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COMMONWEALTH FUND FOR TECHNICAL CO-OPERATION

Paper prepared by the Commonwealth Secretariat

In May 1967, senior Commonwealth officials held a meeting in Nairobi and worked out a programme for technical co-operation amongst the various member countries of the Commonwealth. This programme operated for three years and was financed largely on a bilateral basis by developed Commonwealth members. Under the programme, a small headquarter's staff of experts undertook technical assistance assignments in most developing Commonwealth countries, and further assignments were carried out under third party financial arrangements. Thus for example, Canada financed a Statistician from Ceylon to work in Cyprus and Britain financed an expert from Ghana for a mission in Botswana.

Proposals for the creation of a multilateral aid fund to replace the largely bilateral Commonwealth Programme for Technical Co-operation, were considered in 1970 at a meeting of senior Commonwealth Officials in Cyprus. This meeting led to recommendations being made to governments that such a fund, to be known as the Commonwealth Fund for Technical Co-operation (CFTC) should be established when a majority of Commonwealth member governments had agreed to participate and when financial contributions amounting to £250,000 had been pledged. Commonwealth Heads of Government at a meeting at Singapore in January 1971 approved the concept of the Fund, and when the conditions were met it was formally constituted on 1 April 1971.

The Fund is truly multilateral in character with all Commonwealth countries contributing on a voluntary basis. The bulk of the finance for the Fund is being provided by the Canadian and British governments under a form of matching contributions, but all developing countries of the Commonwealth are contributing to the Fund. Contributions to the Fund can be made in convertible or non-convertible currency.

Assistance from the Fund is available to any member of the Commonwealth, any State associated with a member of the Commonwealth, any dependent territory of any member of the Commonwealth, and any Commonwealth inter-governmental organization or agency.

There are three major programmes under which technical assistance is being given:

- I. General Technical Assistance Programme. This programme covers the following fields:-
 - (a) Planning, including manpower and educational planning and sectoral analysis, as well as plan implementation;
 - (b) Preparation, appraisal, execution and evaluation of developmental projects;
 - (c) Statistics, finance, tourism, transport and public administration;
 - (d) Taxation and development of resource-based industries;
 - (e) Regional and sub-regional co-operation in a variety of fields; and
 - (f) Activities related to the foregoing.
- II. Export Market Development Programme. This programme embraces all market research and technical assistance aspects of export market development.
- III. Education and Training Programme. This is aimed at supplementing all existing Commonwealth schemes of co-operation in education and training in the following fields:-
 - i. Agricultural development including forestry and fisheries.
 - ii. Education: teacher training, teaching/learning techniques, educational planning and administration.
 - iii. Industrial development: including the construction industry and small-scale industries.
 - iv. Monetary and fiscal development.
 - v. Natural resources: exploitation and assessment.
 - vi. Public and business administration.
 - vii. Social development: health and social welfare.
 - viii. Trade development.

- ix. Transport and communications.
- x. Youth services and activities.
- xi. Others: development planning, statistics.

Since inception, the Fund has broadened its scope considerably. Not only have more and varied technical assistance projects been financed under the general technical assistance programme, but the export market development programme has been initiated (approval was given in September 1971), and the education and training programme is being developed into a comprehensive and effective programme.

A particularly noteworthy feature of the Fund's method of operation is its ability to respond promptly to urgent requests on occasion through the use of experts maintained on the headquarter's staff. The majority of Fund projects are, of course, carried out by experts engaged under contract to the CFTC for short or long term periods as required.

Overall policy direction of the Fund is provided by a Board of Representatives consisting of one representative from each participating government. Between meetings of the Board, policy guidance is provided by an eleven-man Committee of Management, chaired by the Commonwealth Secretary-General. A Managing Director is responsible for conducting the day-to-day operations of the Fund, together with supporting staff to carry out the assessment and execution of projects brought about by the continuing expansion in the Fund's activities.

The Commonwealth Fund for Technical Co-operation is a developmental Fund. In this respect the Fund is very much concerned with priorities in the overall economic and social development of countries and ensuring that the projects it undertakes will effectively contribute to the national development goals of its members. Economic development requires the investment of resources and, therefore, poses economic problems of scale, priorities, costs and benefits. On the other hand, economic development influences and is influenced by physical and social development. The objectives of the Fund are aimed at improving the developmental foundations of Commonwealth developing countries and meeting their physical and social needs within the framework of their resources and potentials and the resources available through bilateral and other multilateral channels.

At the present time the Fund has resources of approximately £900,000.