PROGRAMME PLANNING

Country and intercountry programmes and projects

REGIONAL PROGRAMME FOR ASIA AND THE PACIFIC, 1987-1991*

<table>
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<th>Programme period</th>
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* Detailed listings of projects and other related data prepared as part of the intercountry programme exercise are available on request. These listings include: (a) ongoing projects; (b) proposed projects; (c) distribution of resources by objective; (d) distribution of new intercountry programme by sector; (e) co-financing and cost-sharing generated by the third intercountry programme.
I. DEVELOPMENT TRENDS, STRATEGIES AND PRIORITIES

A. Current economic trends

1. The fourth cycle regional programme was prepared taking into account general economic trends within the region that may influence the programme during the rest of the 1980s.

2. Though there were variations in individual performance, the countries of the Asia and Pacific region were in general able to weather the 1980-1983 recession satisfactorily. Improvements in plan and policy formulation, as well as prudent investment, financing and adjustment decisions placed most countries in a good position for recovery. Since 1982, there has been an overall increase of 9.4 per cent in trade among developing countries throughout the world and the Asian countries were able to increase their share of total exports to other developing regions. Moreover, there was increased trade among Asian countries with a growth of intraregional trade of 3.4 per cent.

3. Despite gains made in trade among developing countries, there was an overall deceleration of world trade in 1985, leading to a drop in growth rates in the region, especially in the South-East Asian economies. The demand for manufactured exports from developing countries fell and commodity prices again became depressed, the latter adversely affecting the least developed and Pacific Island developing countries.

4. While the economic performance of Asia and the Pacific declined somewhat in 1985, the region continues to hold its place as an area of dynamic growth achieving impressive real gross domestic product (GDP) growth rates of 6 to 7 per cent per year. But this conceals substantial differences among countries. These recent average high growth rates were largely a result of strong economic performance of a few large countries, most notably China and India. Export-led economies in countries such as the Republic of Korea, Thailand, Malaysia and Singapore experienced difficulties in maintaining their rate of growth. Many other countries, especially those with low incomes, showed signs of deceleration.

5. In general, outward-looking policies of several Asian countries have produced higher growth rates and have improved their ability to adjust to external shocks. None the less, the growth of trade has been hampered by protectionism, particularly non-tariff barriers that work against the increased export of manufactures as well as agricultural and tropical products. An increased volume of trade would enable the developing countries to better service their external debt by expanding their exports rather than just reducing imports. The middle-income countries which have been able to achieve this - largely by maintaining competitive exchange rates and encouraging domestic savings through positive real interest rates - were better able to handle debt-servicing problems.

6. Efforts were made to raise domestic savings while increasing the flow of external capital. The countries able to perform well in this area were in a good position to avoid or minimize the effects of overborrowing. With respect to net capital inflows to developing countries of the region, prospects of significant
improvement during the next few years are not bright. Official development assistance (ODA) for example, is not likely to increase above existing levels, implying a decline in real terms.

7. Current and projected economic trends are influenced significantly by demographic changes in the region. Substantial declines in population growth have been achieved in a number of middle-income economies with a definite trend towards lower fertility. In some of the low-income countries, the birth rate has fallen, but barely enough to offset the decline in death rates. As a result of the high birth rates and declining mortality rates in the 1950s and 1960s, a large portion of today's population is of child-bearing age. Until this group completes its child-bearing years, overall birth rates will tend to remain high. Population growth of two per cent and above per annum indicates that job creation will be a formidable task for many years. For some countries and many rural families, high birth rates require that extra resources must go into subsistence agriculture just to keep pace with food requirements and to prevent further deterioration of the land to person ratio. Population growth also aggravates the organizational and administrative difficulties of managing urban growth. This is especially true in light of the fact that by the end of the century it is likely that 15 of the world's 25 largest cities will be located in Asia; they are each projected to have a population of 10 million or more.

8. Though economic progress is on the move, problems and challenges persist. The external environment facing the countries of the region is still uncertain and far from reassuring. The impact of the recovery on the developing countries has been found to be generally weaker, more uneven and less sustained. Though interest rates have declined, they still remain high. There is, then, no guarantee that the recovery will be long term. This in turn increases the concern about external uncertainties, especially for those economies that are or will be more open and likely to undergo significant economic structural changes, both in their internal and external sectors.

9. Even in those countries with more dynamic economies, the benefits of growth are not evenly distributed. This fact, coupled with the number of lower income countries where economic growth is sluggish, means there is considerable need and scope for external assistance, some of which should be aimed at increasing absorptive capacity. A comparative review of economic performance within the region dramatically reconfirms that success in development does not rest on the size of a country's natural resource endowment but rather on the degree of its effectiveness in mobilizing indigenous human resources to make the most effective use of contemporary technologies.

B. Technical assistance needs and priorities

10. The uneven pattern of economic performance in Asia and the Pacific is a reflection of the diversity in a region which contains more than half of the world's population and stretches from Iran and Afghanistan in the west to Samoa and the Cook Islands in the east - a distance of 10,000 miles. The region is characterized by a heterogeneous collection of countries varying in size (from Tokelau, with a population of 1,500, to China, with a population of more than...
1 billion), per capita income ($170 in Nepal, $21,140 in Brunei), culture, geography, climatic conditions, and political economy.

11. Given the size and disparate nature of the region, the identification for the region as a whole of a specific set of technical assistance priorities which match those identified for each country is not easily done. There are sectors such as agriculture or health which are given priority in all countries; however, a sectoral approach is of marginal utility in identifying technical assistance needs when, for example, the agricultural sectors in question are those for the Maldives and India — two countries in the same geographic subregion, but with very different technical assistance needs and priorities. Nevertheless, the choices for intercountry collaboration within the region and its subregions reflect patterns and strategies which make particular sense in a region with (a) exceptionally large masses of population yet to be utilized fully; and (b) the capacity to absorb and share technologies on a broad front.

