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SECOND COUNTRY PROGRAMME FOR DOMINICA*

<u>Programme period</u>	<u>Actual resources programmed</u>	<u>\$</u>
January 1987-December 1991	IPF for 1987-1991	1 265 000
	IPF balance 1982-1986	30 000
	Cost-sharing	480 000
	Other resources programmed	<u>3 405 844</u>
	Total	5 180 844

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* Detailed listings of projects and other related data prepared as part of the country programming exercise are available on request. These listings include (a) ongoing projects; (b) proposed projects; (c) distribution of resources by objective; (d) planned activities of operational funds and programmes under the authority of the Administrator; (e) distribution of new country programmes by sector.

I. DEVELOPMENT TRENDS, STRATEGIES AND PRIORITIES

A. Current economic trends

1. With a population of 78,000 inhabitants and an area of 750 square kilometres, Dominica is disadvantaged in many respects. Its small size, mountainous terrain, high rainfall and proneness to natural disasters make most economic activity complex and costly.
2. In recent years, economic development in Dominica has been dominated by rehabilitation activities carried out in the wake of the damage caused by hurricanes in 1979 and 1980. During this period there was a substantial flow of external assistance which led to unusually high growth rates estimated at 11.3 per cent per annum for 1980 and 1981. The growth rates returned to a normal trend during the 1982-1984 period, averaging about 3 per cent per annum but fell to 1.1 per cent in 1985 as a result of a slowdown in construction.
3. The positive performance of the economy in recent years has resulted in improvements in domestic savings from -3 per cent of gross domestic product (GDP) in 1982 to +25 per cent in 1983. In spite of the negative domestic savings of this period, gross domestic investment as a percentage of GDP was exceptionally high, averaging 35 per cent in the 1979-1982 period. More recently the ratio has declined to 29 per cent, but reliance on external sources for investment remains high.
4. The major constraints faced by Dominica in its effort to achieve sustained economic growth are: inadequate infrastructure, including a deficient road system and a lack of proper airport facilities; insufficient savings to help finance the Public Sector Investment Programme (PSIP) and to improve the efficiency of the public service; and marketing constraints affecting all productive sectors, particularly agriculture.
5. Agriculture, which directly or indirectly, accounts for over 30 per cent of GDP, 70 per cent of exports and 40 per cent of the labour force, is based on the production of bananas, coconuts, citrus fruits and foodcrops for subsistence as well as for sale to urban consumers and for exports. Considerable land areas with agricultural potential are underutilized or idle.
6. At present the manufacturing sector is small and, with the exception of a few companies, most have little or no foreign presence. The sector, which has traditionally consisted of a few agro-based industries, contributed about 7.3 per cent to the GDP in 1984 and employed only about 7 per cent of the labour force. The most significant recent development is the expansion of the existing industrial estate and the initiation of construction of a second one, both located in the western part of the island. The programme will ultimately lead to the building of 110,000 square feet of factory shells. An active search is being carried out for suitable investments, particularly in the electronic and garment industries.
7. While it is unlikely that tourism will become a major contributor to GDP and employment in the short term, Dominica's scenic beauty, clear waters and hot

springs have inspired an effort to develop naturalists' resorts and spas targeting special groups of tourists. Lately this has stimulated new hotel construction.

8. A critical issue is the fact that despite the recent addition of 1,500 kilowatts of generating capacity, forecasts indicate that the country will be unable to meet peak demand for energy by 1990. Expansion of the hydroelectric capacity is therefore a priority.

B. National development strategies

9. The main challenges confronting the Government are the need to find solutions to the problems of low productive capacity, low productivity, deficits in external trade and public spending. Consequently, the Government intends to adopt measures to increase and diversify production, particularly for export markets and to increase public sector savings. Action is also being taken to bring under cultivation idle and underutilized land and to increase agricultural productivity.

10. In the productive sectors the Government has decided to reduce its participation and to promote private sector-led development by addressing constraints in institutional services and infrastructure and by offering incentives through the banking and tax systems for increasing private sector savings and investment. Appropriate foreign investment will continue to be encouraged.

