



**UNITED NATIONS
ECONOMIC AND SOCIAL COUNCIL**

26592
Distr.: GENERAL

E/ECA/CN.15/35
12 January 1989

Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA

Tenth meeting of the Technical
Preparatory Committee of the
Whole

Addis Ababa, Ethiopia
27 March - 3 April 1989

Item 9 of the provisional agenda*

ECONOMIC COMMISSION FOR AFRICA

Twenty-fourth session of the Commission/
Fifteenth meeting of the Conference of
Ministers

Addis Ababa, Ethiopia
6 - 10 April 1989

Item 8 of the provisional agenda**

**SEVENTH PLEDGING CONFERENCE FOR THE
UNITED NATIONS TRUST FUND FOR AFRICAN DEVELOPMENT (UNTFAD)**

**PROGRESS REPORT ON THE UTILIZATION OF
UNTFAD RESOURCES IN 1988 AND 1989**

* E/ECA/TPCW.10/1.

** E/ECA/CN.15/1.

The first part of the document
 discusses the general principles
 of the proposed system.
 It is intended to provide a
 clear and concise overview
 of the key concepts and
 objectives of the project.
 The following sections will
 describe the detailed
 implementation and the
 expected results.

The second part of the document
 details the specific components
 and the workflow of the system.
 This section includes a
 comprehensive list of the
 tasks and responsibilities
 assigned to each team member.
 It also outlines the timeline
 and the milestones for the
 project.

The third part of the document
 provides a summary of the
 findings and conclusions.
 It highlights the key
 achievements and the
 challenges encountered
 during the process.
 The final section discusses
 the future work and the
 potential for further
 improvements.

I. STATUS OF PLEDGED CONTRIBUTIONS AND THEIR PAYMENTS

1. The United Nations Trust Fund for African Development (UNTFAD) was established in June 1976 by the Secretary-General of the United Nations on the request of the legislative organs of the Economic Commission for Africa.

2. The initial purpose of creating UNTFAD was to give African Governments the opportunity to reaffirm their commitment to the policy of collective self-reliance by making voluntary contributions which would provide the ECA secretariat supplementary resources for the implementation of its programme of work.

3. In 1982 however, the thirty-seventh session of the United Nations General Assembly, considering the special measures required for the social and economic recovery of Africa, has expressed deep concern at the continuing low level of economic activities in Africa and the devastating effects of the current world economic crisis on the particularly vulnerable economies of the countries of the African region. Among the measures it envisaged to assist Africa, the General Assembly adopted resolution 37/139 which, inter alia, invited all member countries of the United Nations as well as international institutions to provide substantial and sustained levels of resources for the effective implementation of the Lagos Plan of Action and to contribute to UNTFAD.

4. Since the establishment of UNTFAD, six pledging conferences have been held during which contributions have been pledged and subsequent payments made as follows (in United States dollars):

	<u>Pledges</u>	<u>Payments</u>
Lagos, April 1977	2,960,981	2,940,901
Rabat, March 1979	2,285,762	1,762,570
Freetown, April 1981	1,790,750	1,070,756
Addis Ababa, April 1983	1,833,240	1,596,749
Addis Ababa, April 1985	2,151,605	1,576,102
Addis Ababa, April 1987	<u>449,650</u>	<u>110,641</u>
Total	<u>11,482,001</u>	<u>9,057,799</u>

5. The total amount of \$US 11,482,001 contributed to UNTFAD over the years includes pledges made not only by African countries but also paid-up pledges by China \$US 51,020; Columbia \$US 1,000; Cyprus \$US 1,100; the Federal Republic of Germany \$US 280,000; India \$US 1,350,000; the African Development Bank \$US 250,000; the ECA Staff Association \$US 40,000 in response to the appeal by the United Nations General Assembly to the entire international community.

