

# AGENCY FOR INTERNATIONAL DEVELOPMENT

**Fiscal Year 1978  
Submission to the Congress**

**INTERNATIONAL ORGANIZATIONS  
AND PROGRAMS**

March 1977

UNITED NATIONS PROGRAMS

VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL  
ORGANIZATIONS AND PROGRAMS

(In thousands of dollars)

	<u>FY 1976</u> <u>Actual</u>	<u>Transition a/</u> <u>Quarter</u>	<u>FY 1977</u> <u>Estimated</u>	<u>FY 1978</u> <u>Proposed</u>
<u>United Nations</u>	<u>162,400</u>	<u>13,400</u>	<u>182,000</u>	<u>238,500</u>
UN Development Program	100,000	-	100,000	130,000
UN Relief and Works Agency for Palestine Refugees	26,700	13,400	38,700 b/	52,000
UN Children's Fund	20,000	-	20,000	20,000
International Atomic Energy Agency				
Operational Program	4,500	-	6,000 b/	10,000
UN Environment Program Fund	7,500	-	10,000	10,000
UN University	-	-	-	10,000
UN Revolving Fund for Natural Resources Exploration	-	-	2,500	2,000
World Meteorological Organization				
Voluntary Assistance Program	1,500	-	2,000	2,000
UN/Food and Agriculture Organization				
World Food Program	1,500	-	1,500	1,500
UN Institute for Training and Research	400	-	400	500
UN Educational and Training Program for Southern Africa	50	-	50	500
UN Namibia Institute	250	-	-	-
Unallocated	-	-	850	-
<u>Organization of American States</u>				
<u>Voluntary Programs</u>	<u>20,800</u>	<u>2,900</u>	<u>15,000</u>	<u>17,500</u>
Multilateral Fund (SMF)	7,590	1,040	6,000	7,000
Special Fund (SDAF)	6,259	880	5,000	6,100
Mar Del Plata	6,000	870	3,500	3,700
Export Promotion (CIPE)	800	110	500	700
Inter-American Human Rights Commission	151	-	-	-
<u>Indus Basin Development Fund</u>	<u>9,000</u>	<u>12,300</u>	<u>15,800</u>	<u>-</u>
<u>Total International Organizations and Programs</u>	<u>192,200</u>	<u>28,600</u>	<u>212,800</u>	<u>256,000</u>

PROGRAM DATA

PROGRAM UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)	FUNDS INTERNATIONAL ORGANIZATIONS AND PROGRAMS	PROPOSED CONTRIBUTION (In thousands of dollars) FY 78 130,000
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Program Purposes and Priorities

The United Nations Development Program (UNDP) is the major worldwide fund providing grant technical assistance to foster economic growth and improved human conditions in the developing world. UNDP is a cooperative endeavor in which governments and peoples of the developed and developing world jointly seek solutions to the problems of disease, hunger, employment, etc.

The UNDP is at the center of all UN technical assistance activities, expending more than \$500 million annually for development projects planned and carried out together by recipient country nationals and UN experts. Long-term country programs relate UNDP project activity to each country's development priorities and needs.

UNDP's first Country Programming Cycle (1972-1976) has just been completed with a total of \$1.8 billion in voluntary contributions having been programmed. Recipient countries have expended even larger amounts of their own funds in support of these projects.

The second Country Programming Cycle (1977-81) has projected program expenditures of about \$2.5 billion to meet the expanded needs, particularly in the poorer countries. Eighty percent of the funding is scheduled for countries with an annual GNP per capita of \$500 or less. At the core of UNDP activity in each country is the Resident Representative who has a central coordinative role for all UN technical assistance and who assists the government in formulating realistic and efficient Country Programs.

-- Of the 20 principal recipients of UNDP funds programmed for 1977-1981, 15 are low income countries with per capita GNP of \$200 or less.

