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International Organizations and Programs



Congressional Presentation Fiscal Year 1985

United States International Development Cooperation Agency

INTERNATIONAL ORGANIZATIONS AND PROGRAMS
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INTERNATIONAL ORGANIZATIONS AND PROGRAMS (IO AND P)

PROGRAM SUMMARY (In millions of dollars)		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
\$269.5	\$317.8	\$241.8

This appropriation will support certain voluntarily-funded development, humanitarian, and scientific assistance programs of the United Nations (UN) and the Organization of American States (OAS). U.S. contributions provide the basis for U.S. efforts to improve the effectiveness and influence the substantive direction of these important multilateral programs. The levels of U.S. contributions to these programs are important for maintaining significant U.S. influence in the UN and the OAS regarding other matters as well. U.S. support for these programs can help stabilize and improve our existing relationships and blunt the attacks of adversaries regarding general political and economic issues within these multilateral organizations. In addition, U.S. opposition to technical assistance and other forms of program growth in the regular (assessed) budgets would be severely undermined in the absence of continued substantial U.S. contributions to UNDP and other voluntarily funded development assistance activities.

More than 80 percent of the requested funds are for three major UN programs - the UN Development Program (UNDP), the UN Children's Fund (UNICEF), and the International Fund for Agricultural Development (IFAD). U.S. contributions to the International Atomic Energy Agency (IAEA), the UN Environment Program (UNEP), the UN Capital Development Fund (UNCDF), the Organization of American States (OAS) Development Assistance Programs and other smaller UN programs represent significant but more specialized assistance funded by this account. Funding is requested for one new initiative in the account, the UNIDO Investment Promotion Service Office in New York, whose purpose is to train investment promotion officers from developing countries and to support their efforts to attract investors for commercial investments. Contributions to the IFAD have been requested in previous years in a separate foreign assistance account.

Basic Interests

United States voluntary contributions to these UN and OAS programs help to improve the international environment in which we pursue our foreign policy goals. U.S. contributions through this account:

- serve to advance American ideals and ideas affecting the evolution of the international system;
- provide tangible demonstration of American support for humanitarian activities;
- assure a Western influence in geographic areas of strategic importance;

--encourage the acceptance of international responsibilities by other nations; and

--complement U.S. bilateral assistance programs, often serving U.S. purposes in areas too sensitive for, or outside the reach of, U.S. bilateral aid.

Specific examples of benefits derived from U.S. contributions include:

--The UN Development Program (UNDP), with projects in more than 150 countries and territories and an extensive technical assistance program, serves as a coordinating agency for technical assistance being provided by 35 Specialized Agencies and programs.

--The UN Children's Fund (UNICEF) provides basic medical and educational assistance to children worldwide. It has played a major relief role in Kampuchea and is currently supporting rehabilitation assistance in Lebanon.

--The International Fund for Agricultural Development (IFAD) directs activities primarily at small farmers and the rural poor in food deficient countries through concessional loans and grants. As such, it stimulates greater opportunities for private initiative on the part of small farmers while improving U.S. relations with developing nations.

--U.S. interest in nuclear non-proliferation is directly served by the International Atomic Energy Agency's (IAEA) world-wide safeguards program which is reinforced through U.S. voluntary contributions under this heading. In addition, many of these support activities are conducted largely in U.S. facilities.

--A U.S. contribution to the UN Educational and Training Program for Southern Africa (UNETPSA) provides tangible evidence of a U.S. commitment to peaceful change in Southern Africa while at the same time funding many recipient students attending schools in the United States.

--World Meteorological Organization (WMO) efforts to strengthen the capacities of Central American and Caribbean states to monitor, collect, and disseminate weather data helps protect American lives and economic interests through improved forecasting of hurricanes and other tropical disturbances affecting the Gulf States.

--OAS technical assistance programs are an important development component of the organization's security and peacekeeping functions. The technical assistance programs are also closely integrated with development programs of other international organizations to achieve an optimum division of labor.

--Financing projects that are smaller than those usually considered by other multilateral or bilateral financial institutions, the UN Capital Development Fund (UNCDF) helps recipients in the least developed countries to use improved appropriate technology in order to secure access to markets.

--The UN Voluntary Fund for Women is unique in that it is the only UN development assistance activity specifically charged with helping women in developing nations. As such it complements U.S. fulfillment of the amended Foreign Assistance Act of 1983 which calls for the integration of projects for women in U.S. foreign assistance.

--The multilateral approach of the UN Environment Program (UNEP) and the Convention on International Trade in Endangered Species (CITES) is uniquely suited to dealing with global environmental problems which typically transcend national boundaries. CITES facilitates conservation and protects endangered species against over-exploitation through international trade. UNEP's ability to involve developing countries, especially, in environmental protection efforts, is essential to the fundamental goal of preserving the global resource base and promoting sustainable development. The recently signed Caribbean Convention is a good example of the benefits of UNEP's multilateral nature.

The actual involvement of the developing countries in the planning and implementation of multilateral programs is an important means of encouraging self-reliance. The primary purpose of UN system and OAS technical cooperation is to provide expertise and training for individuals in recipient countries to foster their own development, reflecting the view that economic development depends primarily on the recipient country and its citizens. The developing countries have a strong voice in determining the overall direction of the multilateral programs. Recipient countries are required to provide substantial counterpart financing for these programs -- financing which encourages a sense of responsibility and accountability for their own development. This method of providing assistance thus serves to enhance those internal factors required for ultimate success in the development effort and helps to promote more collaboration and less confrontation in donor-recipient relationships. Many recipient countries

consequently consider multilateral assistance programs as acceptable means for internal policy reforms and even permit UNDP technical advisors to work in sensitive areas such as economic planning, which are usually not open to bilaterally funded program experts.

In addition to contributing to economic growth and political stability, these programs introduce Western ideas and expertise which promote the economic stimulation of developing countries along more pragmatic Western lines than those of the Marxist economic model. The long term benefits resulting from this inculcation of Western economic and social principles cannot be underestimated.

Contributions to the voluntarily-funded programs gain added value for the money expended since they encourage international burden-sharing. Every dollar contributed by the United States buys this country a leading role in influencing programs which are financed by four or five additional dollars from other donors. Initially, most of the items in this account were funded largely by the United States. Over the years, their value has been established, and more and more countries are now contributing larger and larger shares of their total financing. For example, the United States used to provide 40 percent of the funding for UNDP as compared to the FY 1985 request for \$120 million which would amount to an estimated 22 percent funding.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS
(Voluntary Contributions)
Budget Authority (\$000)

	FY 1983 -----	FY 1984 Estimated -----	FY 1985 Request -----
UN Development Program (UNDP).....	140,000	160,000	120,000
UN Children's Fund (UNICEF).....	42,500	52,500	27,000
International Fund for Agricultural Development (IFAD).....	40,000	50,000	50,000
International Atomic Energy Agency (IAEA).....	14,500	18,500*	20,500
OAS Development Assistance Programs (OAS).....	15,500	15,500	15,500
World Meteorological Organization/ Voluntary Cooperation Program (WMO/VCP).....	2,300	2,300	2,000
UN Capital Development Fund (UNCDF)...	2,000	2,000	2,000
UN Educational and Training Program for Southern Africa (UNETPSA).....	1,000	1,000	1,000
UN Environment Program (UNEP).....	7,850	10,000	3,000
UNIDO Investment Promotion Service	--	--	100
Convention on International Trade in Endangered Species (CITES).....	138	150	200
UN Voluntary Fund for the Decade for Women (VFDFW).....	--	500	500
UN Institute for Namibia (UNIN).....	500	500	--
UN Trust Fund for South Africa (UNTFSA).....	343	343	--
UN Fellows.....	449	449	--
UN Institute for Training and Research (UNITAR).....	422	422	--
FAO World Food Program (FAO/WFP).....	2,000	2,000	--
PAHO Revolving Fund.....	--	1,686	--
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Total.....	269,502	317,850	241,800

*\$14,814 thousand currently appropriated; an additional \$3,686 thousand has been requested as a supplemental appropriation.

UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)

PROGRAM SUMMARY <i>(In millions of dollars)</i>		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
140.0	160.0	120.0

Purpose: To provide systematic, sustained and coordinated assistance in fields essential to the technical, economic, and social development of member countries and territories, with emphasis on the poorest.

Background: UNDP was created in 1966 through the merger of the UN Expanded Program of Technical Assistance and the UN Special Fund in order to streamline UN technical assistance operations and to improve the coordination for, and therefore the effectiveness of, the assistance being provided by 35 Specialized Agencies and programs of the UN system. In its early years, UNDP concentrated on pre-investment feasibility studies, but in the seventies emphasis shifted to technical assistance. In the 1980s, renewed emphasis is being given to pre-investment activities to reflect the importance of such activities to the World Bank and other lending institutions. UNDP categorizes its project activities under five main headings: (a) surveying natural resources and identifying industrial and commercial potential; (b) stimulating capital investment; (c) training in a wide range of vocational and professional skills; (d) transferring appropriate technologies and enhancing recipient utilization capabilities; and (e) promoting economic and social planning.

Financed entirely by voluntary contributions from governments, UNDP relies primarily on the United Nations and the Specialized Agencies for implementation of its country and intercountry projects. On a worldwide basis, the recipient developing countries supply 60% of the required project resources through cash contributions and the provision of counterpart personnel, physical facilities and locally procured supplies. Not only is UNDP the largest single channel for UN technical assistance, its mandate is to coordinate all UN grant technical assistance. Through its network of 116 field offices and the leadership of the Resident Representatives/Coordinators, UNDP assists host governments in defining their development goals and determining the activities to be assigned to various resource donors including the multilateral development banks and the UN agencies.

In 1982, UNDP funded projects amounting to over \$570 million in 154 countries and territories. Additionally, UNDP field offices represent the UN Secretary General in a wide variety of non-developmental activities including disaster relief, refugee assistance, dissemination of information, etc. UNDP's central role within the UN system permits it to bring to bear upon the needs of developing countries a multi-sectoral approach which taps a large international pool of qualified talent. It specializes in small-scale projects which would be outside of the frames of reference of most bilateral programs.

Individual UNDP projects reflect local priorities. They often complement larger efforts funded by other sources of external aid and by the recipient governments themselves. Thus, UNDP acts as a vital catalyst by funding a wide variety of training efforts, short-term experts, seminars, feasibility studies, and pre-investment undertakings. Although financially small, UNDP projects provide training and technical skills crucial to the success of many larger aid projects.

FY 1985
PROGRAM HIGHLIGHTS

- Promote development through improved utilization of such assets as farm land and forests, rivers and sub-surface waters, mineral deposits, fuel reserves, and the potentials for manufacturing, commerce, tourism, and export.
- Stimulate (particularly by private enterprise) capital investments needed to realize these potentials.
- Train developing country personnel in a wide range of pertinent vocational and professional skills.
- Help countries select and apply suitable and environmentally sound technologies.
- Assist in economic and social planning focusing on the least developed countries and the poorest segments of society.

UNDP spends some 25% of its program resources in the agriculture, forestry, and fisheries sector; 13% on transport and communications programs; 12% on natural resources projects; 11% on general development issues; 11% on industrial sector programs; 7% on education projects; 7% in the employment sector; 6% for health programs; 4% on science and technology programs. The remaining 4% is spent on programs in other areas. Although its annual program is modest in size, it regularly generates public and private follow-up investment commitments whose value greatly exceeds the UNDP contribution. (In 1981, the last year for which we have such data, such commitments amounted to \$4.8 billion compared to UNDP program expenditures of only \$0.8 billion.) The UNDP presence is therefore complementary in many respects to the aid programs of the United States, the World Bank, and other important donors.

This request is identical to the FY 1984 request. Although this request is a decrease from the levels appropriated in FY 1983 and FY 1984, it is responsive to both the need for U.S. budgetary austerity and the U.S. interest in supporting UNDP.

U.S. Interests: U.S. support for UNDP serves as a highly-visible and much-valued indicator of our commitment to addressing the problems of developing countries. UNDP's development efforts increase the ability of the United States to resist the funding of technical assistance through the assessed budgets of the Specialized Agencies. Support for UNDP effectively serves U.S. interests by promoting international stability and helping to create an environment conducive to trade and investment. Increased agricultural production and rural development are among the U.S. priorities reflected in UNDP-financed programming. The UNDP Administrator and many of his key subordinates currently are Americans. The U.S. economy benefits, directly and indirectly, from UNDP outlays in the form of contracts for equipment and services awarded to American firms, and fellowships for study in American institutions. In 1982, the last year for which we have such figures, UNDP paid \$32.4 million in salaries to 883 U.S.-citizen experts serving on UNDP-assisted projects. The U.S. was second only to the United Kingdom in

this category. Equipment ordered from U.S. firms for the execution of UNDP projects was valued at \$33.2 million. The U.S. received more such orders than any other country. Technical subcontracts worth \$19.5 million were awarded to U.S. firms due to UNDP-funded activities. The United States was first in this category. U.S. educational institutions were reimbursed \$10.2 million for training provided to 1,629 recipients of UNDP-funded fellowships. In this category, the U.S. was again first. It has been estimated that UNDP expenditures in the U.S. and to U.S. nationals in 1982 amounted to \$186.5 million, or 145% of the U.S. contribution to the Program. Moreover, investment opportunities created or identified by UNDP activity and preferences for U.S. products and technology which result from UNDP's programs also benefit the U.S. economy. In sum, the value of UNDP activity to American firms and individuals is some one and one-half times the amount of the annual U.S. contribution to UNDP.

Other Donors: The United States pledge for FY 1983 amounted to 20.97% of total contributions pledged. Other major pledges to the Program included \$57.4 million from the Netherlands (8.6% of the total), \$54.8 million from Japan (8.2%), \$50.9 million from Norway (7.6%), \$49.6 million from Canada (7.4%), \$49.2 million from Sweden (7.4%), \$45.2 million from the Federal Republic of Germany (6.8%), \$36.8 million from Denmark (5.5%), \$28.5 million from the United Kingdom (4.3%), \$27.8 million from France (4.2%), and \$25.8 million from Italy (3.9%).

FY 1985 Program: 1985 will be the fourth year of UNDP's Third Programming Cycle, which extends from 1982 through 1986. It continues to appear unlikely that UNDP will be able to meet the ambitious goal it set for itself of delivering \$5.1 billion worth of programs during the cycle. The effects of the worldwide recession and exchange rate fluctuations have limited the resources available to the Program during the first half of the cycle. As a result, the UNDP Administrator was forced to limit program expenditures to 55% of planned levels. However, professing himself encouraged by the increased level of U.S. support for the Program for FY 1984, he has recently allowed the least developed countries to increase their programming to 80% of planned levels. This action will have the effect of increasing the orientation of UNDP programs toward meeting the needs of the most seriously deprived. This year will see a mid-term review of progress during the programming cycle. The results of this review should be helpful to continuing efforts to encourage the most advanced recipients of UNDP assistance to become net contributors to the Program. UNDP will continue its efforts to encourage self-reliance and conserve resources through the promotion of appropriate technologies and technical cooperation among developing countries.

