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COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

FOURTH COUNTRY PROGRAMME FOR ARGENTINA

Note by the Administrator

I. PROCESS OF THE PROGRAMMING EXERCISE

1. The programming process was formally initiated with the submission of the Resident Representative's note in September 1985. Immediately after the newly elected democratic Government took office in 1984, the Resident Representative submitted for its consideration a document outlining the principal activities which were being carried out by the United Nations system, highlighting in particular the role played by UNDP in the country in the period 1982-1983. During 1984, UNDP and the Government, through the Under-Secretariat of International Co-operation and the specialized agencies of the United Nations system, placed major emphasis on management actions, especially tripartite reviews and in-depth evaluations. In addition, the Government undertook its own evaluation of the third country programme in order to gain experience and to establish parameters for the fourth country programme.

2. On the basis of an analysis of the process described above, and of the content of the document entitled "Guidelines of a Strategy for Economic Growth for 1985-1989" adopted by the Government, the UNDP Office prepared a first draft of the Resident Representative's note, which was sent to New York for comment by the Committee for the Approval of Country Programmes (CACP) and circulated to the United Nations agencies concerned for their comments, so as to incorporate them into the definitive text, which was submitted to the Government in September 1985. The submission of the Resident Representative's note constituted the culmination of a process of continuous and active consultation and dialogue of the three parties involved: UNDP, the Government and the United Nations system.

3. The Under-Secretariat of International Co-operation and UNDP organized an ad hoc task force to identify priority areas and the projects to which resources should be allocated. This task force maintained close consultations with the Ministry of Economy, which plays a central role in the decision-making process in the public sector, other sectoral ministries and public enterprises. (In Argentina, the Ministry of Economy comprises the following secretariats: Finance, Economic Co-ordination, Mining, Regional Development, Foreign Trade, Commerce, Industry, Agriculture, Livestock and Fishery and Co-operatives.) Final discussions on the country programme exercise took place in Buenos Aires with the participation of representatives of the Regional Bureau for Latin America and the Caribbean from UNDP headquarters. This active process of consultation led to the formulation of the country programme objectives and the identification of all the projects that have been included in the country programme. The final clearance of the country programme was given by the Minister of Foreign Affairs. The fourth country programme for Argentina covers the period 1987-1989 in order to coincide with the present presidential period.

## II. THE FOURTH COUNTRY PROGRAMME

4. The areas of concentration of the country programme coincide with the priority objectives established by the Government. The Administrator notes with satisfaction the excellent example of the catalytic role UNDP has played in mobilizing additional resources to achieve these objectives. This prime characteristic of the country programme was attained by the major co-ordination efforts made by UNDP, the Government and United Nations agencies during the implementation of the third cycle and during the process of formulation of the present country programme.

5. Special mention should be made regarding the relationship established between the UNDP office and the two main multilateral development financial institutions, namely the World Bank and the Inter-American Development Bank (IDB). UNDP has provided central advisory services to the Government in formulating policies and economic development programmes, which explains why both the Government and the banks have entrusted management of resources to UNDP. UNDP has financed and/or co-financed and managed projects aimed at formulating, preparing and creating instruments that facilitate the negotiation process between the Government and the financial institutions and ensure an effective implementation of loans. Consequently, the total value of the technical co-operation programme amounts to \$83,765,000, including an indicative planning figure (IPF) of \$6.6 million for a period of three years.

6. The total resources available for the fourth country programme amount to \$83,765,000, which includes an IPF of \$6,600,000 for the period 1987-1989. The breakdown of the non-IPF funds included for programming is:

(a) Government cost-sharing: \$25,574,000, of which \$24,224,000 is already committed, with \$1,300,000 being negotiated.

(b) Third-party cost-sharing: from the World Bank, \$13,041,000, of which \$10,841,000 has been already committed with \$2,200,000 still under negotiation; from IDB, \$5,400,000 already committed, with \$5,950,000 from bilateral sources still under negotiation.

(c) Other sources: \$26,500,000 under management services agreements with the World Bank and IDB, which will contribute \$15,000,000 and \$11,500,000, respectively. Both funds are already committed.

7. The special relationship established between UNDP and the two main multilateral financial institutions has widened the scope of the country programme which, in turn, will be used as a frame of reference for the programmes of participating organizations.

8. Technical co-operation among developing countries (TCDC) will continue to be one of the main features of the programme. Argentina attaches high priority to rendering technical expertise and assistance to countries in the region and to others outside Latin America. The Government has fully financed these initiatives through cost-sharing, including the second phase of a TCDC project envisaged for the next cycle. Two modalities of country programme implementation that have shown positive and effective results in the past programme will continue to be used, namely national professionals and Government execution of projects. The Administrator notes with satisfaction that these two modalities will be increased in the implementation of this programme.

9. A total of 44 ongoing projects will be extended into the next cycle, which will absorb approximately 28.5 per cent of total resources, while 70.3 per cent of programme resources will be allocated to finance and support new projects, maintaining an unprogrammed reserve equivalent to 1.3 per cent for activities not presently foreseen.

### III. MANAGEMENT OF THE COUNTRY PROGRAMME

10. The experience gained during the execution of the third country programme has been duly taken into account in the formulation of the fourth country programme. The evaluation exercise carried out by the Government and the note prepared by the UNDP office have facilitated a new perception about what is required for the execution of the fourth country programme, including the modalities to be undertaken.

11. Each project will have its own management to ensure implementation. At the same time, the UNDP office will exercise the general co-ordination and monitoring of the implementation of the different projects of the programme through a unit that is being established. This unit will be financed by the support costs derived from Government-executed projects.

12. The Administrator is particularly pleased to note the extent to which the country programme is being used as a frame of reference to programme the activities of the specialized agencies of the United Nations system. This will facilitate the

effective government co-ordination. Argentina enjoys a high level of technical expertise and institutional infrastructure, which permits it to contribute, as well as to participate actively, in regional, interregional and global activities.

#### IV. RECOMMENDATION OF THE ADMINISTRATOR

13. The Administrator recommends that the Governing Council approve the country programme for Argentina.

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