6. Regarding the actual payments made from the pledges to UNTFAD, the situation is as follows (in \$US):

(a) Countries/institutions that have paid the total amount of the contributions they pledged

1. Algeria	500,000
2. Burkina Faso	1,775
3. Cape Verde	2,000
4. Egypt	901,428

5. Ethiopia	87,882
6. The Gambia	5,000
7. Ghana	114,877
8. Lesotho	38,872
9. Mauritania	31,742
10. Mauritius	30,000
11. Somalia	30,000
12. Sudan	50,000
13. Swaziland	1,776
14. Tunisia	107,320
15. Uganda	11,902
16. Zambia	140,000
17. China	51,020
18. Federal Republic of Germany	283,000
19. Columbia	1,000
20. ADB	250,000
Total	<u>2,642,594</u>

(b) Countries/institutions that have paid only a part of the contributions they pledged

<u>Country</u>	<u>Total pledge</u>	<u>Amount paid</u>	<u>Amount due</u>
Benin	51,000	40,500	10,500
Botswana	39,000	34,000	5,000
Burundi	54,815	32,903	21,912
Cameroon	497,669	341,659	156,010
Central African Republic	33,052	24,927	8,125
Congo	113,333	86,508	26,825
Chad	20,000	-	20,000
Gabon	131,052	110,000	21,052
Guinea	62,043	61,043	1,000
Guinea-Bissau	1,521	595	926
Kenya	347,688	210,683	137,005
Liberia	55,000	15,000	40,000
Libyan Arab Jamahiriya	630,000	530,000	100,000
Mali	50,000	4,346	45,654
Morocco	1,000,000	200,000	800,000
Niger	36,529	10,000	26,529
Nigeria	2,191,509	1,876,361	315,148
Rwanda	105,000	90,000	15,000
Senegal	165,407	159,407	6,000
Sierra Leone	100,000	57,375	42,625
United Republic of Tanzania	920,000	605,395	314,604
Togo	58,820	58,170	650
Zaire	649,767	596,767	53,000
Zimbabwe	134,202	104,366	29,836
India	1,350,000	1,149,199	200,801
ECA Staff Association	40,000	15,000	25,000
Cyprus	2,000	1,000	1,000
Grand total	8,039,407	6,415,205	2,424,202

(c) African countries that have so far not made any contribution to UNTFAD

7. The countries listed in this category are: Angola, Comoros, Côte d'Ivoire, Djibouti, Equatorial Guinea, Madagascar, Malawi, Mozambique, Sao Tome and Principe and Seychelles.

8. It should be noted that as at 30 November 1988 the total contributions effectively paid partially or totally to UNTFAD have produced interests amounting to \$US 2,051,418. Part of this additional income has been programmed for developmental projects.

II. UTILIZATION OF UNTFAD RESOURCES

9. During the period 1988-1989 UNTFAD resources utilized to finance project activities amounted to \$US 1,900,270 from the balance of prior year contributions, from the payments effected in 1987 and 1988 and from part of the accumulated interests accrued under UNTFAD accounts in general.

10. It is worth mentioning that for the period under review the ECA secretariat has made a very cautious use of UNTFAD resources. This was necessary bearing in mind not only the tremendous challenges of the collective responsibilities of African Governments in the implementation of the United Nations Programme of Action for African Economic Recovery and Development (UN-PAAERD), adopted in June 1986 by the General Assembly, but also the fact that recent pledges to UNTFAD have declined significantly owing in part to the scarcity and paucity of resources of the African countries as well as the financial crisis which the entire United Nations system has been undergoing in recent times. Given the above austere considerations, the Executive Secretary of ECA has established a committee which he personally chairs the objective of which is to thoroughly examine all projects proposed for financing under extrabudgetary resources entrusted to ECA, especially UNTFAD.

11. It is within this instrument that funds could be released from UNTFAD resources to finance the following operational projects related to the ECA programme of work and priorities.

A. Agriculture

1. Study of women in food production in West Africa (ARE/001/43)

12. This project aims at conducting an in-depth analysis of African women's role in food production. A report will be produced providing recommendations on how to develop programmes that would enhance the contribution of women to agricultural and rural development.

13. The project is estimated at \$US 10,000.

2. Regional Workshop on Pastoralists (ATF/001/48)

14. The Workshop, preceded by a study tour, is to improve efficiency in the implementation of rural projects with the aim of increasing the income of little resource-poor pastoralists.

15. The estimated cost of the project is \$US 30,015.

E. PADIS (ATF/001/37)

16. In order to meet the expert cost of the PADIS computer operations which was not financed by any donor, a provisional amount of \$US 130,000 has been provided from UNTFAD resources while efforts are being made to secure another funding source.