Identifying needs and priorities

12. The programming process was launched in March 1985, when a letter containing a three-part questionnaire was sent to all Government development assistance co-ordinators and resident representatives throughout the region. In addition, it was sent to the Economic and Social Commission for Asia and the Pacific (ESCAP), all specialized agencies of the United Nations system, and intergovernmental institutions within the region, such as the Asia and Pacific Development Centre, the South Pacific Bureau for Economic Co-operation and the Asian Institute of Technology. This was done to solicit ideas and reactions to the current third cycle programme and to invite suggestions on the future direction of the intercountry programme, including areas of special interest. Replies were received from 29 of the 38 Governments, 22 of the 24 field offices, and from all 21 executing agencies and ESCAP. Furthermore, extensive consultations were also held with ESCAP, which is operationally the largest executing agency for the regional programme.

13. ESCAP, the executing agencies, international financial institutions and the regional intergovernmental organizations were requested for comments on the current programme, and those for the future, and were asked to identify the changing needs and technical assistance requirements for the region over the next five-year period within the framework of their various mandates. Parallel to this exercise, sector needs assessments were made in conjunction with major field evaluations of projects in trade, telecommunications, natural resources and energy.

14. From an analysing of the suggestions of Governments and resident representatives, the results of the field evaluation needs assessments and the sectoral analyses made by ESCAP and the agencies, there emerged a common thread: the interrelationship between technology transfer and human resources development, which is fully consistent with resolutions adopted by ESCAP. Within this common theme, there were three areas which received special attention: (a) the need to improve the management of development; (b) development activities relating to the private sector; and (c) community and grass-roots development, including the role of women and youth. The common theme and these three areas of special focus were contained in the note of the Regional Director which was prepared in October 1985 and distributed to all parties concerned.

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15. The transfer of technology is especially significant in a region that has been registering relatively rapid growth. In this vast and dynamic region, the potential is strong for continuing vigorous economic development through at least the remainder of the century, as its people strive for higher incomes, more goods and services, better health and the other benefits of greater affluence. While some countries may succeed in building up their growth rates slowly, others may continue to grow rapidly. The differences among the countries in levels of economic, social and technological development provides a setting whereby there are potential transferors and transferees of technology. Furthermore, many countries of the region have established advanced science and technology infrastructures with large numbers of skilled scientists, technologists and engineers.

16. It is recognized that technology cannot be transferred (or developed for that matter) without human resources development (HRD). The emphasis on building HRD capacity comes at a time when many countries of the region have developed their own training institutions and have produced increasing numbers of talented and skilled human resources for development, often with UNDP assistance at the country level. Moreover, the strong interest of the countries in maximizing the use of available resources has placed a premium on efforts to achieve skilful management and efficient implementation of national development programmes and projects. However, there is a need for specialized training on a regional basis, especially as the demands of development become more advanced and more complex. HRD is not simply a euphemism for training. Certainly, training is a key element most closely associated with the production function of enlarging and improving the pool of indigenous talent. Also required, however, is proper planning to determine how much talent of a particular type is required to meet an identified need. Moreover, the efficient organization and management of human resources is important. It is inefficient to produce more talent if the existing pool is not properly managed. Finally, some type of feedback or evaluation is required to determine whether or not the planned targets and intended purpose of human resources are being met.

17. The central theme of technology transfer with human resources development and the areas of special focus (development management, the private sector and grass-roots development) are not intended as mutually exclusive components or categories. Facilitating the transfer of technology through the improvement of the various facets of human resources development is a common element which will be found throughout the new programme, including the special focus areas.

Identifying project proposals

18. In addition to identifying the broad theme and areas of special interest for the programme, the same method was used for identifying projects. These methods differed from those undertaken in the past in that Governments and resident representatives were more directly involved in project identification rather than relying primarily on the use of programming missions. In all, there were 939 project suggestions for the new programme, 570 of which emanated from Governments and UNDP field offices. To this total should be added 55 project ideas identified at intergovernmental and regional meetings held during the previous two years.
19. The Regional Bureau was assisted by 15 independent technical experts and consultants in winnowing out the large number of proposals received. The screening process consisted of the following consecutive steps: (a) the suggestions were grouped by subject and measured according to the level of country support; (b) country proposals were matched with those made by the participating and executing agencies of the United Nations system; (c) during 1984 and 1985, full-scale field evaluations were made of 29 major projects, the combined value of which represented almost one third of all available regional indicative planning figure (IPF) resources (the results of these evaluations were an important input in the screening of the project proposals); and (d) proposals were screened against the overall programme objectives and themes contained in the Regional Director's note.

20. From the results of the screening process, a preliminary list of 159 project proposals was published in October 1985 and transmitted to the Governments, UNDP field offices and agencies. The countries were informed that the list was not intended as a final one because there would be the need to reduce it further to remain within available resources. The Governments and field offices were therefore requested to rank the proposals, based upon the development priorities of the respective countries, in order to reduce the list of projects to a leaner and more definitive size. The preliminary list was accompanied by the note of the Regional Director setting out the proposed thematic overview and objectives for the programme on which the Governments, ESCAP, and the specialized agencies of the United Nations system were requested to comment. Exclusive consultations were held during November and December 1985 with ESCAP and at the various agency headquarters with follow-up visits to the larger ones and ESCAP during the first quarter of 1986.

21. Between January and April 1986, ranking results were received from 36 of the 38 Governments and from all UNDP field offices in the region. In addition, extensive comments were received from ESCAP and 21 specialized agencies. Proposals were re-examined to determine the level of Government and field office support. In addition, the following factors were taken into account when analysing the list: (a) the geographical spread, ensuring a sufficient number of projects of interest to South Asia, East Asia and the Pacific; (b) the spread between large and small countries, as well as their general level of development, including projects specifically designed for the least developed countries (LDCs); and (c) the spread among sectors and agencies.