UNITED NATIONS CHILDREN'S FUND (UNICEF)

PROGRAM SUMMARY <i>(In millions of dollars)</i>		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
42.5	52.5	27.0

Purpose: UNICEF encourages and assists the long-term humanitarian development and welfare of children in developing countries. UNICEF accomplishes this through its educational programs which make governments, communities, and private groups aware of the plight of children and the possibilities for improving their situation. In addition to stimulating self-help efforts, UNICEF also provides goods and services to help meet basic needs in maternal and child health, sanitation, clean water, nutrition, elementary education, and social services. In disasters, UNICEF also provides emergency aid.

Background: The United Nations General Assembly created UNICEF in 1946 to aid the impoverished children left in the wake of World War II. Although originally an emergency aid program, UNICEF evolved by 1953 into a long-term voluntary development fund aimed at improving conditions for the poorest children of the developing world.

UNICEF presently aids children in 115 countries. In its work, UNICEF cooperates closely with governments, private groups, and local communities in developing nations, and other aid donors to protect children and to enable them to develop their full mental and physical potential. Individual governments set their priorities as a result of studies of major needs, and UNICEF assists in implementing the mutually agreed upon projects.

UNICEF assistance includes both goods and expert services. All programs have a direct relation to the welfare of children and mothers. Some programs -- such as clean water and sanitation -- also benefit other members of the community. Projects are designed to maximize both the involvement of local communities and the use of equipment and materials which can be locally obtained and maintained.

UNICEF assistance is allocated on a sliding scale according to such factors as the number of children, the wealth of the country, and the infant mortality rate. Allocations are scaled so that the largest countries do not monopolize most of the assistance and the per-child allocation among countries of similar size favors the poorest countries which receive approximately 5-1/2 times as much per child as do the middle-income countries.

UNICEF has a small emergency assistance unit and continues to play a key role in many international relief efforts. For example, between 1979 and 1981, UNICEF had the lead role in the UN's Kampuchean emergency relief effort. In Lebanon, UNICEF is currently playing a key role in providing relief and rehabilitation assistance.

FY 1985
PROGRAM HIGHLIGHTS

- Continue efforts to promote a revolution in child health which builds on existing programs and uses low-cost, high-impact techniques, including growth charts, oral rehydration therapy, breast feeding, and immunization campaigns, in cooperation with a wide spectrum of public and private organizations at the local, national, and international levels.

- Improve child development through primary education and women's activities designed to enable women to provide better care for their children.

- Make further progress toward reducing infant mortality in the poorest countries to a maximum of 50 per 1,000 by the year 2000.

U.S. Interests: UNICEF's approaches have generally been consistent with U.S. development assistance priorities. UNICEF complements and reinforces the U.S. bilateral assistance (e.g., UNICEF and AID are cooperating to promote the use of oral rehydration salts and growth charts in many developing countries). Official U.S. support for UNICEF also conforms with the humanitarian ideals of the American people who have supported UNICEF generously through private donations over the years. U.S. participation enables the United States to serve humanitarian aims in some nations where direct bilateral assistance is not politically feasible or desirable. In these cases, multilateral aid often serves as an alternative to dependency on Soviet-bloc assistance and provides a Western-oriented presence. UNICEF also furthers U.S. political and humanitarian interests in the developing world by mobilizing assistance from public and private sources throughout the world for programs benefiting children and mothers.

Other Donors: The United States has been a leader in UNICEF since its inception and remains the largest single donor, accounting for 21.6% of governmental contributions to UNICEF general resources in 1983, according to preliminary UNICEF year-end figures. Other leading governmental contributors to general resources in 1983 included: Sweden (\$19.4 million, 9.9%); Norway (\$16.3 million, 8.3%); Italy (\$16.1 million, 8.2%); Canada (\$10.7 million, 5.5%); Japan (\$10.4 million, 5.3%); United Kingdom (\$9.2 million, 4.7%); the Netherlands (\$7.9 million, 4.0%); Denmark (\$5.2 million, 2.7%); Federal Republic of Germany (\$4.7 million, 2.4%); Switzerland (\$4.0 million, 2.0%); Australia (\$3.8 million, 1.9%); and Finland (\$3.6 million, 1.8%).

FY 1985 Program: This request is identical to the FY 1984 request. Although this request is a decrease from the levels appropriated in FY 1983 and FY 1984, it is responsive to both the need for U.S. budgetary austerity and the U.S. interest in supporting UNICEF. This support is important to UNICEF which is gearing up to implement program concepts aimed at rapidly reducing infant and child mortality and morbidity by promoting the use of (a) new low-cost vaccines which do not require refrigeration, (b) an inexpensive oral-rehydration home treatment for diarrhea which is the world's leading killer of children, and (c) simple infant growth charts to enable mothers to detect invisible malnutrition in infants and young children.

International Fund for Agricultural Development (IFAD)

PROGRAM SUMMARY (In millions of dollars)		
FY Actual	FY Estimated	FY Request
40	50	50

Purpose: The International Fund for Agricultural Development focuses on increasing food production in developing countries. The Fund's activities are directed primarily at small farmers and the rural poor through concessional loans and grants for projects in food-deficit countries. A special feature of IFAD and a major reason for its establishment is the engagement of the OPEC nations with Western donors in a major international development program on a basis of near-equal contributions.

Background: IFAD, a UN specialized agency and a product of the 1974 World Food Conference, was established in 1977 with strong leadership from the United States. To the initial funding of IFAD, the United States contributed \$200 million, while other OECD donors contributed \$370 million and OPEC \$435 million, for a total of just over \$1 billion. By late 1981, IFAD had fully committed this initial funding to projects.

Donors successfully completed negotiations of IFAD's first replenishment in January, 1982, agreeing to provide \$1.07 billion during 1981-1983. The United States share is \$180 million, authorized in FY 1982, and subject to appropriations by Congress. Other OECD members will contribute \$440 million, and OPEC donors \$450 million.

The United States made its first payment (\$40 million) toward this first replenishment in FY 1983 two years behind schedule. Congress appropriated \$50 million in FY 1984 and the Administration is asking for another \$50 million in FY 1985. A second replenishment is now under discussion.

U.S. Interests: IFAD serves four interrelated U.S. interests:

1. Developing agricultural capabilities among the poorer populations in food-deficit countries; alleviating hunger and reducing dependence upon concessional assistance.
2. Engaging OPEC in constructive economic cooperation with the West. The major OPEC donors, which include Saudi Arabia, Kuwait, Nigeria and Venezuela, are providing development assistance through a multilateral channel which was not previously available.
3. Stimulating greater opportunities for private initiative on the part of small farmers, with the dual objective of increasing agricultural production and assuring that the benefits of increased output accrue to those most in need.
4. Improving relations with the developing nations as a group by supporting a practical international effort in which LDCs participate and which they see as making a significant contribution towards meeting development objectives.

Other Donors: IFAD is the only international financial institution in which OPEC and OECD countries contribute and participate under conditions which approach equality. The United States has pledged a total of \$380 million, while the other OECD donors pledged \$810 million and OPEC \$885 million to the initial capitalization of the Fund and its first replenishment. Overall, therefore, the proportionate shares are 43 and 57 percent for OPEC and OECD donors respectively.

