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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

Consideration and approval of country programmes

THIRD COUNTRY PROGRAMME FOR
TONGA

UNDP assistance requested by the Government of Tonga
for the period 1983-1985

Illustrative IPF for 1982-1986: \$2.5 million

INTRODUCTION

1. The preparation of the third country programme began concurrently with the review and finalization stages of Tonga's (July 1980-June 1985) Fourth Five-Year Plan and was intended to cover the 1982-1985 period. However, in view of delay in the approval of the Fourth Plan it was not possible to submit the third country programme in time for consideration by the UNDP Governing Council in May 1982.

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

Hence the ensuing hiatus of 1982 had to be covered by the one year extension (DP/1982/75) of the previous country programme. This extension was necessary in order to maintain the continuity and momentum of the ongoing UNDP programme, facilitate the termination of five projects planned for 1982 and to provide support to the implementation of the Fourth Plan.

2. The third country programme has been formulated to reflect and assist Tonga's sectoral objectives and priorities including some of its urgent and priority rehabilitation needs created by Cyclone Isaac, while in the meantime complementing development assistance provided by UNDP intercountry projects, non-IPF UNDP funds, other United Nations agencies, bilateral and voluntary sources. It is foreseen that the details of UNDP assistance, during the 1984-1985 period in particular, will be worked out in a series of sectoral reviews scheduled to start in the second half of 1983 and culminating in a country programme review during the first half of 1984.

3. UNDP resources taken into account for programming purposes, during 1983-1985, total US\$1,161,000. This consists of 80 per cent of the illustrative indicative planning figure (IPF) for 1982-1986 reduced by the authorized budget levels for 1982 (\$660,000) and 1986 (\$324,000). This figure also takes into account an estimated carry-over of \$145,000 from the second cycle IPF.

4. The UNDP assistance provided under the third country programme is focussing, in order of priority, on the development of fisheries, strengthening planning capabilities, improving communication, industrial development, public health and education.

5. During the 1983-1985 period assistance is also provided from the United Nations Capital Development Fund (UNCDF) (\$850,000) in artisanal fisheries development (TON/81/001), from Special Programme Resources (\$141,350 and \$13,333 respectively) for assistance to agricultural rehabilitation (TON/82/003) and management of rural water supply (TON/82/002), and from a regional Least Developed Country (LDC) allocation of about \$195,000 for the expansion of Tonga Airport Terminal (RAS/81/075).

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

6. The Tonga Fourth Five-Year Plan gives priorities to the development of: agriculture and fisheries, inter-island and inter-regional communication and transportation, strengthening socio-economic planning, public health service, including rural water supply and urban sewerage systems, small- and medium-scale industries and human resource development.

7. During the programme period UNDP assistance will be concentrated in the priority areas described below

A. Fisheries

8. Government's main development objectives are to develop a viable fishing industry with particular emphasis on artisanal fisheries and to promote export-oriented ventures to more effectively utilize the Kingdom's marine resources. This

will be achieved by the introduction of new fishing vessels and equipment, improvement of fishing techniques and the establishment of effective supply and marketing systems.

9. A major thrust to the fisheries development programme is expected to result from UNCDF assistance aiming to establish boatyards in Ha'apai and Vava'u island groups, rehabilitate the boatyard in Nuku'alofa, construction of standard vessels and to provide loan funds to fishermen.

10. In support of the above, IPF funds are provided to finance the following projects:

(a) Fishing Vessels (TON/77/002): Having successfully completed prototype construction phase in 1982, this project is entering its new phase of standard vessel construction at the beginning of 1983. The project is providing the services of an expert (master boat builder) two United Nations volunteers (UNVs) and operational expenses and is scheduled to continue through 1985, at a total cost of \$290,000.

(b) Principal Fisheries Officer (TON/79/011): In order to maintain the momentum of the fisheries development programme, and further improve the organization/management of the Fisheries Division, and to prepare a Tongan staff to become the Division Head, this project is providing the services of an Operational Assistance (OPAS) expert and is programmed through 1985. It is envisaged, however, that once a suitable Tongan can be appointed to the Principal Fisheries post (around late 1983), the project will be revised to convert the OPAS status of the expert to an advisory one, that will focus more on fisheries economics and planning. The estimated total cost of the project is \$232,000.