22. In February 1986, a meeting was held in Suva, Fiji, of the national aid co-ordinators of the Pacific Island developing countries, bilateral donors, ESCAP and the agencies with the purpose of indicating collective priorities for the various proposals impacting the Pacific. As a result of this meeting, five Pacific proposals were dropped from the preliminary list and one was added.

23. In March 1986, the ASEAN group of countries submitted a list of proposals through the ASEAN Secretary-General and Head of the ASEAN secretariat with headquarters in Jakarta. Following discussions with the ASEAN secretariat, a revised list was submitted in May 1986.
24. At its thirty-third session in June 1986, the UNDP Governing Council approved use of $6 million from the Special Programme Resources for the implementation of the Transport and Communications Decade for Asia and the Pacific designated in accordance with the resolutions of the General Assembly and the Economic and Social Commission for Asia and the Pacific. Projects specifically designed in support of the Transport and Communications Decade, most of which will be executed by ESCAP, are also included in the fourth cycle intercountry programme.

25. In summary, as a result of this second screening process, 26 of the 159 items contained in the original list of project proposals were eliminated and 13 new ones were added. The fourth cycle intercountry programme, which is the product of this year-long process was discussed and unanimously endorsed at a meeting of aid co-ordinators held in Bangkok in October 1986. In addition to representatives of the developing countries in the region, this meeting included the resident representatives, ESCAP, the specialized agencies and those bilateral donors which make substantial contributions to the intercountry programme. The intercountry programme for Asia and the Pacific for the fourth cycle thus represents the collective judgement of the Governments of the region, UNDP and the participating and executing agencies of the United Nations system. Additionally, there is full congruence between the priorities established by the Economic and Social Commission for Asia and the Pacific and the priorities of the intercountry programme.

II. THE INTERCOUNTRY PROGRAMME

A. Assessment of the previous intercountry programme

26. The same basic approach of soliciting suggestions and reactions from Government aid co-ordinators, resident representatives, ESCAP, specialized agencies and regional institutions employed in the identification of technical assistance priorities and projects was used in assessing the previous intercountry programme. In addition, an analysis was made of the results of the 29 major projects field evaluations. The assessment was made to identify those factors (both positive and negative) which have affected quality and effectiveness of the third cycle programme to use as a background for examining the new programme and the projects included therein.

Availability and use of resources

27. The illustrative IPF for the third intercountry programme was established at $296.1 million which, as a result of the overall resource constraints, was reduced to $162.9 million. Although the overall programme delivery rate for the first three years was measured at 77-78 per cent, year-to-year performance has been uneven, especially as regards the relatively low delivery rate of new projects. While some of the factors that have caused delays in the delivery of inputs are beyond the control of project management, it is equally clear that much scope exists for improved performance. In the case of new projects, significant improvements may be expected from thorough pre-implementation briefings of project management on guidelines and procedures and normal lead time involved in the procurement of the different types of project inputs, enhanced realism in work programmes and through improved monitoring of project performance. Steps have been
already taken to improve project performance and delivery by instituting a new financial management system in the Division for the Regional Programme. Moreover, efforts will continue to have more frequent and in-depth consultations with implementing agencies. With the attention being given to this problem by all parties concerned, prospects are good for continued improvements in the implementation of the intercountry programme.

28. The assessment showed that the third intercountry programme attracted co-financing and cost-sharing from recipient Governments, multilateral and bilateral donors, the private sector, agencies and others, for regional projects in the amount of $212.8 million, or $1.6 to each dollar provided by UNDP. Multilateral and bilateral donors were the major sources of co-financing and cost-sharing. Together, contributions from these sources came to $79.0 million, while contributions from recipient Governments and the specialized agencies of the United Nations system amounted to $62.0 million and $51.2 million, respectively. The contributions from the private sector were $11.3 million. A detailed account of the co-financing and cost-sharing generated by the third intercountry programme is available on request. It is expected that the new intercountry programme will attract co-financing and cost-sharing for regional projects at least to the same extent as in the third cycle period.

**Trends in project components**

29. With respect to the major components (personnel, equipment and training), there have been significant shifts since the first cycle programme started in 1972. The personnel component has decreased by almost one third since the first cycle, when it accounted for over 73 per cent of project expenditures, to 50 per cent. There have also been changes in the personnel component, with a greater use of short-term consultants as opposed to long-term experts and an increased use of regionally recruited experts, local consultants and United Nations volunteers. These trends are expected to continue in the fourth cycle programme.

30. The equipment component of the programme has always been comparatively small. In the third cycle, 12 per cent of resources was spent on equipment; in the second cycle, 17 per cent.

31. Since the first cycle, the training component share of resources has increased from 12 per cent to 26 per cent. In addition, there is considerably more training of the vertical type where skills are upgraded or improved, thereby moving the trainees to a higher level of competence, as opposed to horizontal training, where the focus is on exchange and dissemination of experience and information. In the new programme, the training component is expected to increase and continue emphasis on vertical training by focusing on the training of trainers and directing the training specifically towards improving identifiable technical skills.

**Institutional versus programme support**

32. For some years, the Regional Bureau has followed a policy of increasing programme support for projects while decreasing institutional support, i.e., funding the establishment and running of regional institutions and centres, including costs of administration and management. There has been a significant
decline in institutional support in favour of programme support in the third cycle. Of the total resources, only about 22 per cent was used for institutional support compared with almost 40 per cent in the second cycle. The policy of promoting this trend, which was endorsed by Government aid co-ordinators at the mid-term review meeting in 1984, will be pursued in the new cycle.

Networking arrangements

33. The assessment gives a clear indication of the increased attention in third cycle projects to networking arrangements, i.e., projects which use their resources in a decentralized way to help existing national institutions working in similar fields and to link them through arrangements for increased communication, consultation and co-operation to achieve common goals. The funding for such projects more than doubled from the previous cycle: from $8.5 million or 8.4 per cent to $24.8 million or 14.2 per cent.