FY 85
PROGRAM HIGHLIGHTS

- Concessional loans are provided for small-scale projects, using appropriate technology with the purpose of enhancing agricultural production.
- There is a concentration on high-risk projects on behalf of poor farmers that the larger international funding institutions would normally not reach.
- Every dollar from the United States is being matched by \$4.45 from other donors (2.32 from OPEC and \$2.13 from other OECD countries)
- IFAD is placing an increased emphasis on program evaluation.

FY 1985 Program: Being primarily a facilitating and co-financing institution, IFAD co-finances most of its portfolio. Over the 1978-1983 period, IFAD's development investment of \$1.6 billion has been matched by another \$6 billion from other sources. Co-financing permits IFAD to operate with a much smaller bureaucratic structure than other UN agencies. Its professional staff numbers less than 100 and its operating budget in 1984 was about \$25 million -- financed entirely from the interest earned from the contributions of donors who, unlike the U.S., pay in cash.

Twenty-six new projects totalling \$278 million were approved during 1983 together with about \$20 million in technical assistance grants. IFAD calculates that these 26 new projects will benefit 1.2 million small farmers and landless families. Three of these projects (St. Lucia, Cameroon and Kenya) will focus on the needs of food-producing women heads-of-households. Another, a fisheries project in Congo, is expected to benefit 11,000 farm families with an average income half of national average.

The Grameen bank project in Bangladesh exemplifies IFAD's innovative approach to rural credit projects. In cooperation with the Government of Bangladesh, IFAD established the Grameen Bank to lend small amounts (\$100-\$150 per person) to groups of farmers for a one year period. Over 25,000 members have joined the Grameen Bank, and the repayment rate by the farmers is almost 99%, due in large part to the "group guarantee" concept and the lure of additional credit. In Pakistan, IFAD has cooperated with the Agricultural Development Bank of Pakistan in establishing the Small Farmer Credit Project, under which "bankers on bikes," provide banking services to farmers in rural areas. Since the project's inception, the proportion of the ADBP's loans that went to small farmers rose from 26 percent to 50 percent. In Indonesia, credit from IFAD and the World Bank is enabling farmers in Sumatra as part of the Government's Transmigration Plan to buy draft cattle and repay in kind.

INTERNATIONAL ATOMIC ENERGY AGENCY (IAEA)

PROGRAM SUMMARY (In millions of dollars)		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
14.5	18.5*	20.5

Purpose: To enlarge the contribution of atomic energy to peace, health and prosperity throughout the world; also to ensure that assistance provided by the IAEA is not used in such a way as to further any military purpose. The U.S. contributes voluntarily to the IAEA to support the goals of strengthened safeguards and related non-proliferation activities and to promote technical cooperation benefiting developing countries, particularly those party to the Non-Proliferation Treaty (NPT).

Background: The IAEA technical cooperation program was launched in the late 1950s to provide training and equipment to LDCs in furtherance of peaceful uses of nuclear techniques and energy. Approximately 80 countries are currently receiving assistance under the technical cooperation program. This program is intended to promote the transfer of skills and knowledge relating to peaceful uses of atomic energy, and to assist LDCs in safely implementing their national nuclear energy plans. The voluntary safeguards support program was initiated in 1975 and is intended to enhance IAEA's ability to ensure that nuclear non-proliferation safeguards are observed. Achievements of the safeguards support program include the supply of portable verification equipment, improvements to the safeguards information system, and provision of experts to assist the IAEA in developing safeguards techniques and measurement and surveillance devices.

U.S. Interests: The United States is firmly committed to support the IAEA and strengthen IAEA safeguards in accordance with U.S. nuclear non-proliferation policy. This has been a fundamental aspect of U.S. policy for over 20 years, since non-proliferation contributes to U.S. national security. The voluntary safeguards support program is complementary to non-proliferation and safeguards activities covered under the regular budget of the IAEA. U.S. voluntary assistance to the technical cooperation program maintains U.S. interest generally in the IAEA and thereby contributes indirectly to U.S. non-proliferation objectives. These programs also generate income for U.S. firms and individuals.

Other Donors: Estimated extrabudgetary voluntary support in 1983 from other countries and organizations amounted to about \$25.2 million. Other major donors included Italy, FRG, Japan, Sweden, Australia, United Kingdom, USSR and Canada. UNDP, UNESCO, UNEP and OPEC also contributed substantial amounts. As far as the technical assistance and cooperation program is concerned, a total of 63 member states pledged voluntary contributions amounting to about \$17.7 million, which, together with an estimated \$1 million in miscellaneous income, was only slightly less than the \$19 million target. The U.S. contributed \$4,685,855 or 24.6% of this amount. Other major donors included the USSR, \$2.3 million or 13.3%; Japan \$1.8 million or 10.4%; FRG \$1.6 million or 9.0%; France \$1.2 million or 6.8%; United Kingdom \$856,900 or 4.8%; Canada \$630,800 or 3.6%; Italy \$345,912

* \$14.814 million currently appropriated; an additional \$3.686 million has been requested as a supplemental appropriation.

FY 1985
PROGRAM HIGHLIGHTS

- continued emphasis on instrumentation and systems designed to improve the effectiveness of IAEA safeguards.
- further development of specialized safeguards containment, surveillance and measurement equipment and field-testing of such equipment.
- technical cooperation in the peaceful uses of nuclear energy and nuclear techniques in about 80 member states of the IAEA.
- training and assistance to developing countries party to the Non-Proliferation Treaty.

or 2.0%; and the Netherlands \$313,500 or 1.8%. The U.S. also contributed about \$4.5 million for in-kind and extrabudgetary support in the same year, and \$5.25 million was allocated for U.S. safeguards support and non-proliferation activities.

FY 1985 Program: The FY 1985 program will continue to focus on the development and field-testing of instruments and the implementation of systems which have been developed through the U.S. Program of Technical Assistance to IAEA Safeguards. Work will continue on the development of techniques for verification of spent fuel and the testing of safeguards on spent fuel. Emphasis will be placed on steps needed to solve immediate problems and improve the effectiveness of safeguards, especially in bulk-handling plants. This increased emphasis on safeguards will be reflected in the distribution of planned increases in U.S. contributions. U.S. assistance to the technical cooperation program will be in the form of equipment, services of U.S. experts, fellowships and training courses, including preferential programs for LDCs party to the Non-Proliferation Treaty. This will be particularly important in view of the third NPT Review Conference, which will be held in Geneva in 1985, since developing states party to the NPT will be examining closely the implementation of Article IV of the Treaty, which calls upon parties, inter alia, to cooperate in contributing to the further development of the applications of nuclear energy for peaceful purposes, "...with due consideration for the needs of the developing areas of the world."

In 1985, the U.S. voluntary contribution of \$20.5 million would be divided as follows: \$7.5 million for safeguards, \$3.3 million for training and fellowships, \$2.4 million for technical assistance projects, \$6.5 million in cash contributions, and the remainder for smaller research and training projects.

ORGANIZATION OF AMERICAN STATES DEVELOPMENT ASSISTANCE PROGRAMS

PROGRAM SUMMARY (In millions of dollars)		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
15.5	15.5	15.5

Purpose: To mobilize human and natural resources in Latin America and the Caribbean in multilateral development efforts which not only contribute to economic progress but also strengthen the Inter-American system and U.S. ties with the area.

Background: The OAS has established four voluntary funds for development: the Special Multilateral Fund (SMF), the Special Projects Fund (SPF), the Special Development Assistance Fund (SDAF), and the Special Cultural Fund (SCF).

