



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

Distr.
GENERAL

DP/CP/TCI/2
10 November 1986

ORIGINAL: ENGLISH

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

PROGRAMME PLANNING

COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

SECOND COUNTRY PROGRAMME FOR THE TURKS AND CAICOS ISLANDS*

<u>Programme period</u>	<u>Actual resources programmed</u>	<u>\$</u>
January 1987-December 1991	IPF for 1987-1991	822 000
	Balance from third cycle	9 515
	Other resources programmed	165 500
	Total	997 015

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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; and (e) distribution of new country programme by sector.

I. DEVELOPMENT TRENDS, STRATEGIES AND PRIORITIES

1. The Turks and Caicos Islands, a colony of the United Kingdom, is currently experiencing a period of constitutional reform. Until the Constitution was amended on 24 July 1986, the islands were largely self-governing. Direct rule was then established as an interim measure. The Governor of the islands is now responsible for the administration of the colony with the assistance of an Advisory Executive Council.

2. These developments have taken place as a result of the recommendations of a Royal Commission which examined various aspects of the administration of the public sector. More recently, a Constitutional Commission under the chairmanship of a distinguished West Indian jurist has been charged with the responsibility of recommending the most appropriate constitution for the future administration and government of the islands.

A. Current economic trends

3. The economy of the Turks and Caicos Islands is characterized by a high degree of openness and import dependence. The population of 9,000 relies almost totally on imported goods, except for fresh fish and small quantities of agricultural and light manufactured goods. External resources, in particular United Kingdom development aid, are required for financing operations and investment in both the private and public sectors. The vulnerability of the economy is further aggravated by insufficient numbers of qualified nationals necessary to support the required infrastructure, together with its inability to retain qualified nationals.

4. As each of the four main islands, Grand Turk, South Caicos, Providenciales and North Caicos, has unique characteristics, immense difficulties are experienced by the administration in implementing strategies which are designed to co-ordinate integrated development. Agriculture, a declining sector because of an arid climate and a shortage of water, is concentrated on only two islands and caters mainly for local consumption. Recurrent expenditure in 1985 was estimated at \$US 12.9 million, while revenue was \$US 12.4 million, with United Kingdom development aid estimated at \$US 2.5 million, an increase of \$US 1.5 million over 1984. Total imports in 1984 reached \$US 26.3 million, while exports were \$US 2.9 million. The tourism sector recorded significant growth in 1985, largely because of the influence of the Club Mediteranee Vacation Village and the new international airstrip on Providenciales. This 260-room vacation complex, completed in 1984, opened a 100-bed extension in 1985. Total visitor arrivals in 1985 reached 29,206, an increase of 11,933 over 1984.

B. National development strategies

5. The Government is now in the final stages of preparation of its National Development Plan, expected to be completed before the end of 1986. Major contributions to this work are the results of the ongoing UNDP/United Nations

Centre for Human Settlements (UNCHS) project in physical planning, which is providing the basis for development of policies, programmes and legislative support systems to facilitate the expansion of economic activity. In this respect, a major parallel study on tourism development by United Kingdom consultants points to the future expansion of the industry and foresees major infrastructural developments. The upgrading of the islands' civil aviation sector is central to these projected developments, and upgrading and refurbishing of runways and continued training of personnel are key prerequisites to future growth of tourism.

6. Within the context of tourism development, preliminary studies have been completed, detailing recommendations for the protection of the natural environment, and strategies determined for its protection and enhancement. Additional work, both ongoing and completed, has been done in the areas of building codes, salina reclamation, urban designs and transport, while land policy and urban finance studies are planned.

7. The islands' fisheries resources are being rapidly depleted because of over-harvesting, bad management practices and inability to enforce protective regulations. Against a policy background of private sector development, the Government foresees continued UNDP collaboration in fisheries, along with that of other non-governmental organizations now focusing on the assessment of both fisheries and marine resources. Regulatory practices will be improved.