Types of most effective projects

34. Among the numerous projects evaluated from 1984 through the first quarter of 1986, there were four groups or general types singled out as being especially effective, those dealing with: (a) technology transfer; (b) vertical training; (c) co-operative research and development; and (d) work at the community level and collaboration with non-governmental organizations.

35. Included in the first group were projects on remote sensing, offshore mineral resource surveys and industrial application of isotopes and radiation technology. In these projects, there was evidence of an appreciable transfer of identifiable technologies which were cost-effective and useful. For example, in the case of the isotopes and radiation project, commercial paper-processing operations have benefited from the nuclear control systems technology that was transferred under the project and which has lead to improved paper quality and a cost-effective operation.

36. Among the projects emphasizing the vertical type of training were the network of maritime training centres, Pacific telecommunications training, the Asia-Pacific Statistical Institute and the civil aviation training centres. With regard to this latter project, during the past eight years, 2,350 trainees from the region have received advanced and specialized training in 21 subjects, thus upgrading their skills in accordance with the world-wide standards of the International Civil Aviation Organization.

37. The project on the network of regional aquaculture centres represents a successful attempt to support co-operative research and development activities. It was found that as a result of this project, discernible impact is being felt, at the level of fish farmers, by transferring new or improved technologies through effective training and extension work. Furthermore, financial institutions have provided over $150 million for national activities undertaken by individual centres in the network. Other effective projects in this group are the Regional Agricultural Machinery Network, South Pacific Fisheries Development and Forest Industry Development for Asia. To date, this latter project has identified $300 million worth of potential investment follow-up.
38. The best example of effective work at the community level is the Domestic Development Service project, which involves United Nations volunteers who have helped develop a cadre of experienced Asian community practitioners to collaborate with Government and non-governmental organizations.

Lessons for the next cycle

39. The assessment confirmed that the overall effectiveness and impact of the programme was substantial and that valuable linkages existed between the regional programme and UNDP country programmes. It also identified certain programme and project deficiencies. Those problems most frequently identified by the Government aid co-ordinators and resident representatives include:

(a) Programme and project effectiveness was diminished by what was perceived as inequity caused by a disproportionate share of project benefits going to the host country instead of being more evenly distributed among the participating countries. It was felt also that effectiveness could be improved by limiting project participation to a smaller number of countries which share a common interest and a similar level of development;

(b) Lack of strong Government participation had in some cases adversely affected project relevancy;

(c) Some difficulties in timely implementation were experienced because of unrealistic work programmes, lack of essential inputs or too many participating countries.

40. To improve project effectiveness and impact, the fourth intercountry programme will be oriented towards achieving greater distribution by allocating the project resources to a larger number of locations rather than concentrating them at the project headquarters. Multi-based projects, rather than single host-based projects, will enable the programme to achieve this. Accordingly, there are a number of projects in the new programme based on this approach. Moreover, a greater effort will be made to use local talent and existing national institutions in carrying out regional projects, including universities, especially in regard to applied research and specialized training. As a further means of improving cost-effectiveness and distributional effect, there are a number of projects which involve collaboration with regional institutions.

41. A concentration of resources to assist smaller and more homogenous groups of countries with similar needs and problems will increase cost-effectiveness in the new programme.

42. Another means of enhancing programme and project quality is to make further improvements in the evaluation process. To this effect, evaluations of specific projects in the next cycle will be combined with an assessment of technical co-operation needs and opportunities within the general field of activity in which the project operates. This will be done to ensure that project focus and inputs are adjusted to changing requirements and priorities. Furthermore, for the same purpose, new training projects will not be instituted without a training needs survey.
43. A new initiative to improve programme quality will take the form of a special project, to be undertaken by a regional team, aimed at providing for periodic surveys and studies of selected development co-operation areas that may be of intercountry interest. It will also assist at sectoral and national levels in the planning, formulation and evaluation of development projects receiving technical assistance from external, multilateral and bilateral aid sources.

B. New programme proposal

Content of the new programme proposal

44. The new programme proposal consists of the following basic items:

(a) A total of 97 ongoing projects carried over from the 1982-1986 programme cycle and costed at $86,562,482, representing 40.6 per cent of programmable resources;

(b) A total of 108 new projects scheduled for initiation in 1987 and 1988 and costed at $83,537,650, or 39.2 per cent of programmable resources;

(c) A programmed reserve of $25,065,868 or 11.7 per cent of programmable resources, for which individual projects will be identified and formulated on the basis of specified objectives;

(d) A provision of $18,300,000 or 8.6 per cent of programmable resources, as unprogrammed reserve.

Programme focus and objectives

45. The objective of the programme is to promote activities geared to technology transfer and human resources development at the national, subregional and regional levels. Furthermore, the programme focuses on three areas of special interest, namely development management, private sector development and grass-roots development.

46. With this objective and focus, the programme is intended to address the issue of how resources can be used most effectively and efficiently, thus transcending the traditional substantive sectors, which identify where resources should be deployed.

Technology transfer and human resources development

47. Regardless of size, level of economic development or geographic location, most countries of the region perceive technology transfer as the core of development. At its forty-second session in April 1986, ESCAP adopted two resolutions endorsing a new Plan of Action on National and Regional Initiatives for Human Resources Development and its Technological Dimensions, reaffirming technology as having "a profound influence on social and economic development and human resources to be of critical importance for technological development".
48. Technology transfer and human resources development also have practical benefits in formulating and assessing the potential impact of projects. The focus on technology transfer is useful in defining more clearly the purpose of certain projects by identifying the specific technologies to be applied. The focus on human resources development is useful because it broadens the scope of attention beyond training for manpower production to the equally important functions of planning, management and evaluation which are required to make the most efficient use of the resources available.

