain, to be kept at a national cattle-breeding centre set up in the southern part of the island, where they will produce heifers and young bulls for breeding or fattening.

28. The second component involves the production of basic animal feed for the two cattle-breeding and pig-breeding centres. In order to attain this objective, the

Government has already made available to the project a plot of land which should produce, from 1983-1984 onwards, 500 tons of maize a year. In the case of cattle-raising, in order to meet the shortage of feed during the dry season, 50 hectares of artificial grassland will be created as part of the project activities.

29. The third component will involve the training of national technicians to take over from the international personnel provided for under the project and to serve as a nucleus of middle-level managers capable of taking charge of the production units. Training will be given through the middle-level agricultural management school now under construction, which has already received substantial assistance under the Agricultural Technical Centre project (STP/78/001). The budget for the project will be \$1 million for a duration of four years.

30. The design and formulation of this project was made possible by the efforts of other complementary projects financed by the regular programmes of FAO and WFP. Project FAO/TCP/STP 8902 (Swine fever control) rendered decisive assistance in combating the 1978 epidemic; project FAO/TCP/STP 0104 provided in 1982 the first nucleus of breeding pigs imported from the United Kingdom; project FAO/TCP/STP 8905 supplied equipment for the production of animal feed; sub-project WFP/STP/2250 undertook to provide food aid to local workers assigned to the UNDP-assisted project, Revival of livestock production (STP/82/001).

Annex

FINANCIAL SUMMARY

		<u>Dollars</u>			
A. <u>Resources</u>					
(a) <u>IPF and other resources</u>					
(i)	Illustrative IPF for 1982	2 000 000			
(ii)	Less unprogrammed balance <u>a/</u>	(400 000)			
(iii)	Less authorized budget level for 1982	(280 000)			
(iv)	Previous IPF cycle balance	(46 000)			
(v)	Other resources (Special allocation from the African regional IPF for island countries)	<u>300 000</u>			
Total resources available for programming:		<u>1 566 000</u>			
B. <u>Use of resources</u>					
(a) <u>Programmed</u>					
(i)	Ongoing projects	220 000			
(ii)	New projects and new phases of ongoing projects included in the country programme	960 000			
(iii)	Special allocation for small islands	<u>300 000</u>			
Subtotal:		1 480 000			
(b) <u>Reserve</u>					
		<u>86 000</u>			
Total programmed plus reserve:		1 566 000			
C. <u>Financial distribution of programme by sector</u>					
<u>Sector b/</u>	<u>Ongoing projects</u> \$	<u>New projects</u> \$	<u>Sectoral earmarkings</u> \$	<u>Total</u> \$	
04	Agriculture, forestry and fisheries	44 000	960 000	-	1 004 000
05	Industry	-	-	300 000	300 000
10	Health	34 000	-	-	34 000
11	Education	142 000	-	-	142 000
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TOTAL		220 000	960 000	300 000	1 480 000

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

b/ According to ACC classification.