11. In view of the importance of reducing unemployment, the Government is using tax policy to facilitate bank lending for housing in order to stimulate employment in the construction sector. It has also embarked on the distribution and settlement of idle and underutilized government owned lands, coupled with the development of integrated rural development strategies designed with the assistance of the Food and Agriculture Organization of the United Nations (FAO) and the Organization of American States (OAS). Job creation and training efforts will be directed particularly at the 15-20 year age group among whom the unemployment rate is the highest.

12. The major problem affecting the public sector is inadequate overall and sectoral planning and also the inadequate formulation, implementation, monitoring and evaluation of projects. Special attention will therefore be given to improvements in these areas since the public sector accounts for over 20 per cent of GDP and almost 60 per cent of gross investments.

13. Extension and rehabilitation of the road network and the introduction of an adequate road maintenance programme are given top priority in the PSIP. In the recent past, major investment in the main road network has been made with funding from the Canadian International Development Agency (CIDA), the European Development Fund (EDF), the United States Agency for International Development (USAID), the International Development Association (IDA) and the Organization of Petroleum Exporting Countries (OPEC). The emphasis in the sector has now shifted to the construction of farm access roads necessary for bringing produce to market. Another critical issue is the need to establish adequate facilities for air transportation to facilitate light manufacturing and the trade in fresh agricultural produce.

14. In order to cope with the projected electricity demand until the year 2000, a major commitment has been made by the Caribbean Development Bank, the World Bank (IBRD), CIDA and USAID for the development of the country's hydroelectric potential. UNDP is involved in providing technical assistance.

15. The main policy objectives in agriculture are to revive the traditional crops of bananas and citrus in the short-run and, in the longer term, to diversify into other crops such as mangoes, avocados, vegetables and exotic tropical plants and flowers geared to extraregional markets. Efforts will also be made to strengthen the Fisheries Division in order to increase its management capacities and make it capable of efficiently complementing external involvement in the development of pelagic resources. Development possibilities also exist in the fields of aquaculture and mariculture and different schemes involving fish, prawns and crayfish are under investigation.

16. The Government's policy with regard to forestry is to encourage the development and wise use of this resource and to continue to maintain vigilance to ensure that its exploitation to generate revenue in the short term will not lead to destruction of the natural resources of the country.

17. Significant growth in manufactured exports and employment will depend on foreign investment in the immediate future. However the development of an indigenous manufacturing sector is also vital to Dominica's long-term interests. Emphasis is therefore being placed on light manufacturing for exports, while at the same time promoting activities using Dominica's natural resources of wood, water and, in due course, hydroelectric power.

18. The tourism development strategy being elaborated will target tour operators in order to attract tourists as offshoots from larger nearby vacation centres.

19. The Government is continuing its efforts to improve social services. In previous years steps were taken to develop the infrastructure needed to deliver health care at the primary level. In 1985 attention was focused on the system needed to support the primary health care network. Increased attention is also being given to the provision of adequate hospital services.

20. The Government intends to strengthen the education sector and its infrastructure. Efforts will be made to improve the quality and quantity of its teachers. At the primary level, relevant curricula will also be developed and the syllabi for secondary schools diversified so as to provide a greater scope for vocational and technical subjects.

C. Technical co-operation priorities

21. As part of the country programming exercise, which was initiated with the submission of the Resident Representative's Note, UNDP assisted the Government in preparing an overall technical co-operation programme (TCP) which sets out its priority technical co-operation needs. This exercise is consistent with the decision of the Caribbean Group for Co-operation in Economic Development (CGCED)

that UNDP should co-operate with the World Bank in preparing the technical co-operation programme for incorporation in the Bank's economic memorandum. The Government intends to mobilize to the fullest the resources available from the United Nations system and other multilateral and bilateral donors to meet these technical co-operation needs. In order to maximize the effectiveness of the available aid flows and to provide a rational basis for the integration of technical co-operation activities in the development process, the country programme is being utilized as a frame of reference for all external technical co-operation inputs. The Government has therefore prepared this country programme within the socio-economic development framework described earlier and on the basis of the overall needs reflected in its own technical co-operation programme (TCP) which it intends to update yearly to coincide with an annual review of the country programme.