49. UNDP serves as an intermediary for technology transfer. In certain cases, this will be a North-South transfer which is best illustrated in the ongoing Industrial Application of Isotopes and Radiation Technology project (RAS/79/061), which covers areas ranging from wire and wood coating to the sterilization of medical supplies and equipment. On the human resources development side of the ledger this project will broaden its scope in the next cycle beyond training at the technical level to the management of personnel, supplies and equipment in the industrial plants where these technologies have now been introduced.

50. Examples of South-South transfer include projects in aquaculture (RAS/76/003) and agricultural machinery (RAS/81/117). In both projects, effective mechanisms have been established during the third cycle for the collection and dissemination of technical information. In the next cycle, more emphasis will be given to in-country field trials and resource management.

51. There will be a family of new projects dealing with computer and information processing technology. These include training in integrated computer applications and computer-aided instruction, strengthening Government information systems through computerization, computer application in telecommunications, application of computerization in modern railway systems, improvement of trade information systems through electronic data processing and computer training and electronic data processing for public and private sector management in the South Pacific. Regarding the human resources development dimension of these projects, UNDP inputs will be used more for software rather than hardware aspects, meaning that more emphasis will be laid on the development of technological skills, know-how and management training.

52. Other projects intended to facilitate technology transfer through increased training in technical and management skills include the regionalization of the remote sensing project (RAS/81/034) to attract the sponsorship of bilateral donors developing the new generation of remote sensing satellites; the improvement of aeronautical communications facilities in South-West Asia; networking of test and development centres in telecommunications; development of technical expertise in the transport, handling and storage of dangerous substances in ship cargoes; genetics of planting superior tree species; assistance in developing low-cost dredging technology; and improving the safety and control of pollutants and toxic chemicals. The additional ongoing and new projects under the programme objective, which cover a variety of sectors, are given below.

53. In the transport and communications sector, there are continuing problems to be resolved despite the growth rate. The importance of the sector is highlighted
by the designation of the Decade for Transport and Communications for Asia and the Pacific, which commenced in 1985 by resolutions of the General Assembly and ESCAP. In rural development, there is a need to improve the rural road infrastructure. Railway systems need upgrading and modernization if traffic volumes are to be expanded. The rapid increase in the volume of the shipping of goods as well as changes in the type and size of ships used requires the highest level of expertise for navigation and management. Furthermore, there is a need for technical expertise in successful maritime transport, handling and storage of hazardous goods. The efficient operation of ports requires more effective utilization of existing facilities and the upgrading of pricing and investment analysis capabilities. Inland water transport systems must be improved. In postal services, the challenge of modernization involves the improvement of their quantitative and qualitative aspects. In civil aviation and telecommunications, the advent of fast changing technology carries with it the need for training of the required personnel and appropriate equipment selection consistent with investment capability. Accordingly, the transport and communications sector receives the largest allocation in the new programme and contains projects in every field mentioned above, including those which were specifically designed for implementation with allocations from the Special Programme Resources.

54. One problem shared throughout the region is the devastation caused by frequent tropical storms. There will be three projects in the programme to mitigate damage from such storms and to improve forecasting. Assistance will be continued to the Cyclone Committee in South Asia, to the Typhoon Committee covering East and South-East Asia, and a new project for the South Pacific will be added.

55. With respect to the natural resources of the region, the project on Regional Offshore Prospecting in East Asia (RAS/81/120) will promote the transfer of scientific knowledge and technology to member countries, while the project on Offshore Mineral Investigation in the South Pacific (RAS/81/102) will give increased emphasis to building up near-shore capabilities at the national level in exploration and coastal engineering, through field-oriented training. Both projects have received significant assistance from bilateral donors. Furthermore, the support to the Southeast Asia Tin Research and Development Centre (RAS/81/016) will shift focus to the areas of placer tin deposits, mining and slurry pump technologies and computer operations.

56. Assistance to technology transfer and human resources development in the transport and communications sector will be provided under a number of ongoing and new projects. Civil aviation services will be improved through assistance to the four Regional Civil Aviation Training Centres (RAS/77/039, 040, 041 and 042). A fifth such centre, in Pakistan, will be supported under a new project for advanced training in the application of micro-processing technologies for aviation. Under two new projects, training will be furnished to airline staff in operational safety and to support flight inspection and calibration in the less developed countries of the region. Assistance will also be provided for regional telecommunications planning. Moreover, support is intended for the introduction and development of cellular radio telephone systems in the Association of South-East Asian Nations (ASEAN) member countries. For the South Pacific island countries, regional telecommunications training (RAS/81/025) and development (RAS/81/026) will receive assistance.
57. In the education sector, support will continue for improving national education programmes through the network of the Asian Programme of Educational Innovation for Development (RAS/82/015). A new project will help teacher training institutions in the fields of mathematics, science and technology. The Pacific Islands will be assisted with the planning, management and administration of schools. Another Pacific project will assist in testing for tertiary education.

58. The most significant departure in the health sector involves a new approach to primary health care, which will be tied directly to the four World Health Organization (WHO) action programmes of diarrhoeal disease control, immunization, respiratory infections and essential drugs. Improved management at the district level for storing and distributing vaccines, oral rehydration salts and other basic drugs, will be the objective of another project.

59. In the agriculture sector, the project for Post-Harvest Technology and Quality Control (RAS/81/046) will assist a regional network of co-operating institutions in disseminating existing technology. Technology related to improved coconut production will continue to be disseminated under the project RAS/80/032. A new project will be launched for the Pacific island countries on improved utilization of coconut products. The spread of technologies used in the control of citrus greening disease will be promoted in a new project.

60. The project on Forest Industry Development (RAS/78/010) will continue to provide advice and guidance on the optimal utilization of currently lesser known and lesser used timber species, the gainful use of wood residues for energy and other purposes, and the development of rural forest industries. Work will also be done on bamboo- and rattan-based industries. A new project will consist of training and upgrading national staff in forest inventory.