C. Natural resources

Information Bulletin for Water Resources Development (ARF/001/47)

17. This project has the objective of providing information to member States on new developments in the field of water resources through compiling computer files on ECA's water-related activities, merging of files and illustrations, producing and distributing a final bulletin in English and French. The cost of the project is \$US 11,496.

D. African Training and Research Centre for Women (ATRCW)

18. A total allocation of \$US 55,698 was made to enable the Centre to undertake in Burundi, Rwanda and Zaire activities aimed at enhancing the role of women in the development process.

E. Economic integration activities undertaken by the MULPOCs

1. Niamey MULPOC (ATF/001/38)

19. The objective of this project is to provide on a temporary basis the administrative support needed to enable the MULPOC to cope with the processing of documentation related to its operational activities. A sum of \$US 37,855 is allotted for this purpose.

2. Lusaka MULPOC (ATF/002/36)

20. This project has the same objective as the project for the Niamey MULPOC.

21. An amount of \$US 130,000 is spent to provide administrative backstopping to some of the MULPOC's operational activities.

3. Yaounde MULPOC (ATF/002/33)

22. A total amount of \$US 255,255 is provided to the MULPOC to enable it not only to cater for administrative support requirements of projects but also to undertake a study on non-recorded border trade among countries of the Central African sub-region.

4. Gisenyi MULPOC (ARF/002/44)

23. This project was designed to enable the MULPOC to undertake important substantive activities, including the preparation of specific studies on:

- (a) Production, conservation and distribution of maize;

(b) Development of small-scale industries: preparation of project profiles and organization of an intergovernmental meeting of experts;

(c) Industrial rehabilitation programmes: identification and evaluation of needs and requirements in the production of spare parts;

(d) Establishment of a subregional research centre on building materials and construction;

(e) Establishment of engineering consultancy services in CEPGL;

(f) Multimodal transport and the use of containers;

(g) Co-operation in the field of international freight and haulage;

(h) Interconnection of electrical networks.

24. A total amount of \$US 275,000 is earmarked for the above programmes.

B. Industry

1. Engineering industry development programme

25. This project is designed for providing assistance to African countries in the development of their core engineering industries such as metal and machineries and tool making.

26. The total amount is estimated at \$US 350,000.

2. Promotion of small-scale industries in the African region

27. The objective of this project is to provide assistance to small indigenous industrial entrepreneurs in selected African countries through a directory of project profiles on small-scale industrial operations and the organization of a study tour to India to enhance their knowledge and experience in small-scale industrial operations.

28. A total amount of \$US 401,000 is earmarked for the project.

3. Promotion of chemical industry (ATF/001/03)

29. The project aims at promoting the establishment of chemical industries in Africa through advisory services and the preparation of project profiles.

30. An amount of \$US 114,150 is earmarked for the implementation of this project.

4. Chemical industry development programme (ATF/002/24)

31. The objective of this project, which is complementary to the one above, is to assist member States and intergovernmental organizations in the promotion of

identified multinational chemical industries projects and to foster co-operation among member States in the implementation of such projects.

32. An amount of \$US 99,180 was allotted for the implementation of the project.

III. PRESENT SITUATION OF UNTFAD RESOURCES

33. ECA financial statements show under UNTFAD accounts as of 31 December 1988 an overall positive balance. The breakdown of such balance is as follows (in \$US):

(a) General fund

Balance as at 01 January 1988	800,024
Deposits January-December	47,334
Interest earned and credited January-June 1988	<u>17,281</u>
Total	<u>864,639</u>
Deductions due to commitments/payments	<u>(914,643)</u>
Balance as at 31 December 1988	(50,004)

(b) UNTFAD Specific Fund

Balance as at 01 January 1988	2,439,047
Deposits January-December 1988	11,159
Interest earned and credited January-June 1988	56,006
Prior year adjustments	55,143
Deductions due to commitments/payments	<u>(283,730)</u>
Total	<u>2,277,625</u>
Less deficit on UNTFAD General Fund	<u>(50,004)</u>
Grand balance as at 31 December 1988	<u>2,227,621</u>