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PROGRAMME PLANNING

Country and intercountry programmes and projects

FIFTH COUNTRY PROGRAMME FOR SRI LANKA

Note by the Administrator

I. THE PROGRAMMING PROCESS

1. The formulation of the fifth country programme for Sri Lanka began in early 1990 and involved the External Resources Department of the Ministry of Finance, the focal point for development assistance in the Government, as well as the Ministry of Policy Planning and Implementation, which is responsible for drawing up the five-year national plan and comes directly under the President.

2. The preparatory process itself spanned a period covering approximately 18 months, from March 1990. Between March 1990 and March 1991, a number of sectoral review missions were fielded from the principal specialized agencies of the United Nations system under funding from UNDP. These were in the areas of tourism, civil aviation, industry, education, science and technology, agriculture, forestry and fisheries, rural employment and vocational training, management development, and human settlements. Extensive consultations involving the substantive sectoral ministries of the Government, the World Bank and the International Monetary Fund (IMF), and also bilateral aid organizations accompanied each of these missions. At the same time, consultations were held with the resident United Nations agency team, comprising the Food and Agriculture Organization of the United Nations (FAO), the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), the United Nations Population Fund (UNFPA), the International Labour Organisation (ILO), the United Nations Industrial Development Organization

(UNIDO) and the World Food Programme (WFP), on potential areas of collaboration in the next country programme. In mid-1990, a senior international consultant was also engaged to assist in assessing, at a macro-level, the experience to date of technical cooperation provided through UNDP, and in facilitating an exchange of preliminary ideas among the Governments, UNDP and the donor community on possible areas for technical cooperation.

3. The above process, in which the Government was a very active partner, provided the basis on which the advisory note was prepared and submitted to the Government in February 1991. Further consultations with the Government confirmed the validity of the proposed policy framework and strategy contained in this note. A series of intensive meetings between the UNDP field office and virtually every sectoral ministry in the Government took place in May 1991 to give operational expression to the main themes and sub-themes that had emerged and which are now embodied in the fifth country programme.

II. ANALYTICAL COMMENTARY ON THE COUNTRY PROGRAMME

4. The Government of Sri Lanka has proposed four main themes as a basis for programming UNDP assistance under the fifth country programme:

Theme I - Consolidation of an outward-looking, open market economy;

Theme II - Improvement of public sector management of the development process;

Theme III - Human development and poverty alleviation;

Theme IV - Management of natural resources and the environment.

5. The Administrator is of the view that the overall strategy adopted for the use of UNDP resources is appropriate, namely, to target critical deficiencies in institutions and gaps in skills in the public, non-governmental and private sectors, and also to provide direct, objective policy support within the main themes and sub-themes identified for UNDP assistance in the next country programme. UNDP assistance will have as its ultimate objective the creation of capacities within and outside the Government to help it realize its own development plans. It should further be noted that the programme contains measurable indicators of success at the level of the four principal themes which, while they should be treated with caution in view of the fact that UNDP assistance is only one player in a complex picture, nevertheless add precision to the themes and focus for management of the programme.

6. In the Administrator's view, the proposed themes for the fifth country programme respond closely to the Government's development needs and priorities as reflected in its development policy framework:

(a) The Government's emphasis on promoting economic growth through the consolidation of an outward-looking, open market economy and its intention of generating employment opportunities thereby, tackles the greatest deficiency in the country's development strategy to date;

(b) As regards reform of the public sector, there is widespread recognition in the country that this is an essential complementary process to opening up the economy and stimulating private enterprise. Redefining the purpose and scope of public sector management, and restructuring the public sector accordingly, represent a major challenge in Sri Lanka, as elsewhere. It is also, in the Administrator's view, a particularly appropriate focus for UNDP technical cooperation, since it involves policy development, capacity building and institutional change;

(c) Sri Lanka has long had progressive policies with respect to health and education and this is reflected in its high human development index (HDI) ranking in the 1991 Human Development Report when compared with other developing countries of a comparable gross national product (GNP) per capita level. Moreover, it manifests a commendable and tangible commitment to tackle poverty and employment directly, by means of targeted programmes, as well as indirectly through economic growth. The country has a long history of commitment to human development and this, of course, represents an appropriate focus for UNDP assistance.