61. In the fisheries sector, efforts aimed at improving the marketing of fish products will be supported in the INFOFISH project (RAS/84/027) which is assisted by major bilateral donors. A new project will focus on technologies for seafarming development and demonstration.

62. UNDP assistance to the Asia and Pacific Centre for Technology Transfer (RAS/84/025) will continue to promote technology utilization by means of collecting and disseminating specialized technology information. A new regional project will provide a framework for specific technology arrangements (South-South or North-South) that may be agreed upon by interested countries, through the provision of ad hoc consultancies for pre-feasibility studies, technical advice, and short attachments abroad for the selection and study of needed technologies. The ASEAN countries will receive assistance in anti-pollution technologies.

63. Basic and advanced specialized knowledge of intellectual property will be imparted to selected groups from the public and private sectors, and a nucleus of highly trained professional specialists will be developed at tertiary institutions in the region (RAS/81/085).

64. Human resources development in the trade sector will be promoted by assistance for national training in the field of maritime transport (RAS/84/007) and in the effective utilization of the generalized system of preferences (RAS/84/023). A new
project will provide training in export promotion. Existing training institutions for the foreign trade sector will be strengthened through the training of trainers and development of teaching material. In addition, a new project will help in the transfer and development of trade-related technologies in the LDCs.

Areas of special focus

Development management

65. In response to an increased awareness of countries throughout the region of the importance of improved macro-management to achieving national self-sustained growth, another development objective of the programme will be assisting countries to better plan and manage their own development. However, development management projects are not confined only to the planning and administration sector; there are others in fields such as agriculture, health and education, where the management aspects are of crucial importance, making it a truly cross-sectoral activity.

66. There are a number of development management projects included in the proposed programme, ongoing as well as new ones. There will be programme support to the Asia and Pacific Development Centre (RAS/84/018) for activities in public administration and management, a project on an interlinked country model system for economic forecasting (RAS/81/098), and assistance in the preparation of water supply and sanitation projects (RAS/81/001). A project to assist countries in the development of related skills and national capabilities for planning and management of watershed programmes will be introduced in the proposed programme. A continuing project relates to urban finance and management training (RAS/86/081).

67. Assistance will also be furnished to the Asia and Pacific Statistical Institute (RAS/84/008), with new emphasis on in-country statistical training. Skills of middle- and senior-level statisticians in conducting, processing and analysing household surveys will be upgraded (RAS/81/096). There will be a series of regional training workshops and continued assistance to institutions of higher learning on transnational corporations (RAS/81/087). Multidisciplinary training and ad hoc consultancies for LDCs will be continued (RAS/81/076).

68. New projects in this area include:

(a) One focus on programme support to existing national institutions to strengthen the data base and national capacity in HRD research, planning and policy formulation;

(b) Two major projects which will focus on assistance for studies on selected areas of development co-operation and support to training in development assistance management and co-ordination. UNDP will also help to improve Government information systems in the region;

(c) An umbrella project to assist interested countries in the fields of debt management and structural adjustments;

(d) A project to help build country-level capability in areas ranging from environmental impact assessment to infrastructure investment.
69. Improvement in the management and operation of postal services will be assisted on a Technical Co-operation among Developing Countries (TCDC) basis and by qualified United Nations volunteers. Management planning of postal services in LDCs will also be supported during the fourth cycle.

70. Advisory services and seminars will be supported in order to increase the efficiency of ports through adequate pricing policies and upgrading investment analysis capability.

71. Assistance will also be supplied to interested countries in strengthening health management techniques, including policy analysis, plan formulation and programme evaluation. In another project, efforts will be made to develop the financial planning and management capacity of ministries of health.

72. Technical and managerial training in quality control of essential pharmaceutical supplies will be promoted by means of TCDC in the ASEAN countries.

73. Another project using TCDC will seek to strengthen the capacity of national institutions in the technical and managerial aspects of food marketing systems.

74. A project is proposed to undertake selective studies of urbanization problems, training of urban managers, high level seminars and preparation of urban development projects for possible external assistance.

75. Assistance will be provided in the form of advisory services and seminars to interested countries in helping to prepare for the new round of multilateral trade negotiations.

76. In the case of the Pacific island countries, specific projects focusing on development management have also been included in the proposed programme. For this purpose, UNDP will continue to assist the countries in meeting urgent and specific development needs according to their plans, programmes and projects of economic and social development through the use of quick action consultancies (RAS/83/015). UNDP will also give support to Governments in enhancing fish production, management and distribution through a major project in which all island developing countries will participate (RAS/85/004).

77. Several new projects are also being proposed for the Pacific countries. First, computer training and assistance in electronic data processing will be provided. They will be assisted also in facilitating the preparation of agricultural censuses and surveys, as a basis for future agricultural policy and development decision-making. Another project will provide support for national development planning officers.

78. UNDP assistance to ASEAN will include support for financial institution management, foreign exchange policy, transnational banks and public enterprise pricing.
Private sector development

79. The focus on assistance to the private sector is a reflection of a noticeable trend in a number of countries of the region toward more open economies and increased privatization of activities. Through its decision 84/4, paragraph 17 (1984), the Governing Council welcomed the Administrator's initiatives to "strengthen and broaden the Programme's efforts to assist Governments, strictly in accordance with their priorities and expressly at their wish and with their consent, through collaboration with the private sector".

80. Among the ongoing projects focusing mainly on the private sector, under which assistance will continue to be provided, is the Industrial Application of Isotopes and Radiation Technology (RAS/79/061).

81. For the proposed programme, the scope of activities oriented to the private sector will be increased through several new projects. Under an umbrella project, assistance will be provided to encourage private sector involvement in heightening the impact of the programme in this respect.