8. Lack of surface-water resources and uncertainty in the quantity and quality of groundwater are a major constraint to development. Continuing improvement of the quality, conservation of the quantity and expansion of existing distribution systems for the islands' groundwater are of priority concern, and earmarked as major areas for continuing UNDP assistance.

9. Ongoing work will be pursued in the upgrading of the colony's electricity services, and there are plans for an undersea cable linking the islands of North Caicos and Providenciales. Central to these developments is the Government's policy of privatization of the electricity supply system.

10. As expansion of the colony's economy continues, skills acquisition and improvement within a human resource development policy are of crucial importance. Further upgrading and improvement of the primary and secondary education system is planned as well as increasing the number of nationals in all sectors who can benefit from further training.

C. Technical co-operation priorities

11. The Government's technical co-operation needs have been determined by relating the development priorities already stated, which are being included in the National Development Plan, to the capacity of the colony to meet these goals over the short and medium term. One of the priority areas which has emerged from ongoing discussions with the Government, is the need for United Nations system experts and consultants to assist in policy formulation and the implementation of plans and strategies. In this respect, the requirements which emerge from the physical

planning project are of vital importance. These include the need for determining guidelines for the implementation of recommendations which flow from this planning; adaptation of the South Florida and other building codes in order to regulate the local construction industry; collection of ecological data in order to provide a framework for an environmental and shorefront development policy. In addition, external technical assistance is required for study and recommendations on co-ordinated fisheries and marine resources development. The national resource gap in these important areas indicates the needs to be addressed by UNDP resources.

12. Education is a second important area of attention within the human resource development framework. Structural weaknesses in the primary and secondary systems, together with proximity and easy access to the North American mainland, create conditions which make availability of skills in all sectors difficult and the retention of skills even more so. By judicious use of United Nations system resources, assistance is foreseen in the restructuring of the education system, particularly in the areas of curriculum reform (with emphasis in technical and vocational skills), training of teachers, and the management and administration of the system.

13. In the health sector, similar human resource difficulties are experienced and the Government's increased emphasis on the preventive, rather than curative aspects of health care creates a demand for increasing the number of skilled personnel at all levels and greater decentralization of services in the six inhabited islands. The identification of suitable locations for training, and the devising of on-site training programmes are some of the areas in which UNDP assistance has been requested.

D. Aid co-ordination arrangements

14. Aid co-ordination in the Turks and Caicos Islands is carried out by the Chief Secretary's office. Experience gained during the third cycle will be drawn upon in the fourth. The ongoing physical planning project has allowed for complementary activities in the development of studies between the British Development Division (BDD) and the UNDP, while collaboration with the Canadian authorities financed an Industrial Arts Workshop that permitted the use of UNDP resources to provide training fellowships for the instructor who will head the workshop. Consultation with the United Nations system organization such as the International Labour Organisation (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Pan-American Health Organization of the World Health Organization (PAHO/WHO), the United Nations Children's Fund (UNICEF) and the United Nations Fund for Population Activities (UNFPA), with offices which are responsible for the Turks and Caicos Islands, are formalized within the inter-agency framework, and efforts at harmonizing regular programme resources and the IPF have been moderately successful. During the fourth cycle, technical co-operation among developing countries (TCDC) will be intensified and closer integration sought between national activities in the area of marine resource development and the subregional science and technology project.

II. THE COUNTRY PROGRAMME

A. Assessment of current country programme

15. A major achievement of the third cycle programme has taken place within the framework of the physical development planning project, which aimed to devise physical development policies, plans, and programmes, as well as legislation and regulatory support systems. These in turn were to set the stage for economic growth in which all residents of the Turks and Caicos Islands could participate and benefit, while at the same time minimizing potential negative social impact and damage to the fragile eco-system.

