



**Governing Council
of the
United Nations
Development Programme**

Distr.
GENERAL

DP/CP/CHI/NOTE/4
23 October 1986

ORIGINAL: ENGLISH

Special session
February 1987, New York
Item 4 (a) of the provisional agenda

COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

FOURTH COUNTRY PROGRAMME FOR CHILE

Note by the Administrator

I. PROCESS OF THE PROGRAMMING EXERCISE

1. The programming process for the fourth country programme began in October 1985 and concluded in September 1986. The first draft of the country programme document was officially submitted by the Ministry of Foreign Affairs to the Office of the UNDP Resident Representative in late June 1986.
2. In Chile, the Ministry of Foreign Affairs has the legal mandate to represent the country vis-à-vis international organizations. With reference to the programmes and activities of international technical co-operation, the Ministry acts through the Directorate-General for International Economic Relations (PROCHILE), and it is advised technically by the National Planning Office (ODEPLAN), which is directly responsible to the Presidency of the Republic. The co-ordination of international technical co-operation activities and the evaluation of external agency programmes are also among the responsibilities of ODEPLAN.
3. During the programming exercise, an active dialogue was maintained between the Office of the UNDP Resident Representative and the Government, through the Ministry of Foreign Affairs and ODEPLAN. Together with staff from the UNDP office, officials from both Ministries were appointed to form a task force for the programming exercise and the preparation of the country programme document.
4. From the early stages of the programming exercise, the orientation of the fourth country programme was extensively discussed with Government officials. Consultations with relevant specialized agencies of the United Nations system also took place. The identification of programme objectives for the forthcoming cycle was conducted in the context of the Government Socio-Economic Programme 1981-1989

and of the updated version of the Development Programme of Chile 1983-1989. The criterion of complementarity in the relationship between UNDP technical co-operation resources and other bilateral and multilateral ones was observed in the process.

5. The Resident Representative's note was presented to the Government in May 1986. It presented a comprehensive evaluation of the ongoing programme, including a review of the impact of some 30 projects. It was noted that the third country programme was formulated on the basis of the major development objectives of the Government, which emphasized the achievement of: (a) a high growth rate; (b) a compatible pattern of social development, and leading to the elimination of extreme inequalities in the society; and (c) a decentralized economy in which the resource potential, human and natural, of each region could be fully maximized. Among the positive experiences of the third cycle, special reference was made in the note to the establishment of steering committees at the project level, integrated by staff from UNDP, ODEPLAN and other participating institutions. The result was an efficient mechanism for rendering projects more dynamic, correcting possible deviations from objectives and redesigning activities in accordance with changing situations. Project impact was analysed in the note through a threefold classification of areas of concentration: improvement of the management capacity of the public sector; scientific and technological development; and sectoral development.

6. A sectoral programming mission was organized in April 1986, at the request of the Government, to review the needs and objectives for a national policy in the field of science and technology, and to make relevant recommendations on the necessary steps to be taken to achieve an optimum relationship between scientific and technological development and its application to the requirements of the productive sectors. On the basis of the recommendations of the mission, the Government selected scientific and technological development as a major objective of the fourth country programme.

II. THE FOURTH COUNTRY PROGRAMME

7. The orientations of the fourth country programme are fully consistent with the development objectives established by the Government. In addition, some pertinent criteria have been set not only for the identification of the objectives of the programme but also for the evaluation of programme and project results. These criteria aim to ensure that a contribution is made to the socio-economic development of the country, to employment generation, to the eradication of extreme poverty, to develop and expand exports, and to strengthen the process of regionalization in the country. Two objectives have been set for the fourth country programme: (a) support to the process of scientific and technological development; and (b) support to the Government initiative of decentralizing human and capital resources.

8. Scientific and technological development has been assigned a central role by the Government in the national development programmes referred to in paragraph 4 above. The following areas of concentration are proposed for this objective during

the fourth cycle: (a) export-oriented and import substitution support to technological research for the productive sectors; (b) combined programmes of scientific and technological research in biotechnology, genetic engineering and data processing, in which members of the scientific and technological community, as well as private entrepreneurs, are to participate; and (c) professional training programmes in the management of technology for productive enterprises. A mechanism of public bidding has been established for allocating resources to projects related to this objective. Committees integrated by representatives of the public and private sectors decide on the choice of the projects under consideration, according to their relevance to the areas of concentration referred to above. This mechanism ensures that there is an effective linkage between the scientific and technological system and the requirements of the productive sectors, and that the results of research and development are effectively applied.

9. The second objective is well inserted in the Government regionalization programme, which is aimed at the decentralized development of economic, social, administrative and participatory activities of the Regions, in an effort to make full use of the comparative advantages of each of them, taking into account the particular characteristics of their population. A harmonious and balanced pattern of regional development is a priority objective of the Government, and in this process it is assigning a key role to the resources provided by the international technical co-operation agencies in the promotion of economic growth of the private sector in different regions. In order to achieve this, activities aimed at training in management, technological innovation and transfer, as well as development-oriented research projects at the level of small- and medium-sized enterprises will be implemented. Regional universities and associations of entrepreneurs of the private sector in each region are also expected to be closely linked to this process.

III. MANAGEMENT OF THE COUNTRY PROGRAMME

10. As mentioned in paragraph 7 above, the objectives of the fourth country programme have been selected taking into account not only national development objectives but also pertinent criteria which will enable an evaluation of programme impact and project results throughout the next cycle. A formal mid-term review is foreseen in addition to the annual management reviews of the implementation of the programme.

11. The positive experiences of the third cycle concerning institutional arrangements at the project level, e.g. steering committees should continue throughout the next cycle, to the benefit of the quality of programme and project monitoring. Although direct government execution was not adopted during the third cycle, in several key projects the role of the international executing agencies was often that of an associate agency, since a large part of the substantive and operational responsibilities were assumed by the Government and by the UNDP office in Chile. National experts and consultants were used in about half of the total number of projects implemented during the current cycle in a successful attempt to overcome the traditional pattern of implementation of technical co-operation projects based on the use of expatriate personnel. This modality will be pursued

during the fourth cycle. Co-ordination of the resources provided by UNDP with those provided by other bilateral and multilateral donors is also among the priorities of the Government, an example of which is the fisheries sector where bilateral resources from the Government of Japan are expected to be co-ordinated with those of UNDP.

12. The Administrator notes with satisfaction the Government decision to commit cost-sharing resources amounting to approximately 37 per cent of the total amount for the fourth cycle, as compared to the level of cost-sharing commitment during the third cycle, which represented slightly over 14 per cent of the resources. The Government also places a particular emphasis on the increased use of technical co-operation among developing countries (TCDC). The positive experience with two TCDC projects during the third cycle has led the Government to assign a particular importance to sharing with other developing countries its successful experiences in horizontal co-operation; these projects are to continue throughout the fourth cycle.

IV. RECOMMENDATION OF THE ADMINISTRATOR

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