Major program activities include regional development (SDAF), technical and vocational training (SMF), scientific and technological research into new energy sources (SMF), food production and distribution (SPF), livestock improvement (SPF), tourism promotion in the Caribbean (SDAF), adult literacy (SMF), and promotion and commercialization of handicrafts (SCF).

Whereas the OAS initially focused on institution-building, the trend in recent years has been toward more direct support of projects benefitting the most disadvantaged members of society. Over the past two decades Argentina, Brazil, Mexico and Venezuela have become net donors rather than net recipients of OAS development programs. The U.S. share (with 87% of total OAS member country GNP) of voluntary contributions has gradually declined from 66% in the 1960's to 57% in 1983.

In two decades the OAS has established a highly effective infrastructure through voluntary funding including specialized personnel, Inter-American Centers, a reservoir of outside technical advisors and consultants, a data bank comprising the results of earlier studies and research on development, and extensive experience in planning and administering technical assistance. OAS technical services have been used by the World Bank, the Inter-American Development Bank (IDB), the United Nations Development Program (UNDP) and U.S. Departments (e.g. Interior) to carry out specific projects.

Recognition of the effectiveness of OAS development programs is evident in the following: the training of 80,690 specialists including 25,690 since 1970; increasing financial support from non-member countries and institutions; and the large amount of subsequent loan assistance from the World Bank (over \$6.5 billion) to projects resulting from OAS pre-investment feasibility studies.

U.S. Interests: A major U.S. policy objective is to increase the effectiveness of the OAS as a forum for dealing with

FY 1985
PROGRAM HIGHLIGHTS

- develop untapped natural resources in energy, food and raw materials for housing;
- educate deprived or marginal population groups for new job opportunities and for greater participation in community development projects;
- strengthen Inter-American Centers initiated by the OAS to provide an institutional framework for training, research, technical assistance, and advisory services in development;
- promote the pooling of limited resources among OAS countries in jointly financed development projects in energy, food production, community services, and applied science and technology.

hemispheric issues (e.g. the adoption of a U.S. backed resolution on El Salvador by the OAS in December 1981). Outcomes favorable to the U.S. on hemispheric issues are more likely in the OAS than any other fora. By way of reciprocity, other OAS members look to the U.S. for support in what they consider to be their primary concern -- technical assistance for development. The level of U.S. contributions is perceived as a measure of U.S. commitment to the Inter-American system and influences the level of support which the U.S. can expect from other OAS members on other issues (such as peacekeeping, respect for human rights, and preservation of an environment conducive to trade and investment).

The Inter-American Development Bank and the OAS have taken over much of the development work previously assumed alone by U.S. bilateral assistance programs and have established a de facto division of labor. Besides carrying out its own projects, the OAS focuses on pre-feasibility studies and the Inter-American Development Bank devotes most of its resources to project financing.

Other Donors: OAS development programs funded by voluntary contributions in 1983 totalled \$26.9 million of which the U.S. contribution of \$15.5 million amounted to 57%. Other major contributors included Argentina (\$2.2 million), Brazil (\$2.7 million), Mexico (\$2.1 million). Non-member observer countries' (Spain, Canada, Israel, etc.) estimated contribution was \$4.2 million.

FY 1985 Program: Priority areas will be energy (new sources, distribution and conservation), food production and processing, materials technology (use of local materials in housing and road construction), regional development, job training, literacy training, small technology research and application, foreign trade, and tourism.

- Special Development Assistance Fund (SDAF) - \$6.0 million:
The fund uses an integrated approach to rural and regional development, foreign exchange earnings (trade and tourism) and private sector involvement. Priorities of the 1985 program include: (1) food, (2) energy, (3) regional and sub-regional resource development, (4) employment and (5) tourism. The Caribbean has been designated a priority area. Projects are carried out principally through technical assistance provided by OAS technicians or specialists under contract.

- OAS members contributed \$10.5 million (SDAF) in 1983 of which the U.S. contributed \$6.0 million or 54%. The 1985 estimated budget for this fund is \$10.5 million.

- Special Multilateral Fund (SMF) - \$6.5 million: Science, education and technology are the major fields with emphasis on the establishment and support of national or sub-regional institutions. Priorities of the 1985 program include: (1) science and technology management, (2) education geared to the job market, (3) food and nutrition, (4) literacy training, and (5) marine resources development.

- OAS members contributed \$10.9 million to the SMF in 1983 of which the U.S. contributed \$6.5 million or 59%. The estimated 1985 budget is \$11.3 million.

- Special Projects Fund (SPF or Mar del Plata) - \$2.6 million: The U.S. started this fund in 1973 to intensify horizontal cooperation among the member countries. Its priorities are the same as for the Special Multilateral Fund (SMF). The least developed countries receive priority attention through pooling of resources of the more developed countries. Educational projects absorb approximately 30% of the budget; science and technology the remaining 70%.

- OAS members contributed \$4.4 million to the SPF in 1983 of which the U.S. contributed \$2.6 million or 59%. The estimated 1985 budget is \$5.0 million.

- Special Cultural Fund (SCF) - \$400,000: Funds go primarily into job-producing projects relating to the preservation of cultural and artistic monuments, the manufacture and commercialization of native handicrafts, area studies, and exchanges. New emphasis has been placed in 1985 on the intensive use of Inter-American Centers, e.g. archive restoration techniques, studies to analyze cultural patterns which affect broader economic and social development, especially in the Caribbean.

- OAS members contributed \$1.1 million to the SCF in 1983 of which the U.S. contributed \$400,000 or 40%. The estimated 1985 budget is \$1.2 million.

WORLD METEOROLOGICAL ORGANIZATION (WMO)
VOLUNTARY COOPERATION PROGRAM (VCP)

PROGRAM SUMMARY <i>(In millions of dollars)</i>		
FY 83 Actual	FY 84 Estimated	FY 85 Request
2.3	2.3	2.0

Purpose: WMO's Voluntary Cooperation Program (VCP) assists less developed countries (LDCs) through provision of training and equipment for improving their national meteorological and hydrological services. This enables them to participate in the World Weather Watch (see below), while at the same time helping them to apply weather data relevant to their national economies. The VCP undertakes projects which cannot be funded through the regular budget and ensures that the resources provided are used in accordance with the priorities established by the donor countries.

Background: Funded by voluntary contributions, the VCP was established at US initiative in 1967, to enhance the capacity of LDCs to participate in the World Weather Watch. The purpose of the program is to maintain surveillance over atmospheric and oceanic conditions, and to arrange for the rapid collection and exchange of weather data on a global basis. VCP provides assistance in upgrading LDC basic observation networks and related telecommunications systems to improve local data processing capabilities and weather forecasting techniques. The VCP provides equipment and training for developing countries' meteorologists, as well as support for their training and research institutions. This assistance also enhances LDC capacity to utilize weather data, which is important for agricultural and energy development. VCP also enables a large number of countries to participate in activities which result in the collection of data necessary to understand the physical basis of the weather and climate.

U.S. Interests: LDCs participation in the World Weather Watch enables the United States to obtain data which are necessary to our economic and strategic requirements. VCP has considerably increased the quantity of timely data received by the U.S. National Meteorological Center. Enhanced observation and reporting capabilities by Central American and Caribbean LDCs, coordinated through WMO, permit more accurate forecasting of hurricanes affecting the United States. The U.S. contribution to VCP is administered on behalf of WMO by the U.S. National Oceanic and Atmospheric Administration (NOAA), which uses exclusively U.S. equipment. This arrangement assures that U.S. participation in this program is in accordance with U.S. interests and priorities.