16. To date, substantial progress has been made in producing a national plan as well as individual island plans. Urban designs have been drawn up; planning legislation and regulations drafted; and studies of offshore finance and conservation undertaken, the latter including work on a primer on the ecology and its preservation as well as dissemination of the findings through public education workshops. Most important, progress is well underway in drawing up an integrated five-year capital investment programme that comprises project identification, costings including recurrent budget implications and proposals as to sources and methods of financing.

17. Further, in several key infrastructure support areas, notably health and education, Turks and Caicos islanders have been steadily trained in such areas as public and community health, epidemiology, midwifery, and also in the preparation and introduction of revised curriculum materials.

18. While the third cycle programme met its basic goals and objectives of establishing the basis for the development of national policies and plans and the training of nationals in several sectors, three main problems were experienced in implementation. First, in the delivery of fellowships, there were difficulties in identifying candidates with the required entry qualifications for external training institutions. This problem, particularly acute in the health sector, is further exacerbated when remuneration for similar jobs is compared with salaries in neighbouring countries. Fellowships are seen by recipients largely as a stepping stone to relocation.

19. A second hindrance was in the limitations of Government's recurrent budget to support third cycle projects, coupled with relatively few suitably qualified counterpart staff holding posts in the establishment. The sub-regional water resources project suffered particularly from this drawback and although it achieved its objective of assisting in the rationalization of the water supply systems, there was no counterpart engineering staff available to benefit from the project's work and experience. Similar circumstances were encountered in the education project, where it was found that limitations in numbers of counterpart staff did not permit deriving maximum benefit from the consultants who worked on the project.

20. The physical planning project made significant and important contributions to the Government's planning capabilities, and the gains achieved will be accelerated during the fourth cycle. Immense communication difficulties, however, were

experienced between Jamaica and the Turks and Caicos Islands, increasing administrative delays and contributing, in some cases, to untimely delivery of outputs. This third constraint has been addressed and systems for its improvement have been established. Project resources are being earmarked to improve communication with the islands.

B. New programme proposal

21. In order to maximize the impact of UNDP resources and to improve management of the fourth cycle programme by achieving a closer integration of United Nations system resources with those of the Government, three main areas of activity have been chosen in order to complement and strengthen the efforts foreseen in the National Development Plan. These areas are Development of policies and improvement of infrastructures; Export promotion; and Human resource development.

I. Development of policies and improving infrastructure

Physical planning

(a) Ongoing project

22. Within the framework of the National Development Plan, as well as the work on tourism development, the ongoing UNDP/UNCHS project will continue into the fourth cycle. Expansion of the economy is expected to generate growth in building and construction, finance, the retail trade and personnel services. The new phase of the project for which the sum of \$US 192,500 has been allocated will therefore be geared to concluding the work designed to provide a sound basis for making investment decisions; establishing and maintaining building and construction standards; rationalizing the social services and the foundation of infrastructures; addressing the need for the protection of the environment; recommending legislation and the development of land-use controls and estimating the cost implications which would result from implementing these new measures.

(b) New project

23. Subsequent to the damage of Hurricane Kate in late 1985, UNDP Special Programme Resources of \$US 165,500 are being made available to undertake rehabilitation and simultaneously to adapt building codes and train construction workers and inspectors in disaster-resistant techniques. Benefits from these efforts will be shared through the collaboration of the Pan-Caribbean Disaster Prevention and Preparedness Programme with other Caribbean islands by means of training workshops early in the fourth cycle.

Marine resources policy and programmes

Ongoing project

24. Given a weak resource base and the vulnerability of the economy, the island's marine resource potential must be assessed urgently so that clear indicators emerge concerning environmental protection issues and potential contributions to economic development. In addition, there is need for increasing public awareness of the fragility of the marine environment and the absolute necessity for good management practices. The ongoing project with an estimated fourth cycle budget of \$US 25,000 will be closely linked with another export promotion initiative in fisheries development.