22. The total funding required to carry out the programme amounts to \$US 5,180,844. These resources will be made up of \$US 1,295,000 from the IPF (which includes a carry-over of \$US 30,000 from the third cycle), \$US 480,000 in cost-sharing, \$US 1,295,085 from the other agencies and organizations of the United Nations system and \$US 2,110,759 from bilateral and other non-United Nations multilateral sources. The various multilateral and bilateral donors and agencies will be approached to supplement or co-finance projects included in the country programme, for which financing is still required. UNDP is therefore being requested, during the implementation of the programme, to assist the Government in the mobilization of resources from all sources.

23. The main areas of technical co-operation to be addressed under the programme are summarized below.

24. In programme and project formulation and implementation some measures aimed at eliminating bottlenecks have already been initiated with assistance from the Caribbean Development Bank and the Inter-Agency Resident Mission (IARM), notably as regards sector plan formulation and project monitoring, but follow-up is necessary for the establishment of appropriate systems and further training of personnel. In the social sectors, a multisectoral approach to programming is being developed with the support of the United Nations Children's Fund (UNICEF).

25. The Caribbean Centre for Development Administration (CARICAD) which is supported by UNDP will continue to assist in the monitoring and management of the Administrative Reform Programme (ARP), which seeks to improve key areas of the public services.

26. Agriculture, forestry and fisheries feature prominently among technical co-operation needs outlined in the TCP. It is the Government's intention to increase the efficiency of its agricultural planning, production and management through technical assistance and training covering sector planning, project implementation, and surveying. External assistance will be sought, among other things, for training in forestry specializations and parks planning. An important potential earner of foreign exchange is the production of orchids and ornamental plants. Technical assistance to meet export production levels and to maintain export quality in the marketing of these commodities is being requested.

27. In forestry-based industries there is a need for training of national staff at the professional and sub-professional level in order to supply an adequate amount of cured timber for furniture and housing.
28. In fisheries the technical co-operation requirements are centred on the need to improve yields, and to develop pelagic fish resources. Strengthening of the Fisheries Division and the training of its personnel are therefore necessary.
29. In manufacturing, including agro-industries, assistance to improve management is of primary importance. In addition, continued support for the attraction of investment is considered valuable. Assistance is also needed to improve manufacturing techniques in order to make products competitive.
30. In tourism technical assistance will be needed to carry out a health spa feasibility study.
31. The Government has indicated its strong interest in benefiting from World Food Programme (WFP) assistance in the form of commodity monetization. Proceeds from the sale of selected WFP commodities, most probably cereals, would be used to partially meet the Government's financial counterpart obligations of mutually agreed upon projects. Initially, it is felt that a proposed International Fund for Agricultural Development (IFAD) integrated rural development project, consisting of eight sub-projects, can benefit from such a scheme. The total project cost is estimated at \$US 3.3 million, of which an estimated \$US 1.7 million is to be supplied by the Government.
32. In the social sector, Early Childhood Development projects are receiving nutrition intervention support from UNICEF and the Pan-American Health Organization of the World Health Organization (PAHO/WHO). There is a proposal for external assistance to prepare a sewerage development plan on the basis of which commitments will be sought for capital investment. A feasibility study in which UNDP will figure prominently will be undertaken.

D. Aid co-ordination arrangements

33. Utilization of the country programme as a frame of reference for technical co-operation from all external sources entails assertive mechanisms within the Government for aid co-ordination. It also implies continuous review of the programmes, planned and ongoing, presented in the document to ensure that changed circumstances and shifts in emphasis are reflected promptly, if the frame of reference is to serve as a dynamic tool of the development process.
34. The Government has designated the Department of Establishment as the co-ordinating agency for all technical co-operation needs from external sources. The Department will work closely with the Departments of Finance and Economic Development and Planning in carrying out its co-ordination activities in order to ensure the successful mobilization of resources required to meet these needs. CGCED, in which Dominica participates as a beneficiary country, will continue to be utilized as a framework for the co-ordination of activities supported by the various donors participating in the Group.