Other Donors: It is expected that other major donors will contribute approximately at the same level as in recent years. The U.S. contribution of \$2. million represents about 25 per cent of the expected total VCP funding in 1985. For 1983, as for several previous years, other major donors to VCP have been the USSR \$1,300,000 (20%), the FRG \$1,000,000 (15%), France \$390,000 (8. %), and the UK \$340,000 (8.2%).

FY 1985
PROGRAM HIGHLIGHTS

- continue providing training and equipment to enhance LDC weather data collection and their processing and dissemination capabilities;
- assistance to selected Latin-American and Caribbean countries to improve warning system for dangerous weather;
- increase of timely and reliable weather data from LDCs to further WMO's effectiveness in monitoring environmental degradation and climatic changes.

FY-1985 Program: U.S. participation in VCP will entail the provision of continued training and equipment for LDC personnel. Basic objectives of the program will remain unchanged, although it is expected that LDCs will be called upon to play a necessary role in climate programs and in monitoring environmental deterioration. U.S. assistance through VCP will continue to concentrate on Latin-American countries such as Ecuador, Brazil, Uruguay, Costa Rica, and Honduras, providing them with upper air equipment, instruments for surface observing stations, as well as telecommunications equipment for speedy data dissemination.

UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF)

PROGRAM SUMMARY <i>(In millions of dollars)</i>		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
2.0	2.0	2.0

Purpose: The Fund provides seed capital, on a grant basis, for small development projects requiring only low to moderate level technology, which, because of their size, might not attract financing by the multilateral development banks. The Fund has committed itself to projects in the least developed countries, particularly those in the drought stricken Sahelian Zone and other of Africa's poorest and neediest lands.

Background: The General Assembly established UNCDF in 1966, and in 1967, placed it under the Administrator of the United Nations Development Programme, subject to policy guidance from the UNDP Governing Council. The United States first contributed to UNCDF in 1978. UN Specialized Agencies, working with host governments, international development banks and private entities, execute UNCDF projects. The Fund attempts to fit the project to the development priorities and circumstances of the recipient country and concentrate on technology appropriate to the needs and capacities of the recipient country. At the end of 1982, total commitments for UNCDF ongoing projects were \$251.4 million for 185 projects in 43 countries, a 14% increase over the 1981 total commitments. During 1981, the Fund approved 34 new projects valued at \$60 million.

U.S. Interests: In line with USG developmental priorities, UNCDF has concentrated on the basic needs of the rural sector, which receives about 80% of total program resources. Approximately 31% of the Fund's total commitments have gone to develop agriculture and agricultural water resources. Other important sectors receiving a large share of UNCDF allocations were potable water (20.4%), transport and communications (17.2%), industries (10%), housing (6.7%), education and training (6%) and energy (4.7%). Typical UNCDF projects include providing assistance for the construction of boatyards to develop local fishing capabilities and creating a revolving fund to enable farmers to purchase agricultural implements and commodities on credit.

The U.S. contribution will be an estimated 8.0% of total receipts in 1984. Continued U.S. support of UNCDF is consistent with our avowed policy of helping the poorest people and providing them with the means of becoming more self-sufficient.

Other Donors: In 1983, the Netherlands, Sweden and Norway continued to be major donors to the Fund. The Netherlands pledged \$5.5 million (21.6% of total 1983 pledges), Sweden \$4.3 million (17.1%) and Norway \$4.2 million (16.7%). China, which pledged \$112,245 (0.44%), was the most generous developing country. (The U.S. \$2 million contribution was 7.9% of total contributions.)

FY 1985
PROGRAM HIGHLIGHTS

- Provide capital grants for projects stressing social infrastructure (potable water, health, housing and educational facilities).
- Enhance agricultural and rural production by supplying small-scale, labor-intensive rural public works.
- Support community level projects, such as housing and potable water, that create jobs, foster self-reliance and encourage private enterprise.
- Concentrate on the least developed countries, particularly in the drought stricken Sahel.

FY 1985 Program: UNCDF has sought to promote self-reliance and accelerate self-sustaining economic growth among the least developed countries by balancing the allocation of its resources between the basic needs of low-income groups and the productive sectors, thus the breakdown of 20% of allocations to agriculture and 10% to industry.

At the same time, the Fund has been expanding the scope and volume of its commitments as it has moved from full funding to partial funding operations. In addition, the Fund has sought to coordinate its activities with UNDP and other development agencies so that there is follow-up to pre-investment activities, capital and technical assistance are available and financing of operating costs is provided in those cases where they are needed. In 1981, the Fund negotiated a new Basic Agreement with recipient governments and introduced a new project agreement format. As a result, it was able to reduce sharply the time between the approval of grants and the signing of the Project Agreements. UNCDF continues to adapt its program to the priority needs of the LDCs, and to coordinate its activities with other concerned institutions. It also continues to take measures to strengthen the complementarity between the capital assistance provided by the Fund and other types of assistance provided by the United Nations Development Program. UNCDF will continue to assist in projects financed jointly with bilateral agencies and other multilateral institutions.

UN EDUCATIONAL TRAINING PROGRAM FOR SOUTHERN AFRICA (UNETPSA)

PROGRAM SUMMARY <i>(In millions of dollars)</i>		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
1.0	1.0	1.0

Purpose: To provide scholarships for secondary and college level education and advanced technical and vocational training to students from Namibia and the Republic of South Africa who are denied such education and training in their own countries. The training helps prepare these students to assume leadership roles in the development of their countries.

Background: The UN Educational and Training Program for Southern Africa (UNETPSA) was created in 1967 to provide advanced education to the non-white indigenes of the African Portuguese territories, Namibia, Rhodesia, and South Africa, who did not enjoy full political, social and economic rights. Following the independence of the Portuguese territories and Zimbabwe (Rhodesia), UNETPSA ceased giving new grants to students from those nations, although renewals will continue to be made until existing students finish their studies. (There are currently only 8 students from the former Portuguese territories and 159 from Zimbabwe in the program, a reduction over the previous year of 10 and 112, respectively.) The program is now designed to provide students from South Africa and Namibia with education and training opportunities denied to them in their own countries. The objective is to enable these young people to play a full role in their societies as they become independent or as majority rule is achieved and to provide general support for the concept of peaceful transition in southern Africa.

UNETPSA's ability to award new scholarships is based on total annual contributions and pledges received, balanced against the increasing cost of education and the need to renew the awards of continuing students. For the year ending 30 September 1983, contributions and pledges totalled \$3.48 million, as against \$3.6 million the previous year (a 3.6% reduction). The total number of awards granted under the program for that year was 808 (263 new awards and 545 renewals), as against 866 (53 new awards and 813 renewals) the year before. These figures are not completely comparable, however, as certain non-UNETPSA scholarships formerly included in the UNETPSA totals by the UN Secretariat for convenience are no longer so included.

Other Donors: In FY 83, the U.S. contribution of \$1,000,000 supported more than one-quarter of the program (28.73%). Other major donors during this period were: Norway, \$699,489 (20.10%); Denmark, \$328,228 (9.43%); Canada, \$284,553 (8.14%); Sweden, \$234,635 (6.74%); Japan \$200,000 (5.75%); Finland, \$92,799 (2.67%); the Netherlands, \$79,225 (2.28%); France, \$75,000 (2.15%); and others, \$487,220 (14.0%).