11. The above UNDP contribution is being complemented by assistance from Japan (\$784,000), Australia (\$220,000), Foundation for the Friends of the People of South Pacific (\$200,000), Asian Development Bank, and Government's own inputs (\$270,000).

B. Agriculture

12. Agriculture is the most important sector in the Kingdom's economy. UNDP has contributed to the Government's major development objectives to expand and diversify farm outputs for domestic consumption and export by providing assistance through the project Agricultural Extension (TON/79/011), which terminated in 1982. This assistance was followed by Assistance to Agricultural Rehabilitation (TON/82/003) (August 1982-April 1984) funded by Special Programme Resources, for the purpose of supporting Government's rehabilitation efforts necessitated in the wake of Cyclone Isaac.

FAO Fellowship (TON/78/004)

13. This project will pick up the remaining part expenditures in 1983-1984 needed for a fellowship, which was funded through the regional project for Advisory Services and Fellowships in Agriculture, Fisheries, Livestock and Forestry (RAS/79/132) during 1981-1982 period. An amount of \$19,000 is allocated for this purpose.

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14. Coconut will continue to be one of the most important crops and Government will embark on an expanded coconut replanting scheme during the Fourth Plan period to increase productivity and intercropping. In late 1981, the Food and Agriculture Organization of the United Nations (FAO) conducted a pre-feasibility study of the scheme and a full study was followed by FAO in early 1982. In view of the planned extent and scope of the scheme, technical assistance to its implementation will be required starting in 1984. If by then additional IPF resources do not become available, alternatively non-IPF resources will be sought for this important purpose.

C. General development issues

15. UNDP has provided valuable assistance (a) in the establishment of a framework for the formulation, co-ordination and implementation of development plan and programmes; (b) formulation and implementation of policies and programmes to promote rural and regional development and (c) improving the management of Tonga Development Bank. The Kingdom now has a consistent set of national accounts which allows more realistic economic planning and analysis, a Fourth Five-Year Plan Document, and an established Rural Development Management System.

Development Planning (TON/78/001)

16. In order to strengthen the existing planning framework, assist in implementation and review, staff training and formulation of the Fourth Plan, the continuation of this project is essential. The project is programmed through 1985 at a total cost of \$180,000. Should further assistance be required during the project period, the fund allocated for sectoral earmarking could be used for this purpose.

Tonga Development Bank (TON/80/001)

17. This project has provided valuable assistance in improving the management of the Bank. The Managing Director's post, which is presently filled by an OPAS expert, is expected to be localised by the end of 1982. Hence the project is only providing funds for the services of the same expert in an advisory capacity in 1983 presently estimated at \$5,700.

18. The Fourth Plan aims at strengthening the public service and improving the efficiency of its administration through appropriate staff training and upgrading administration policies, procedures and structures. A public service adviser will be required to advise on recruitment and promotion policies, appropriate institutional structure and procedures. Due to the shortage of funds, this project is programmed in 1985 at a cost of \$90,000 subject to availability of funds.

D. Transport and communication

19. Since the standard of Tonga's main international airport was restricting airplane operation and limiting passenger handling as well as air cargo capacity, its upgrading and expansion was necessary. UNDP has provided \$500,000 as (RAS/81/075) Tonga's regional LDC allocation for this purpose to be used in the expansion of the runway and terminal building. The runway work was completed in July 1982 and the completion of terminal building is scheduled towards the end of 1983. This expansion is expected to further promote the tourist industry and export. Furthermore, Tonga will continue to utilize the civil aviation training opportunities provided under the project Development of Civil Aviation Training-Manila (RAS/77/041).