25. The project's objective is to extend the marine inventory now being developed by the Fisheries Department, as well as by other non-governmental institutions such as PRIDE (Protection of Reefs and Islands from Degradation and Exploitation) and the Smithsonian Institute. In addition to addressing policy concerns such as marine pollution and coastal erosion, the project will examine concrete issues such as the rational exploitation of fish and other marine organisms as a means of increasing foreign exchange earnings; development of new resources in the extended areas of national jurisdiction; rational management of the coastal zone in support of the tourist industry; formulation of marine policy in accordance with national goals and capacities in marine affairs and the cost and benefit of the actions recommended. This project will develop linkages with the regional initiatives in marine resource development foreseen under UNDP's science and technology project for the Caribbean. Further training and other research activities will also be undertaken with the Bermuda Biological Research Station and the University of the West Indies Marine Sciences Unit.

Water resources development

New project

26. The Turks and Caicos Islands are composed mainly of limestone with an average rainfall of between 25 and 27 inches annually. There are no surface rivers. Water supplies have been derived mainly from the collection of rainwater from roofs. There appear to be limited fresh water lenses in three islands, while in three others only catchments are possible. Since 1984, the Government has taken over the water system previously operated by the United States Government, comprising three large storage tanks of 1.2 million gallons capacity, as well as a desalination plant of 20,000 gallons per day. Faced with limited manpower, the Water Department will be assisted during the fourth cycle by training and upgrading skills of national staff; rationalizing various components of the existing system; undertaking exploratory hydrological work; quantifying the extent of existing brackish water resources, recommending cost-effective methods of introducing dual water supply systems and salt water flushing; assisting the physical planning project in the drafting of appropriate water legislation and continuing the preparation of water projects for local and external financing.

27. The proposed project, budgeted at \$US 100,000, will be further assisted through the provision of technical expertise and advice under the regional project, Water Resources Development in the Caribbean (RLA/82/023); intra-regional collaboration using more sophisticated systems as locations for training and attachments; participation in the International Hydrological Programme of UNESCO and making fuller use of TCDC opportunities. The project will also assist in the preparation of a Water Development Plan to the year 2000 and beyond.

Establishment of statistics department

New project

28. As the work of the physical planning project progresses, there is an increasing need for statistics to assist economic and physical planners as well as to serve the needs of private developers and potential investors. There is first the requirement to improve the present collection of data, its storage, retrieval and dissemination. Resources will be made available to assess the current state and availability of statistics and recommend short-term cost-effective improvements. This initial work will pave the way for the establishment of a Statistical Office; the legal requirements; the ranking of the various surveys to be undertaken and their precise purposes and costs, as well as the institutional arrangements for the systematic collection of data.

29. This project, with an allocation of \$US 91,000, will make recommendations as to the technological options available, assess capacities and implement training programmes to upgrade existing skills. It will also work closely with the Caribbean Development Bank, the Economic Commission for Latin America and the Caribbean (ECLAC) and other regional institutions and international organizations. Linkages will also be strengthened with UNFPA in order to utilize opportunities for conducting demographic training in the Caribbean.

II. Export promotion

Fisheries development

New project

30. The colony's fishing industry, based mainly on lobster and conch, is unique in the Caribbean. Its great strength is that the industry is centred around a sophisticated and well-organized processing sector which is privately owned. Its weakness is that all recent indications show that deficient management practices and overharvesting have led to the depletion of the resource. The industry provides about \$US 3 million in direct economic benefits from the sale of the catch, processing salaries, licence fees and export duties. An additional \$US 3.8 million worth of product is exported annually and indirectly contributes to the economy.

31. The industry provides 100 per cent of the colony's visible exports and is the major source of employment outside of the Government, employing over 300 fishermen. Distribution of seafood for local consumption is informal and poorly organized, and the growing tourist industry is served by a network of individual

fishermen. The proposed project, for which \$US 80,000 has been allocated, will review the present system for the implementation of existing fishing legislation, aimed particularly at reducing poaching and increasing the Government's revenues; reorganization of the fisheries statistics in a retrievable manner and recommendations and costings of a system of automatic data processing and the training of local staff; upgrading of the Fisheries Department and the inclusion in its mandate of responsibilities to carry out sampling of all landings which do not go through the processing plants.