FY 1985
PROGRAM HIGHLIGHTS

- Priority will continue to be given to renewals.
- It is to be hoped that UNETPSA will continue the present regional spread -- Africa (50%), North America (35%/U.S. 33%), Asia (9%), Europe (6%), and Latin America and the Caribbean (0.5%).
- UNETPSA students will continue to follow courses across the entire spectrum of higher education, with those in the U.S. emphasizing such courses as business administration, communications, computer science and the various fields of engineering.

FY 1985 Program: UNETPSA's attention is now focused on students from the Republic of South Africa and Namibia, the last two states in southern Africa under minority rule. Due to the especially low educational standards which exist in these countries for black students, the Program has embarked on special pre-entry courses for students who require remedial training prior to being accepted by a university. If revenues decline and educational costs continue to increase drastically, the Program will not be able to continue the level of new awards sustained in the 1982-83 report period.

The U.S. continues to serve on the Advisory Committee of the Program, and it is anticipated that a significant proportion of the scholarship recipients will continue to study in the United States (268 of 808 -- 33.17% -- in the current year). For the 1982-83 report period, student placement by region was as follows: Africa, 403 (49.88%); North America, 285 (35.28%); Asia, 70 (8.66%); Europe, 46 (5.69%); and Latin America and Caribbean Countries, 4 (0.50%) out of a total of 808 (100.00%).

UN ENVIRONMENT PROGRAM (UNEP)

PROGRAM SUMMARY (In millions of dollars)		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
7.85	10.0	3.0

Purpose: To promote and coordinate international, regional, and national efforts to protect the environment and natural resources.

Background: The UN General Assembly established UNEP in December 1972 to catalyze, direct and coordinate environmental programs and activities for UN agencies and other relevant bodies, and to finance initiatives to strengthen the overall international effort to protect the environment. The United States has been a major participant in UNEP since its beginning, providing nearly a third of its total resources. In 1983 UNEP's Environment Fund received contributions of \$29 million.

The principal goal of UNEP's program is to stimulate monitoring and assessment of major global and regional environmental trends and to coordinate action to improve environmental management. The thrust of the program concerns environmental problems of a global or regional nature. Through its Regional Seas Program, UNEP has stimulated Mediterranean coastal states to act together to reduce pollution of the Mediterranean Sea. UNEP similar has generated environmental Action Plans for nine other Regional Seas, among them the Wider Caribbean Region (including the Gulf of Mexico). UNEP has played a key role in initiating negotiation of environmental treaties, e.g., Endangered Species Convention (CITES). Work is currently nearing completion on a convention to protect the atmospheric ozone layer. Working through the UN line agencies, UNEP has promoted global monitoring services of special interest to the United States related to atmospheric and urban air pollution, water quality, and food contamination. UNEP also monitors pilot projects on tropical deforestation, soils, and rangeland under its "Earthwatch" environmental assessment program.

U.S. Interests: U.S. interests in protecting the global environment and promoting sustainable development are uniquely served by UNEP. UNEP's multilateral approach promotes cooperation in regional problems, such as marine pollution and desertification, and its global mandate -- UNEP is the sole international environmental organization -- enables it to address issues such as carbon dioxide buildup and ozone depletion.

UNEP's encouragement of international environmental activities aids the competitive stance of U.S. business which must meet higher domestic environmental standards. It also benefits U.S. industries which supply pollution control equipment.

Other Donors: Major contributors to UNEP's Environment Fund in 1983 were (in millions): U.S. \$7.85 (or 28%), Japan \$4.0 (14%), USSR \$3.75 (13%), Sweden \$2.5 (8%), FRG \$1.85 (6%), UK \$1.2 (4%), Norway \$0.8 (2.5%), France \$0.8 (2.5%), Canada \$0.8 (2.5%). The number of contributing countries is 95.

FY 85
PROGRAM HIGHLIGHTS

- Completion of Convention for the Protection of the Ozone Layer, and establishment of a convention secretariat.
- Extension of Environmental Law Program to include development of guidelines on environmental impact assessment.
- Implementation of UNEP's Clearing House program to provide additional resources for serious environmental problems in developing countries.

FY 1985 Program: Main areas of anticipated achievement are the completion of the Convention for the Protection of the Ozone Layer, and implementation of the environmental convention for the Caribbean. Beyond these areas, work is progressing in such areas as international standards on the handling of hazardous substances and environmental impact assessment. Work will continue on expanding the Global Environmental Monitoring System (GEMS). UNEP will also be implementing recommendations from a major review of international anti-desertification efforts in 1984, throughout 1985. In general, UNEP will continue to support ongoing environmental activities carried out by such organizations as WHO, FAO, and WMO, especially in areas of human health, deforestation and climate impacts.

UNIDO INDUSTRIAL INVESTMENT PROMOTION SERVICE

PROGRAM SUMMARY (In millions of dollars)		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
0.07*	0.1*	0.1 (IO & P)

Purpose: To train investment promotion officers from developing countries in attracting private investment capital for industrial facilities in their home countries and to provide those offices with office space and support.

Background: UNIDO's Investment Promotion Service office in New York was founded in 1978. The Overseas Private Investment Corporation (OPIC) supported the office from its inception through 1982, at a level reaching \$100,000 a year.

OPIC dropped the bulk of its support at the end of FY 1983, as it restructured its priorities away from preinvestment activities in favor of feasibility studies. AID agreed to support the office on an interim basis in 1983 and 1984, from the Program Development and Support (PD&S) account. AID's \$100,000 proposed contribution in 1984 is slightly under 20% of the \$508,000 budget for the office.

The New York office is one of 7 such offices established by UNIDO. All other offices are funded fully by the host governments. Other investment promotion offices are in Austria, Belgium, France, West Germany, Japan, and Switzerland. UNIDO has been criticized, particularly by the French, for funding 19 percent of the New York office.

U.S. Interests: Promotion of the role of the private sector development is a major priority - both in international organization affairs and in development assistance. The investment promotion service is the clearest recognition by UNIDO of the importance of private investment capital in the industrial development process. The New York office provides a service to the U.S. private sector by providing it with a pool of investment opportunities in developing countries. Finally, the program stimulates the private sector in developing countries, with a catalytic impact upon their domestic economies, a return to U.S. firms on their capital investments, and increased markets for U.S. goods and services.

Other Donors: Major contributors to UNIDO's Industrial Investment Promotion Service, New York, in 1983 were UNDP, \$270,000 (47.7%), UNIDO, \$108,000 (19.1%), and recipient countries, \$118,000 (20.8%). In 1984 major grants are expected from the World Bank (\$175,000) and the Caribbean Development Bank (\$80,550), to offset declining UNDP funding.

*Funded in FY 1983 and FY 1984 from the Program Development and Support Account.

**FY 1985
PROGRAM HIGHLIGHTS**

- Training and support of investment promotion officers from developing countries with emphasis upon Caribbean countries.
- Entrepreneur-to-entrepreneur cooperation between developing countries, sending a successful business person from one country to help an entrepreneur set up a similar business in another developing country.

FY 1985 Program: In addition to the office's ongoing programs, the emphasis for this year will be upon training and supporting investment promotion officers from the Caribbean, including Antigua and Barbuda, Belize, Dominica, and Saint Christopher and Nevis. In addition, the New York office will be coordinating a project to assist entrepreneurs from developing countries in using the business and technical expertise of entrepreneurs in other developing countries; a pilot project has brought together rattan furniture manufacturers in Jamaica and Thailand.

CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES (CITES)

PROGRAM SUMMARY <i>(In millions of dollars)</i>		
FY1983 Actual	FY1984 Estimated	FY1985 Request
.138	.150	.200

Purpose: To promote international cooperation in conservation and provide a mechanism for protection of endangered species of wildlife and plants against over-exploitation through international trade.