35. Although in the preparation of the country programme no joint programming missions were carried out with the United Nations organizations of the Joint Consultative Committee on Policy (WFP, the United Nations Fund for Population Activities (UNFPA), and UNICEF), these organizations as well as the other United Nations organizations with representation in the Caribbean were fully consulted on the form and content of the programme. Moreover, all executing agencies received a copy of the Resident Representative's note on the country programme. UNDP and the other United Nations agencies and organizations based in Barbados will continue to meet on a periodic basis in order to ensure co-ordination and harmonization of their activities in support of the Government's development effort.

II. THE COUNTRY PROGRAMME

A. Assessment of current country programme

36. The Government's development objectives for the 1982-1986 country programme were: rapid rehabilitation of the physical and social infrastructure; development of the manpower and physical resource base; and encouragement of agricultural production together with the development of light agro-industry based on local resources.

37. The illustrative IPF for the 1982-1986 cycle was established at \$US 2.3 million of which, however, only 80 per cent or \$US 1.84 million were used for programming purposes. In addition \$US 220,000 were made available from the Special Programme Resources (SPR). An unprogrammed reserve of \$US 70,000 was maintained which, together with a deduction for projected over-expenditure in the previous cycle of \$US 36,000, resulted in a total programme of \$US 1.954 million approved by the Governing Council. However, in 1983, the adverse resource situation of UNDP made it necessary to establish an authorized programmed ceiling of only \$US 1.33 million.

38. The IPF resources were utilized in accordance with the established objectives: Infrastructure and human settlements \$US 615,000 (47.3 per cent); Strengthening of the public sector \$US 325,000 (25 per cent); Education \$US 147,000 (11.3 per cent); Industry \$US 117,000 (9 per cent); Agriculture \$US 48,000 (3.7 per cent); and Health \$US 48,000 (3.7 per cent). The estimated expenditures are \$US 1.3 million. While in most instances, projects succeeded at least partially in attaining their objectives, a common obstacle to complete success has been identified in many projects, i.e., the difficulty in recruiting and retaining qualified national staff. Hence, a concerted effort to rectify this anomaly by the development of Dominica's human resources is regarded as a necessity for the success of future technical co-operation activities in all sectors.

39. In the field of physical and social infrastructure development, a UNDP financed project which was supplemented by a United Nations Centre on Human Settlements (UNCHS) allocation of \$US 62,000, assisted the Government in developing proposals for a low-cost housing programme. The project also provided assistance in negotiating funding for and supported the implementation of housing projects amounting to \$US 13 million which was provided by the Governments of Trinidad and

Tobago and Venezuela and by USAID through the Caribbean Development Bank. Among other achievements were the review of the Town and Country Ordinance and the preparation of a new Act, the preparation of a National Structure Plan, and urban and village renewal plans. Some success was achieved in the use of local building materials although the planned building materials testing centre did not materialize. A major shortcoming was the fact that none of the house designs produced by the project proved affordable to the low-income population. Also due to the scarcity of qualified nationals, the design and implementation of the project was largely undertaken by expatriate personnel.

40. In so far as economic development planning is concerned, UNDP assistance contributed to the revitalization and improved efficiency of the Economic Planning Unit (EDU), institutionalized planning administration, and attempted to link the planning process with the efforts of the sectoral Ministries. A modified transfer knowledge through expatriate nationals (TOKTEN) approach was used to employ a national specialist to assist in these tasks. He was understudied by an associate expert. However, success was again limited by the shortage of qualified nationals.

41. Adaptation of the laws inherited from the colonial era to the demands of an independent island state in the process of structural change with regard to its political, economic, social and cultural characteristics is the subject of a project which has been under implementation, with UNDP assistance, since 1984. The project, which is assisting in the preparation of a law reform programme, is expected to be completed by the end of 1987. A modified TOKTEN approach is being used also in this case.