82. It is also proposed to:

(a) Assist in developing the potential for increased exports by small and medium scale enterprises in developing countries of the region;

(b) Strengthen export capacity through training in export packaging technologies;

(c) Promote trade-creating joint ventures;

(d) Assist Pacific island development banks in the preparation and assessment of feasibility reports. Such banks have received credit lines from the Asian Development Bank, as a prime mode of the Bank's support to the private sector;

(e) Provide short-term, in-plant training attachments in small- or medium-scale industries, for the benefit of supervisors and workers in these industries and foster workers' education, vocational guidance and skills upgrading;

(f) Aid in the establishment of a Regional News Market Service, in order that export-oriented production be developed more efficiently and the returns from such exports increased; and

(g) Make available advisory services for foreign direct investment.

Grass-roots development

83. While it is recognized that grass-roots development falls within a country context, there are, nevertheless, parts of the intercountry programme that can be useful and effective, especially with regard to strengthening the role of women and youth. The projects that will focus on women and youth are not designed simply to
treat the topic generally but rather to pinpoint substantive areas (especially at a community level) where women and youth are primarily involved and to provide assistance to ameliorate their special problems.

84. The ongoing projects, to be continued in the proposed programme, which cover the regional programme's activities in this area are: RAS/82/016, Technical Assistance to Domestic Development Services and Youth Organizations in Asia; RAS/81/080, Integrated Atoll Development, designed to assist integrated rural development in atolls; RAS/81/044, Assistance to Small Farmers for Farming Systems Development; and RAS/79/121, Support to Small Farmers in the Himalayan Region engaged in livestock and crop production, with improved pasture and fodder.

85. A new major multi-sectoral project will focus on ways in which the talent of women can be more effectively tapped in fields of activity in which they play a major role, such as agriculture, health, education and industry. Another project will be developed to enhance the participation of women in agricultural credit and marketing. The ASEAN network on vocational training for women will also receive support.

86. Another new project to assist Pacific Domestic Development Services with special focus on problems affecting youth will be included during the new programme. In addition, a youth self-employment promotion programme is proposed, with UNDP providing technical inputs, training support, travel funds, etc., while Malaysia, Japan and possibly the Arab Gulf Fund may co-finance the international youth centre in Kuala Lumpur.

87. UNDP will furnish assistance for demonstration and training in applied agricultural research and demonstration in satellite stations located in rural areas, at provincial and district levels, with half of the funding devoted to food crops and the other half to cash crops.

88. UNDP will also be assisting provincial and district health care clinics and centres to carry out demonstration and testing activities, thus supplementing attention to health needs at the grass-roots level.

Subregional co-operation

89. There are some development needs which, by their very nature, are of concern to all or most countries within a geographic subregion. Several projects with a subregional focus have been mentioned previously because they illustrate the linkage between technology transfer and human resources development and in addition, typify an area of special focus. A subregional grouping of projects is not intended as an additional programme objective but rather as a modality for improving impact and cost effectiveness.

90. In this section, additional projects are mentioned to illustrate the subregional dimension of the programme. For example in South Asia, livestock are vulnerable to rinderpest, hence there will be a new project to control and eradicate this disease. Additional projects in agriculture and forestry which have a special South Asian focus include Himalayan pasture and fodder development,
highland watershed management, coarse grains and farming systems. There are additional projects for this subregion in other fields such as tourism planning and improvements in aeronautical communications.

91. In South-East and East Asia, there are several projects which have a subregional dimension. For example, Malaysia, Thailand and Indonesia are major tin producers. Short-term consultancies and training assistance will, therefore, be extended to them via the South-East Asia Tin Research and Development Centre. One of the best and most widely recognized examples of subregional co-operation is the project on river basin development for the Mekong. This project, which has attracted substantial external funding over the years, will provide continued programme support in the new cycle. Other projects of interest to East Asia include sea farming, vegetable research and protective measures against mosquitoes and filariasis.

92. In addition to projects mentioned above, and with a view to strengthening the efforts of the Association of South-East Asian Nations (ASEAN) in promoting subregional co-operation, the programme contains a separate ASEAN component, as in the past.

93. The most extensive use of a subregional grouping to focus intercountry assistance is found in the programme component for the Pacific Island developing countries. Among these small countries, which are spread across one sixth of the surface of the globe, it is often more effective to treat common country needs by a subregional approach rather than by exhausting the resources of the individual country programmes, which, in any event, would not be sufficient to cover such a broad range of technical assistance needs. In fact, the third cycle intercountry programme allocation for the Pacific is larger than the combined UNDP Pacific country programme IPFs. This will remain the case in the new programme, which contains 29 projects for the Pacific, covering virtually all substantive sectors.

94. Another important component of the programme is the group of projects specifically designed to cater to the special needs of the increased number of LDCs. Examples of such projects include strengthening of postal services, improving transit and transport facilities, ad hoc training and advisory services, and the transfer of trade-related technologies.

Programmed reserve

95. Under the programme objective of Technology Transfer and Human Resources Development, $25,065,868 has been allocated, for which detailed project proposals across the various substantive sectors remain to be worked out. Activities to be carried out in support of the objective are to be selected from the pipeline list of projects comprised of those proposals submitted by Governments and agencies which could not be accommodated in the initial programme, or from new ideas. However, of the total amount allocated to the programmed reserve, $9,937,456 has been earmarked for activities within the areas of special focus: Development Management - $6,797,300; Private Sector Development - $1,423,000; and Grass-roots Development - $1,717,156.
Aid co-ordination arrangements and linkages

96. There is an obvious need for effective co-operation and co-ordination with bilateral and multilateral institutions to minimize overlapping and duplication and to optimize the use of resources. Responsibility for such co-ordination cannot be pinned down to any particular Government, as is the case with country programmes.

