

UNITED NATIONS
DEVELOPMENT
PROGRAMME



UNDP

Distr.
GENERAL
DP/CP/SUD/NOTE/2*
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

SECOND COUNTRY PROGRAMME FOR THE
SUDAN

Note by the Administrator

<u>Programme period</u>	<u>Illustrative IPF for 1982-1986</u>
1983-1986	\$58.5 million

I. Nature of the programming exercise

1. The Ministry of Finance and Economic Planning, in its capacity as the ministry responsible for the co-ordination of all external assistance to the Sudan, prepared the second country programme.
2. The major difficulty with which all concerned with the country programme have had to contend has been the effective reduction of the illustrative indicative planning figure (IPF) from \$58.5 to \$40 million due to the necessity of repaying over-expenditure in the first two cycles and of adhering to the 80 per cent programming limit. This has meant a reduction in actual IPF expenditure per annum in excess of \$2 million between the annual level of expenditure reached at the end of the second cycle and the approved annual budgetary levels of the third cycle. Thus the momentum which the programme had attained in the second cycle has had to be very seriously curtailed from the outset of the third cycle, with a 40 per cent reduction and zero real growth projected to the end of the third cycle.

*The note by the Administrator concerning the previous country programme for the Sudan was issued under the document symbol DP/GC/SUD/R.1/RECOMMENDATION.

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3. A continuous dialogue has been maintained between the Ministry of Finance and Economic Planning and the UNDP field office in Khartoum and between the Southern Regional Ministry of Finance and Economic Planning and the UNDP sub-office in Juba. A similar dialogue was also held with the representatives of those specialized agencies of the United Nations system who are resident in Khartoum and/or Juba, namely, the representatives of the United Nations Food and Agriculture Organization (FAO), the World Health Organization (WHO), the International Bank for Reconstruction and Development (IBRD), the World Food Programme (WFP), the United Nations Children's Fund (UNICEF) and the Office of the United Nations High Commissioner for Refugees (UNHCR).
4. A sectoral programming mission funded by FAO visited the Sudan in 1980 and produced a very thorough and detailed report. Numerous missions were fielded by the agencies already mentioned, as well as by the International Labour Organization (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations, the International Telecommunication Union (ITU), the International Trade Centre (ITC), the International Civil Aviation Organization (ICAO), the United Nations Industrial Development Organization (UNIDO) and UNDP. In July 1981 and 1982 the Resident Representative visited the headquarters of FAO, WFP, the International Fund for Agricultural Development (IFAD), UNIDO, the International Atomic Energy Agency (IAEA), the ILO, WHO, ITU, the World Meteorological Organization (WMO), the United Nations Conference on Trade and Development (UNCTAD), ITC, UNHCR, and held discussions with their staff on country programming. He also visited the headquarters of ICAO, the United Nations, IBRD and UNDP in September 1982 for the same purpose.
5. Of special significance to the programming exercise was the joint review of the whole programme conducted by the Ministry of Finance and Economic Planning and a UNDP consultant between 28 January and 10 March 1982. The two-man review mission visited the site of every IPF-funded project in the country and held discussions with all national and international personnel involved, as well as with visiting review teams from FAO, ILO and the United Nations in a number of specific projects.
6. During the latter stages of this exercise, between 28 February and 3 March 1982, the Administrator visited the Sudan. He discussed the programme and the work of the joint review mission with a large number of ministers. A special working session was held with the Ministry of Finance and Economic Planning, which was attended also by the Director-General of the Southern Region Ministry of Finance and Economic Planning. The financial situation of the programme was explained in detail by the Administrator during those discussions and in meetings with agency representatives and senior project international staff resident in the Sudan.
7. The recommendations of the joint review mission were endorsed by the Minister of Finance and Economic Planning in April 1982. At the same time, the Government set the annual maximum budgetary levels of each operational IPF-funded project during the third cycle, bearing in mind the tremendous constraints imposed upon it by the greatly reduced illustrative IPF. The joint review mission report, and the Government's reaction to it, was communicated to all the relevant organizations and agencies in April 1982, as well as to major donors in the Sudan. The approved budgets for each project signed by the Government, were sent to all the agencies

concerned in May 1982. Thereafter the country programme was prepared by the Ministry of Finance and Economic Planning within the context set by the Government's stated priorities, aims, and objectives for economic and social development in the Three Year Public Investment Programme 1982/83-1984/85.