42. In order to alleviate the shortage of skilled manpower, a government-executed multi-sector project, again using a modified TOKTEN approach, was financed by UNDP. Under the project several successful short-term consultancies were carried out by expatriate nationals, in the field of project planning and analysis, health and legal reform.

43. Dominica participates in the regional project Water Development and Assessment in Small Caribbean Islands (RLA/82/023). A survey of the water resources of the island was carried out and a comprehensive development plan elaborated resulting in investment commitments of \$CAN 10 million by CIDA for the development of water systems. A major achievement is the design and construction of a reservoir with a storage capacity of 1 million gallons to be used for exports of water. The reservoir was constructed with a \$US 250 000 concessionary loan from the OPEC fund. A contract was entered into with Aruba for the sale of water which was transported by barges to that island.

44. In 1985, PAHO/WHO supported the implementation of a health situation analysis which provided information for the review and updating of the national health plan in 1986. Deficiencies in the vital statistics system were revealed during the year. Consequently, the Government, in conjunction with PAHO, has commenced a review of the system. Full use was made by the Government, of the PAHO/WHO Fellowship Programme during the period 1982-1985. Forty-four fellowships and 14 other training grants were awarded under the PAHO-administered Caribbean Community/European Economic Community (CARICOM/EEC) health scheme. Areas such as Vector/Pest Control, Maternal Child Health, Family Planning, Environmental Health and Nutrition were covered through regular PAHO technical co-operation.

45. In the agricultural sector, UNDP continued to finance a livestock development project started under the previous programme. A United Nations Volunteer was recruited under this project as a veterinary consultant. The project, which succeeded in introducing modern methods of animal husbandry to small farmers, is now continuing with funding from the Commonwealth Fund for Technical Co-operation (CFTC).

46. The UNDP-assisted Caribbean Agricultural Rural Development and Advisory and Training Service (CARDATS) has attempted to introduce tree crops and support the rehabilitation of lime production both in terms of expanded acreage and higher yields. The most serious constraint to attaining the established targets has been the slow pace in distribution of land to small-holders. A lime rehabilitation project has also begun with EDF financing.

47. During the period 1982-1986 FAO's Technical Co-operation Programme and its Regular Programme of assistance provided Dominica with assistance valued at approximately \$US 700,000. In a number of cases this assistance responded to emergency situations requiring, among other things, the rehabilitation of farmers' roads, forestry access roads and the supply of lost fishing gear. Important FAO support was also provided to strengthen governmental agricultural services, for example, in the establishment of an effective plant quarantine service, the improvement of handling and packing of fruits and vegetables, and in training and assistance to fisheries co-operatives. The emphasis of this FAO/TCP assistance has been short-term practical support to allow the Government to upgrade its ability to respond to the needs of farmers, foresters and fishermen.

48. Dominica participates in the United Nations Industrial Development Organization (UNIDO)-supported Caribbean Investment Promotion Service. Under the project two nationals were trained in investment promotion techniques and the preparation of appropriate information and data for potential investors. In addition several officials have received training in the UNIDO investment promotion service office in New York.

49. Through the Management Assistance to the National Development Corporation project (DMI/81/005), the latter institution was established to provide counselling, training, and small loans to small industries and entrepreneurs. The project also assisted in defining the Corporation's operational procedures, its manpower needs, and training requirements.

50. In the education field the Government employed expertise from UNDP and the United Nations Educational, Scientific and Cultural Organization (UNESCO) to develop curricula adapted to national requirements. Dominica also participates in the multi-island education project, which aims at imparting employable skills to youth in the age group 12-16 years. On the basis of a recent evaluation of the project, which emphasized the continuing relevance of vocational education, consideration is being given to financing a follow-up project jointly with other donors. Other projects provided valuable training of personnel for the postal service and the Port Authority.

51. As for other programmes, the United Nations Development Fund for

Women (UNIFEM), assisted in establishing a women's desk in the Ministry of Home Affairs. The desk, which has been invested with the responsibility for co-ordinating UNICEF assistance, also receives support to build up its capacity to provide technical advice and to mobilize resources.