20. In view of the Kingdom's geographic isolation and the island groups being scattered over a large area, an effective domestic and international telecommunication system is essential. Substantial bilateral and UNDP assistance - Telecommunications Development (RAS/78/048) and Regional Telecommunications Training (RAS/74/004) - have been complemented successfully; and, effective international telecommunication services as well as a modern telephone system for Tongatapu have been established.

Telecommunication Development (TON/74/002)

21. During the Fourth Plan expansion to the Tongatapu system as well as the linking of the other island groups to this system is planned. In support of this plan the OPAS post of telephone and telegraph technical manager is programmed through 1985 at a total cost of \$196,000.

E. Social Services

22. Government is devoting a significant share of its local resources and foreign aid in the development of its health sector. The World Health Organization (WHO) plays a prominent role in this respect by providing an assistance of \$550,000 during 1982-1983 and the same level is expected to be maintained through 1985. Furthermore, the United Nations Fund for Population Activities (UNFPA) assistance totalling \$194,000 is to be used for projects in health and population activities.

Urban Sewerage (TON/79/003)

23. Assistance provided through this project is aimed at improving the sewerage disposal in the capital. The project has been successfully carried out and is presently programmed through March 1983 at a cost of \$19,100.

24. UNDP assistance has also been made available in the management of village water supply through United Nations Volunteers services during 1983 funded from Special Programme Resources. This project has taken on additional urgency in the wake of Cyclone Isaac.

25. Government will also make use of assistance offered through intercountry projects such as **Training of Hospital Administrators** (RAS/79/029); **Arboviral Disease** (RAS/79/032); **Bulk Purchasing of Pharmaceuticals** (RAS/79/037); **Primary Health Care** (RAS/81/015); and **Regional Health Development Network** (RAS/81/017).

26. During the third country programme period IPF assistance in the amount of \$40,000 is foreseen for a lagoon monitoring project in 1984, aiming at controlling pollution of the Fanga'uta lagoon. Furthermore an amount of \$46,000 has been earmarked under the health sector to be allocated as needed at a later stage.

Assistance to Secondary Education (TON/81/001)

27. The assistance under this project will continue to provide the services of two United Nations Volunteers to two church schools, one to establish an industrial art (wood work) programme the other to strengthen the English teaching method. The project is programmed through 1983 at a total cost of \$18,750.

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F. Industrial development

Secretary, Ministry of Labour (TON/80/002)

28. Government's efforts to promote industrial development have to a considerable degree been supported by the services of an adviser provided under Industrial Promotion (TON/79/004) as well as the provision of an OPAS expert holding the position of Secretary, Ministry of Labour, Commerce and Industries (TON/80/002). In order to further strengthen the policy, planning and administrative capabilities of the Ministry and enable a national staff to head that post, the above project has been programmed through mid 1984.

Annex
FINANCIAL SUMMARY

A. Resources

<u>IPF and other resources</u>	\$
(i) Illustrative IPF for 1982-1986	2 500 000
(ii) Less unprogrammed balance <u>a/</u>	(500 000)
(iii) Less authorized budget levels for 1982 and 1986	(984 000)
(iv) Previous IPF cycle balance	145 000
Total resources available for programming	1 161 000

B. Use of resources

<u>Programmed</u>		
(i) Ongoing projects		767 500
(ii) New projects and new phases of ongoing projects included in the country programme		330 000
(iii) Earmarked for specific objectives and activities for which projects are to be worked out at a later stage		63 500
Total programmed:		1 161 000

C. Financial distribution of programme, by sector

<u>Sector^{b/}</u>	<u>Ongoing projects</u>	<u>New projects</u>	<u>Sectoral earmarkings</u>	<u>Total</u>
	\$	\$	\$	\$
02 General development issues, policy and planning	185 700	-	17 500	203 200
04 Agriculture, forestry and fisheries	251 000	290 000	-	541 000
05 Industry	96 950	-		96 950
06 Transport and communication	196 000	-	-	196 000
10 Health	19 100	40 000	46 000	105 100
11 Education	18 750	-	-	18 750
TOTAL	767 500	330 000	63 500	1 161 000

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

b/According to ACC classification.