II. Relation of the country programme to national development objectives

8. At present the Government is taking concerted action to rehabilitate and/or complete existing projects, especially those concerned with the country's physical infrastructure.

9. Nevertheless, the Government's over-all objectives for development in the 1980s still remain valid. These are: (a) substantial increase in the over-all rate of economic growth and the per capita income of the people; (b) proper regional and sectoral balance in investment so that the fruits of development are distributed in an equitable manner; (c) gradual transformation of the economic structure through the development of the modern sector; (d) more rapid improvement in the country's infrastructure; (e) greater mobilization of national resources to attain the ultimate objective of self-reliance in national development; and (f) restoration of balance of trade equilibrium and improvement in the external payments position.

10. For the most part, the second country programme is concerned with infrastructure development projects in the fields of agriculture, industry and vocational and specialized training.

11. Agriculture is the predominant sector of the economy and the agro-based industries are of great potential if properly developed. It is in the area of human resources that the potential is somewhat blurred, at least in the short-run. The challenge for the Government lies in its ability to obtain a labour force commensurate in quantity and quality with the requirements of the country at large. This is an area in which UNDP assistance is most needed. Though the Sudan has good training facilities, the situation with regard to trained manpower has become very critical because of the emigration of trained manpower at all levels to the oil rich Gulf States. Quick remedial actions must be taken to overcome this manpower shortage.

12. The Government has specifically requested UNDP to continue to give preferential treatment throughout the third cycle to the Southern Region, due to its unique situation and its lack of essential infrastructure and expertise. Therefore half of the country programme's activities occur in the Southern Region. Throughout the first half of the cycle, the whole country programme is concentrated on the completion of existing projects. The programme supports the efforts of the Government to improve the quality of life of the Sudanese people and it contributes to the growth of the national economy. A strong emphasis is placed on the development of human resources and on strengthening the Government's development planning capacity at both the central and regional government levels.

III. Content of the country programme

13. Because of the uncertain UNDP resources picture for the third cycle, as well as the very high level of on-going commitments, there are no IPF funds available for any new activities before the second half of 1984 at the very earliest. Over 20 on-going projects at the start of the cycle are expected to require extensions in due course. These include agricultural, industrial, vocational training, co-operative and planning projects of different kinds. New activities will be confined to assisting the Blue Nile Health project, to developing national quelea-quelea control and to promoting trade development and possibly extended to new activities to be determined in the light of changing circumstances.

IV. Special features

14. A very important aspect of the second country programme is that project activities are spread throughout the country and not concentrated in the capital city. Project personnel are living and working in thirteen different duty stations (sixteen if funds-in-trust projects are included). Many of these duty stations, especially in the Southern Region, are in very remote and isolated areas. However, this dispersal underlines the fact that the programme is being taken to the people, that it reflects the Government's declared policy of decentralization, and thus caters for local needs which national projects tend to overlook. A major policy objective of the Government is to encourage a more even spread of development throughout the Sudan. The projects connected with the construction of the Jonglei Canal are an example of this, as is the development of co-operatives.

15. Projects in the Sudan tend to be rather long lasting and it is not possible to produce results in a relatively short period of time. In the Southern Region this is due to the almost total lack of physical infrastructure and the dearth of trained national staff at every level. In the remainder of the country the annual loss of trained personnel is so great that it makes it extremely difficult to retain personnel to whom the continuation of project activities can be entrusted.

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