32. Together with PRIDE and the Smithsonian Institute, the project will design a community information network to increase fishermen's awareness of the industry's value and the management practices to be followed to ensure its protection.

III. Human resources development

Educational development

New project

33. Given the direction of the economy in the immediate future, emphasis is being placed in the development of the islands' human resources to ensure that the primary and secondary school systems are able to educate young people sufficiently to benefit from further specific skills training. Building on the achievements of the ongoing UNDP/UNESCO Education project, the proposed fourth cycle initiative, for which the sum of \$US 64,115 has been allocated, will carry out an action-oriented sector review aimed at critically examining the objectives of the system and the management practices of the Department of Education.

34. The review will evaluate the relevance of the curricula; recommend adjustments to ensure a more result-oriented system which provides good grounding in pre-vocational studies. Following the review, the project will implement specific measures for the more efficient utilization of existing recurrent expenditures. In close collaboration with BDD, and utilizing the results of the UNDP/UNESCO/International Labour Organisation (ILO) Multi-island Education project in the Eastern Caribbean, the project will determine and implement the precise ways in which the curriculum could be reformed to strengthen the mathematics and science base of primary schoolchildren.

35. The project will also develop a system for the preparation of indigenous supplementary and other reading texts, along with their production and distribution. Resources are also foreseen for the strengthening and expansion of the Educational Resource Centre and the devising of skills-upgrading training programmes for teachers.

Development of health services

Ongoing project

36. The Government is now considering a draft five-year plan prepared by the health administration. In addition to recommending capital resources for refurbishing and upgrading physical facilities, the primary thrust of the plan is to concentrate resources in primary health care and the preventive aspects of health management. Consequently, a priority area of action is the improvement of existing skills in order to maintain a system of decentralized health services to the six inhabited islands. However, the major constraint to human resource development is the inability to retain staff after training and the low level of remuneration for national health personnel.

37. Another constraint is the relatively few entrants into the field who have the minimum academic qualifications to permit entry into external training institutions. The principal objectives of the ongoing project, for which the sum of \$US 113,700 has been allocated during the fourth cycle, is to provide not only short-term consultancies in the various disciplines, but also work as on-the-job resource persons; to devise intensive in-service training courses designed to upgrade the skills of workers presently engaged in the health sector; to provide advice on cost-effective methods of decentralizing the system and to examine with the Government possibilities for improving the conditions of service.

38. The ongoing work of United Nations system organizations, in particular PAHO/WHO, UNICEF and UNFPA will, as far as possible, be integrated into project planning to ensure maximum complementarity.

C. Unprogrammed reserve

39. With a view to continuous programming and to meet needs that may well arise within the context of the new administration of the Turks and Caicos Islands, the sum of \$US 165,200 is being earmarked as an unprogrammed reserve.

Annex

FINANCIAL SUMMARY

I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

<u>A. UNDP-administered sources</u>	<u>\$</u>	<u>\$</u>
Third cycle IPF balance	9 515	-
Fourth cycle IPF	822 000	-
Subtotal IPF		831 515
Special Measures Fund for Least Developed Countries	-	
Special programme resources	165 500	
Government cost-sharing	-	
Third-party cost-sharing	-	
Operational funds under the authority of the Administrator	-	
UNDP special trust funds	-	
Subtotal, UNDP non-IPF funds	-	<u>165 500</u>
<u>B. Other sources</u>	-	
TOTAL ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING	-	<u><u>997 015</u></u>

II. USE OF RESOURCES

Ongoing projects	331 200	
New project proposals	500 615	
Programmed reserve	-	
Subtotal, programmed resources		831 715
Unprogrammed reserve	165 200	<u>165 200</u>
TOTAL USE OF RESOURCES		<u><u>997 015</u></u>