B. New programme proposal

52. The programme is subject to continuous review and will therefore be revised within the parameters approved by the Governing Council. Since the nature of the programme is to seek resources for development beyond the limited IPF, UNDP funding is to be used as seed money to mobilize funds from other sources, notably the United Nations system but also from other donors.

53. The IPF resources have been allocated by objectives as follows: Manpower development and training: (\$US 130,000); Strengthening of administration and planning: (\$US 358,000) (a cost-sharing of \$US 180,000 will also be available); Agriculture, forestry (including forestry-based industries) and fisheries development: (\$US 547,500); and Infrastructure and housing improvement: (\$US 246,165). An unprogrammed reserve of (\$US 13,335) remains.

Manpower development and training

(a) Ongoing projects

54. In the field of technical and vocational education and skills training, which is expected to continue under a new phase of the existing project, UNDP resources of \$US 80,000 are earmarked for the 1987-1991 period.

(b) New projects

55. In light of the shortcomings outlined in the section covering the evaluation of the 1982-1986 country programme the Government insists that all technical assistance activities must include provision for training of nationals, especially in instances where key technical positions are filled through external assistance. An umbrella project for training (\$US 50,000) is therefore included in the country programme. These resources are to be used in conjunction with and as a complement to other technical co-operation activities. It is expected that other donors will join in this effort.

Strengthening of administration and planning

(a) Ongoing projects

56. An ongoing project which has been assigned highest priority by the Government is the law revision project which started in 1984 with UNDP assistance. A national expert (TOKTEN) is currently employed for this purpose. In addition, a regional law specialist and a United Nations Volunteer (lawyer/legal draftsman) are being requested. The total cost of the project is estimated at \$US 222,000 of which \$US 98,000 are expected to be used under the new country programme.

(b) New projects

57. Technical support in sector programme design is required in the operating Ministries to identify and help to implement requirements for periodic revisions of sector programmes. Programme (including sector programme) and project planning, implementation, management and monitoring, at both the Educational Development Unit (EDU) and at the level of the sectoral Ministries are also to be addressed.

58. Training programmes for staff in the EDU and the sectoral ministries are to be carried out. The estimated cost of the three-year programme is approximately \$US 400,000. UNDP/OAS/Caribbean Development Bank and other donors will be approached to assist in the financing of the project.

59. The Government has been unable to fill five important line positions. United Nations Volunteers will be recruited to fill these positions in the short to medium term (four years). The total cost is about \$US 340,000 of which the Government will provide cost-sharing contributions amounting to \$US 180,000.

(c) Linkages

60. A law reform programme, which is currently being financed by the British Development Division (BDD), complements the project mentioned above. Furthermore, a \$US 9.5 million regional USAID-supported project in administration of law aims at the training of lawyers as well as at the printing and publication of law texts. The UNDP-supported project is expected to benefit from this programme.

Agriculture, forestry and fisheries development including agro-industries

(a) Ongoing projects

61. The sub-regional CARDATS project, headquartered in Grenada, has been active in Dominica since 1983 with the assignment of a country officer to assist small farmers. The sum of \$US 100,000 has been earmarked from the IPF for the continuation of the project.

(b) New projects

62. To develop and exploit the forest and natural resources effectively, basic studies need to be conducted in order to determine the actual carrying capacity of the land, the sustainable yield of the forests, the minimum amount of watershed that needs to be maintained to prevent erosion and the silting of lakes, rivers and streams, the maximum potential for hydro and geothermal power generation, and the economic potential for water exports through commercial barging. The present work now being undertaken by FAO for the preparation of a forest inventory and the formulation of a natural resources plan and policy based on a survey of existing resources is important in this connection.

63. Training in appropriate methods of using and preserving the different species of wood is a priority for the survival of the furniture industry. There is also a need to improve manufacturing methods and designs in order to develop an export

market for furniture. The estimated cost of implementing projects covering these topics is \$US 643,000. Other donors will be approached to supplement the resources to be provided by UNDP.