Background: CITES is a key instrument of international wildlife conservation, with wide U.S. public support. It is the result of a conference held in Washington in 1973 at U.S. invitation to promote the conservation of endangered and potentially threatened species of wild fauna and flora. Support of the Convention is a major element of United States conservation policy. 82 nations are Parties to CITES at present; the number of expected to approach 90 by 1985.

The CITES Trust Fund supports the operation of the Secretariat and meetings. The United Nations Environment Programme's financial support of CITES ceased at the end of 1983, although it will continue to administer the CITES Trust Fund. The Parties to the Convention began to provide funding in 1980, in accordance with a consensus decision that contributions would be pledged on the basis of each donor's rate of assessment to the regular United Nations budget adapted to CITES' membership. The U.S. contribution was thus set by mutual agreement at a level of 25% and works out at a slightly higher percentage because all UN members are not CITES Parties. The CITES budget for the 1984-85 biennium was approved at the fourth Conference of CITES Parties, held in Botswana in April 1983.

CITES' principal achievement is its acceptance by producing and consuming countries alike as the worldwide instrument for control of trade in wildlife and wildlife products. Other notable achievements are: a) guidelines for the shipment of live specimens of plants and animals; b) development of an Identification Manual for use by customs officials in identifying protected species at ports of entry; c) progress in standardization of documentation, annual reports on wildlife trade and information required to amend listings of endangered and threatened species; d) more effective controls on trade in such specimens as elephant ivory, rhinoceros horn, whale products, exotic furs, reptilian leather, and rare birds; e) improved acquisition and exchange of data and statistics on wildlife trade; f) improved cooperation among regional Party members; and g) improved enforcement of CITES regulatory mechanisms and wildlife legislation in general.

U.S. Interests: All countries benefit from CITES' protection of endangered and potentially threatened species of wild plants and animals--irreplaceable natural resources. CITES resulted largely from a U.S. Congressional initiative, receives strong public support and is implemented in the United States through the Endangered Species Act and other legislation.

FY 1985
PROGRAM HIGHLIGHTS

- Broader and more effective implementation and enforcement of the Convention, through regional seminars and compilation, analysis and exchange of trade data.
- Completion of the Identification Manual.
- Investigation of legal and illegal trade in species of key concern.
- Technical, legal and administrative assistance to Parties in meeting Convention goals .

Other Donors: The CITES Secretariat 1984-85 biennium budget approved by the Parties is \$1.409 million. Based on the UN assessment scale as adapted to CITES, principal donors other than the United States would be pledged to contribute as follows in 1984-85: Union of Soviet Socialist Republics, 11%; Japan, 11%; Federal Republic of Germany, 9%; France, 7%; United Kingdom 5%; Italy, 4%; and Canada, 3%. Altogether, some ninety countries are expected to be Parties and contribute to support of CITES in 1985. At the request level, the U.S. contributions in 1984-85 will amount to 24.8% of the CITES Secretariat budget.

FY 1985 Program: In 1985, CITES is expected to continue its development along the lines taken thus far, as a major contributor to international conservation and the primary international mechanism governing international trade in wildlife. Increased trade data and statistics will be made available by the Secretariat to CITES Parties through improved coordination with the World Trade Monitoring Unit of the International Union for Conservation of Nature and Natural Resources (IUCN). The focus will be on preparations for, the holding of and implementation of the decisions of the 1985 fifth Conference of CITES Parties, which will inter alia: a) review and amend the CITES listings of wildlife and plants endangered or threatened by trade (currently 1700 species of wildlife and 30,000 varieties of plants); and b) consider a wide variety of technical issues related to interpretation of the Convention and decisions of earlier Conferences of parties. Work will continue on major projects such as the Identification Manual, investigation of legal and illegal trade in species of key concern, and technical, legal and administrative assistance to Party governments in meeting the goals of the Convention.

UN VOLUNTARY FUND FOR THE DECADE FOR WOMEN

PROGRAM SUMMARY (In millions of dollars)		
FY 1983 Actual	FY 1984 Estimated	FY 1985 Request
- 0 -	0.5	0.5

Purpose: To improve significantly the integration of women in the economic and social development processes in the least developed countries.

Background: The Voluntary Fund was created by the 30th Session of the UN General Assembly in 1975 in recognition that women, while usually comprising the poorest sector of their societies, are frequently overlooked in the distribution of large development assistance funds. Thus, the Voluntary Fund fills a void by targeting women as direct beneficiaries of projects which will promote their continuing integration into the economic and social development of their societies. The Fund's goal is to provide seed money for innovative and catalytic projects which will grow and become self-supporting or, once evaluated, will be adopted or emulated by larger developmental funds. In this way, the Fund seeks to stimulate a permanent change in the economic status of the world's poorest women and their families.

To date the Fund has financed over 300 projects with priority attention being placed on the least developed of the developing countries. Special consideration is given to programs and projects which benefit rural women and the poorest women in urban areas.

Currently, over 80% of these projects are at the country level, with the UN Development Program (UNDP) having responsibility for their screening and monitoring. The remaining regional projects are similarly handled by the UN regional commissions in Africa, Asia and the Pacific, Latin America and Western Asia. Final decisions on project selection are made by a special consultative committee representing the five UN world regions. Norway represents the Western Group.

U.S. Interests: The United States has a leadership role in encouraging the UN to recognize the need to integrate women more fully in its programs, just as bilateral US aid is governed by the 1973 Amendment to the Foreign Assistance Act calling for more attention to be given to women in development. We have particularly emphasized that women, constituting more than half the world's population, have a vital role to play in the economic development of their countries. As the traditional farmers and commercial food distributors in the underdeveloped and developing countries, women must be active participants in the development process. Thus our past contributions to the Voluntary Fund have been both a tangible manifestation of our commitment

FY 1985
PROGRAM HIGHLIGHTS

--permit the funding of projects designed to help disadvantaged women in the least developed countries become economically self sufficient thereby increasing their contribution to development;

--help sustain the momentum of over 300 on-going programs.

to this cause, and a reflection of our humanitarian concern for women in the least developed countries. As a major donor the United States has been able to exert considerable influence over the Fund's activities.

Other Donors: At the 1983 Pledging Conference thirty-four countries pledged contributions in 1984 for a total pledge of \$1.7 The Netherlands did not pledge, but has informally promised \$500,000. In addition to the U.S. contribution of \$500,000, this would bring the Fund's total estimated resources to \$2.7 million. Of the major pledges at the Conference, Norway promised \$816,000, or 30% of resources, Italy \$220,000 or 8%, Australia \$102,000 or 3%, Denmark \$100,000 or 3%, Finland \$88,000 or 3%, and Belgium \$75,000 or 2%. Thus the U.S. contribution of \$500,000 would represent approximately 18%, a figure which will decrease as additional contributions, such as those from Japan, are received. All of the above countries have been the Fund's major sources of financing over the years.

FY 1985 Program: Major program areas in 1983 were in income-raising activities including agro-industrial, small-animal husbandry and cottage industry, development planning, human development, energy and information. These trends will continue in the 1984/85 period. Typical Voluntary Fund activities include a rug-making cooperative in the Sudan, a fuel and energy development seminar in Africa, community shops in Sri Lanka, food-preparation training for refugee women in Asia, a brick industry for rural women in the Philippines, marketing of handicrafts in Costa Rica, and revolving loan funds. The scope and number of Fund projects in 1985 will be heavily dependent on its ability to raise new and increased contributions.