97. The first meeting of Government aid co-ordinators in Asia and the Pacific (MAC I) was held in 1981 to discuss the form and content of the third intercountry programme prior to its approval by the Governing Council. In 1984, a second such meeting (MAC II) took place to conduct a mid-term review of the programme. For the new intercountry programme, a separate meeting for the Pacific Island developing countries was held in February 1986, which was followed in October 1986 by the region-wide meeting of Government aid co-ordinators (MAC III). Aside from providing an opportunity for Governments to discuss the intercountry programme, these meetings, in which major bilateral and multilateral institutions, UNDP resident representatives, ESCAP and specialized agencies participate, constitute an effective co-ordination mechanism for technical assistance at the regional and subregional levels.

98. The intercountry programme is implemented with the active participation of UNDP resident representatives, serving as principal project representatives, in the countries where the regional projects are located. This arrangement also contributes to reinforcing co-ordination between the national and regional programmes.

99. In light of the fact that most development assistance - from UNDP and other funding sources - is provided at the country level, efforts have been made to ensure that intercountry activities complement rather than duplicate country-level projects. For example, there are a number of cases where it is useful to undertake multi-country activities which bolster efforts carried out through national projects and institutions at the national level. Illustrative of such projects are proposals in the new programme, including the Network of Aquaculture Centres, Teacher Training in Science and Technology, Computer Training and Software Development, Control Measures for Citrus Greening Disease, Primary Health Care, Strengthening Intellectual Property Systems, the Regional Remote Sensing Programme and the Regional Network for Agricultural Machinery.

100. In order to determine potential complementarity between regional project proposals and country projects, a computer analysis was made of 1,957 ongoing and pipeline UNDP country projects to determine their relationship to the new intercountry programme proposals. This was done to identify the following: (a) country-level institutions that may be used on a regional basis; (b) similar development needs among countries which cannot be met by the country programmes but might be covered for the sake of efficiency by a regional project; and (c) country projects which can be complemented and bolstered by an intercountry project in the same field of activity.

101. As a result of this analysis, linkage points have been identified and taken into consideration in a number of ongoing projects and offer promising possibilities in new ones. The following are but a few examples which illustrate this point:

...
(a) The four lead centres in China, India, Thailand and the Philippines, which are the core institutions in the regional aquaculture network, have received considerable assistance in the past through the respective country IPFs. They are now assisted through the regional IPF to share their expertise in training and applied research with other Asian countries and are further strengthened by doing so.

(b) A number of country-level agencies involved in remote sensing, with previous or current assistance through the country programmes are now expanding their capabilities through the regional remote-sensing project.

(c) There are 23 country-level education projects with combined UNDP inputs of almost $28 million involved in some facet of teacher training. Needless to say, these projects and the institutions to which they are attached, will be examined carefully in formulating the new intercountry project which will introduce new teaching techniques in science, mathematics and technology.

(d) There are 37 country projects assisting computer centres and services with UNDP inputs of more than $37 million. Here again, the institutions involved will be used, to the extent possible, for a new regional project on computer applications and programming.

102. In concluding this section, note should also be made of co-ordinating efforts between the Regional Bureau and the Division for Global and Interregional Projects (DGIP) to enhance complementary funding. The best examples of such efforts are in the fields of marine fisheries, aquaculture, agricultural research, diarrhoeal disease control, immunization, the market news service and maritime training. In many cases whereas DGIP is involved in global policies and programmes, the intercountry programme takes a further step by concentrating on related problems of particular interest to the countries in the region. For example, there is a global programme supported by the World Bank, WHO and DGIP which carries out surveys and research to control the five major tropical diseases. The new programme contains projects on malaria and diarrhoeal disease control designed to cover training needs for the implementation of the broader programme.

C. Unprogrammed reserve

103. An unprogrammed reserve in the amount of $18,300,000 has been provided in the regional programme, for activities/projects which may be identified in the future within the scope of the approved programme, or for unforeseen activities for new priorities which may emerge during the course of the fourth intercountry programme.
## Annex

### FINANCIAL SUMMARY

## I. ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING

### A. UNDP-administered sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Third cycle IPF balance</td>
<td>$24,000,000</td>
</tr>
<tr>
<td>Fourth cycle IPF</td>
<td>$182,720,000</td>
</tr>
<tr>
<td>Subtotal IPF</td>
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<tr>
<td>Special Measures Fund for Least Developed Countries</td>
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</tr>
<tr>
<td>Special programme resources</td>
<td>$6,000,000</td>
</tr>
<tr>
<td>Government cost-sharing</td>
<td>-</td>
</tr>
<tr>
<td>Third-party cost-sharing</td>
<td>-</td>
</tr>
<tr>
<td>Operational funds under the authority of the Administrator</td>
<td>-</td>
</tr>
<tr>
<td><strong>UNDP special trust funds:</strong></td>
<td></td>
</tr>
<tr>
<td>(i) Add-on funds (Third cycle balance)</td>
<td>$436,000</td>
</tr>
<tr>
<td>(ii) Australian Development Assistance Bureau (ADAB) Trust Fund (Third cycle balance)</td>
<td>$300,000</td>
</tr>
<tr>
<td>Subtotal, UNDP non-IPF funds</td>
<td>$6,736,000</td>
</tr>
</tbody>
</table>

### B. Other sources

- Funds from other United Nations agencies or organizations firmly committed as a result of this intercountry programming exercise: -
- Parallel financing from non-United Nations sources: -

Subtotal, other sources: -

**TOTAL ACTUAL RESOURCES TAKEN INTO ACCOUNT FOR PROGRAMMING:** $213,456,000

## II. USE OF RESOURCES

<table>
<thead>
<tr>
<th>Resource</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing projects</td>
<td>$86,562,482</td>
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<tr>
<td>New project proposals</td>
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</tr>
<tr>
<td>Programmed reserve</td>
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</tr>
<tr>
<td><strong>Subtotal, programmed resources</strong></td>
<td>$195,156,000</td>
</tr>
<tr>
<td>Unprogrammed reserve</td>
<td>$18,300,000</td>
</tr>
</tbody>
</table>

**TOTAL RESOURCES (Programme + Reserve)**: $213,456,000