64. The Fisheries Division will be strengthened through provision of appropriate technical expertise. Such action is particularly important in view of assistance to be provided by Taiwan Province, a two-year project aimed at promoting the exploitation of pelagic fish resources. This requires the introduction of improved vessel types, gear, equipment and fishing methods, the training of selected fishermen and the introduction of improved processing and storage, distribution and marketing facilities and consumer education.

65. A first step in developing this resource will be a pilot project demonstrating the financial, technical and economic feasibility of the fishery to fishermen, entrepreneurs, investors and the Government through intensive commercial fishing. A second step will be the promotion of the use of under-utilized species through the use of fish processing technology and consumer education. It is estimated that the cost of executing the projects addressing these issues will be approximately \$US 320,000. UNDP as well as other donors will be involved.

66. FAO will also be requested to assist in the establishment of an audio-visual capability within the extension unit of the Ministry of Agriculture with the provision of a livestock extension expert. The agro-industries will be requested to help in the strengthening of the Dominica Agricultural Industries.

Infrastructure and housing improvement

(a) Ongoing projects

67. In infrastructure an ongoing project provides technical support for the development of the country's hydroelectric potential. The services of an engineer are provided whose task is to follow and supervise construction work. The assistance complements a \$US 5 million World Bank loan.

68. Technical assistance is also being provided under the same project in the field of civil engineering. This is related to the major roads rehabilitation project financed by the World Bank at \$US 4.8 million. The cost of this project is \$US 185,165 of which \$US 136,165 is covered under the 1987-1991 programme.

69. Also in support of the expansion and improvement of the country's infrastructure, UNDP is currently funding the services of two United Nations Volunteers (one quantity surveyor and one architect) who are supporting the Ministry of Works in the design and execution of construction schemes. The total cost is \$US 68,780 of which \$US 47,850 fall under the 1987-1991 programme.

(b) New projects

70. As a follow-up to activities carried out under the last country programme, emphasis has been placed on low-income housing. Technical co-operation is being sought for urban renewal and for the design and construction of affordable

low-income houses and apartments. In this connection technical assistance is needed to strengthen the Housing Unit and to identify the available local and foreign financial resources from which housing loans can be provided to the low income group. The estimated cost is about \$US 230,000 from UNDP and UNCHS.

71. Assistance is also required to carry out an evaluation and updating of the health plan and effect improvements in hospital health services. PAHO will provide support for the development of a community-based mental health programme as well as for the increased use of health education techniques.

Other activities supportive of the Government's development efforts

72. In accordance with its decision to utilize this country programme as the instrument for the co-ordination of technical assistance from all sources, the Government wishes to include in this document other technical assistance needs, especially in the sector of education, which are supportive of its development thrust. Donors will be approached to provide support for this purpose.

C. Unprogrammed reserve

73. The sum of \$US 13,335 has been set aside for unforeseen contingencies.

Annex

FINANCIAL SUMMARY

I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

A. <u>UNDP-administered sources</u>	\$	\$
Third cycle IPF balance	30 000	
Fourth cycle IPF	1 265 000	
Subtotal IPF		1 295 000
Special Measures Fund for Least Developed Countries	-	
Special Programme Resources	-	
Government cost-sharing	180 000	
Third-party cost-sharing	300 000	
Operational funds under the authority of the Administrator	-	
UNDP special trust funds	-	
Subtotal, UNDP non-IPF funds		480 000
B. <u>Other sources</u>		
Funds from other United Nations agencies or organizations firmly committed as a result of the country programme exercise (FAO, PAHO/WHO, UNICEF, UNFPA, UNIDO, UNCHS):		
(i) Firmly committed	449 000	
(ii) Additional funds required	846 085	
Parallel financing from non-United Nations sources:		
(i) Firmly committed	747 259	
(ii) Additional funds required	1 363 500	
Subtotal, other sources		<u>3 405 844</u>
TOTAL ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING		<u><u>5 180 844</u></u>

II. USE OF RESOURCES

Ongoing projects	1 530 424	
New project proposals	3 637 085	
Programmed reserve	-	
Subtotal, programmed resources		5 167 509
Unprogrammed reserve		<u>13 335</u>
TOTAL USE OF RESOURCES		<u><u>5 180 844</u></u>