(d) As regards sustainable management of the country's natural resources, the Government has a record of awareness of such issues, has published a national conservation strategy and a national environmental action plan and has prepared an unusually detailed national report for the forthcoming United Nations Conference on Environment and Development (UNCED). All of these were prepared through a broad-based consultative process, in which there was active NGO participation. The fifth country programme is clearly intended to assist the Government to build on this fine foundation.

7. The fifth country programme also reflects the areas of focus enunciated in Governing Council decision 90/34. In the Administrator's view, the Government of Sri Lanka is fully committed to addressing these issues. Some of these - such as poverty eradication, grass-roots participation, environment and natural resource management, and management development - find expression in the themes and sub-themes selected for the country programme. The other areas of focus, technical cooperation among developing countries (TCDC), transfer and adaptation of technology, and women in development - cut across the programme as a whole. Thus, for example, the 1991 Human Development Report indicates that Sri Lanka's gender-sensitive HDI is lower than its overall HDI, confirming that much work still needs to be done in this area. All programmes and projects in Sri Lanka will therefore be subjected to the gender analysis during formulation and throughout implementation. Similarly, TCDC is firmly embedded in Sri Lanka's mode of programme implementation and a facility will be provided in the fifth programme to foster this further.

8. The country programme document notes that there continues to be a civil war affecting one third of the island, in the north and east. It further notes that, owing to this, normal development work cannot be undertaken in that part of the country for the time being. The programme, however, contains a clear commitment to bring this part of the country into mainstream development programmes as soon as possible and includes provision for a continuation of the rehabilitation and reconstruction programme which was started in the fourth cycle and which is now maintained in a state of readiness, to be reactivated when circumstances permit. In the meantime, normal development work is being undertaken in the rest of the country.

III. MANAGEMENT OF COUNTRY PROGRAMME IMPLEMENTATION

9. Within the thematic framework of the fifth country programme, UNDP resources will be managed jointly with the Government in a flexible, rolling manner. This flexibility will be necessary in order to respond to the dynamic economic and political setting in Sri Lanka. Each of the main themes represents a coherent strategy for intervention which is more sharply focused in the sub-themes. The country programme will be in a state of transition from an essentially project-focused effort; however, there will be a mix of projects and programmes under each of the themes.

10. The country programme will be reviewed annually together with the External Resources Department of the Ministry of Finance and the Ministry of Policy, Planning and Implementation, particularly to review the extent that the objectives of the various themes and sub-themes are being achieved and in relation to the performance indicators specified for each theme. Specific programmes and projects within the themes will be subject to established UNDP monitoring and evaluation procedures. Sectoral reviews will be undertaken, as needed, with assistance of the United Nations specialized agencies, in order to update the programme in terms of changing conditions and priorities within sectors and also to keep abreast of the activities of partner bilateral and multilateral aid organizations, as well as NGOs. Aid coordination is essentially a prerogative of the Government, and UNDP assistance will be aimed at further strengthening the capacity of the Ministries of Planning and Finance, as well as within the major sectoral ministries, to assume a leadership role in such activities.

11. The Government supports the modality of national execution, and wishes to see an increasing number of UNDP activities executed in this way, while at the same time maintaining a substantive partnership with the specialized agencies of the United Nations. In this connection, UNDP assistance will be directed first to strengthening a capacity for national implementation of UNDP inputs, through training designed to enhance the management of UNDP projects and programmes by national project directors and, secondly, through building up a unit in an appropriate entity of the Government to provide policy coordination and guidance in this area. It should be emphasized, however, that national management of all UNDP-supported projects and programmes is a long-standing characteristic of the Sri Lanka programme.

IV. RECOMMENDATION

12. In summary, the fifth country programme for Sri Lanka reflects the Government's priorities for the use of UNDP resources in support of its development priorities and objectives. The fifth country programme also reflects the areas of focus contained in Governing Council decision 90/34.

13. On the basis of the foregoing, the Administrator recommends that the Governing Council approve the fifth country programme for Sri Lanka.