**TWENTY PRINCIPAL RECIPIENTS OF UNDP FUNDS PROGRAMMED FOR 1977-1981**

Low-Income Countries with GNP per Capita of Less than \$200 per Year

COUNTRY	Amt. Programmed (Millions)	COUNTRY	Amt. Programmed (Millions)
1. India	\$97	9. Tanzania	\$34
2. Indonesia	70	10. Nepal	33
3. Bangladesh	66	11. Sudan	33
4. Pakistan	53	12. Sri Lanka	32
5. Burma	42	13. Uganda	30
6. Ethiopia	42	14. Kenya	28
7. Afghanistan	38	15. Mali	24
8. Zaire	35		

Other Countries Among the 20 Principal Recipients

COUNTRY	Amt. Programmed (Millions)	COUNTRY	Amt. Programmed (Millions)
1. Nigeria	\$46	4. Brazil	\$30
2. Egypt	32	5. Thailand	30
3. Philippines	31		

SOURCE: UNDP; DATA ABOVE EXCLUDE REGIONAL AND MULTI-COUNTRY GROUPINGS

UNDP, utilizing the expertise of UN Specialized Agencies such as FAO, WHO, and ICAO, as Executing Agencies, provides funding for projects in 15 different sectors on a global basis.

-- UNDP-funded research, investigations and feasibility studies provide a solid basis for viable and productive capital investments by the World Bank, private investors, and local governments.

-- Its institution-building activities include the creation and strengthening of universities, re-

PROGRAM DATA

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PROGRAM

UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)

search institutes, farm extension services, statistical capability, and vocational schools: basic building blocks in the modernization process.

UNDP assistance is particularly crucial in countries which have just received their independence as in today's Africa.

- It effectively complements the more selective bilateral programs, being more universal both in geographic scope and in types of assistance offered. It focuses and coordinates multilateral and bilateral assistance such as in the drought-prone Sahel region of Africa.

U.S. Interests and Benefits

The United States and the developing countries have become ever more interdependent for oil and other natural resources, as outlets for our trade, as sources of investment opportunity. Further, there exists the ever-strengthening conviction that the U.S. and the rich nations cannot prosper and survive in a world filled with "national slums", where famine, disease, overpopulation and unemployment persist and worsen.

The United States has always taken the lead in founding and funding most international organizations to deal with these critical issues. The UNDP is at the core of the UN system's drive to find solutions for the needs of the Third World and deserves our continued support. The \$20 million increase in the revised proposal will further underscore U.S. support of UNDP's central role.

Continuing strong leadership by the United States in UNDP and indeed our credibility with the developing countries in turning the North-South dialogue to practical ends depend considerably upon our levels of support for the main technical assistance fund in the UN System.

The UNDP, complementing and enhancing the activities of other UN agencies, provides technical assistance to enable new nations to participate in worldwide scientific and regulatory systems of vital concern to the United States and to all countries.

Increasing the level of U.S. support will enable UNDP to approach its global funding target and thereby strengthen its ability to be responsive to the growing requirements of the developing world. It should at the same time lessen the need of the Specialized Agencies of the UN development system to increase their own technical assistance levels.

UNDP-funded projects are vital links in achievement of new capability in:

- worldwide disease control mechanisms;
- air transport safety;
- atomic plant safety and inspection;
- dependable communications.

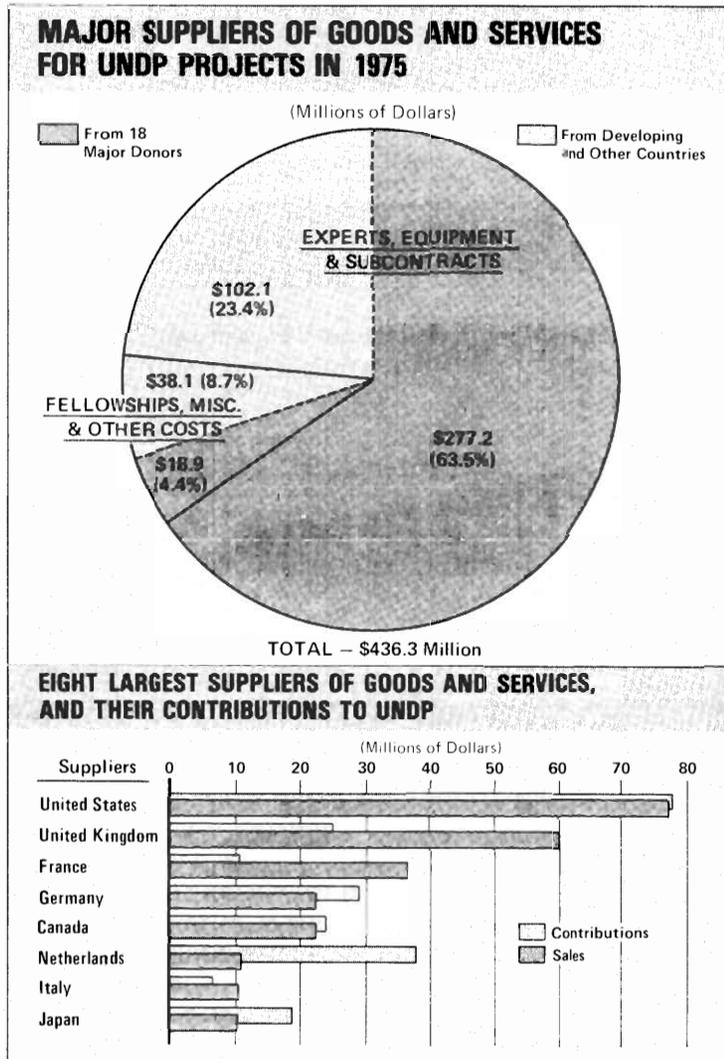
UNDP provides U.S. businesses and individuals with many contract opportunities:

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PROGRAM

UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)



- 30% of all UNDP equipment contracts, valued at \$20 million, were supplied by U.S. Firms in 1975;
- 35% of all UNDP consulting contracts with a value of \$20 million were awarded to U.S. companies in 1975;
- 13% of 10,800 experts serving UNDP in field activities in 1975 were Americans.

The United States has development interests in nations and sectors not served by our A.I.D. program. UNDP fills this gap.

- Some countries, such as Burma, and certain strategic sectors, such as mineral resources, are often open only to non-political international programs. UNDP programs cover a total of 15 sectors.
- In certain countries, such as India, the United States does not maintain a direct bilateral A.I.D. operation at this time but is nevertheless interested in the country's development.
- Many of the middle-level developing countries are no longer eligible for U.S. aid but still are greatly in need of western expertise that can be secured through UNDP.
- Inter-country programs are aimed at directing world attention to the critical research and development needs of developing countries.

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PROGRAM

UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)

The UNDP is facing up to recent management and financial problems, and has taken important measures to reshape its organization and to establish effective procedures to allocate and control funds.

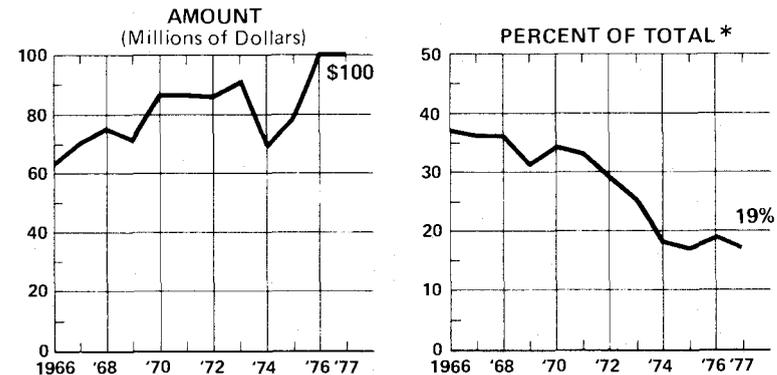
- UNDP has always been U.S. led and the present Administrator has revitalized UNDP in his first year in office.
- To meet the need for savings, greater efficiency and lower overhead, UNDP in the last year has cut back 90 professional positions worldwide, including 39 at UNDP headquarters.
- UNDP has undertaken a complete overhaul of its internal accounting and funds control systems together with cooperating executing agencies  
A project is now underway funded by the donor countries and involving UNDP and the UN International Labor Organization (ILO) as the prototype Agency, to design and test a new accounting and reporting system which could then be applied to all participating agencies.

\*\* The United States, through A.I.D., is cooperating with UNDP in this activity.

U.S. Contribution

The UNDP is dependent upon the voluntary contributions of all of its member countries, rich and poor. The U.S., as a major sponsor of UNDP, should maintain its leadership role, while encouraging increased support by other countries.

**U.S. CONTRIBUTIONS TO THE UNITED NATIONS DEVELOPMENT PROGRAM**



\* PERCENT OF TOTAL VOLUNTARY CONTRIBUTIONS PLUS ASSESSED PROGRAM COSTS, EXCLUDING SPECIAL CONTRIBUTIONS FOR LEAST DEVELOPED COUNTRIES, COST SHARING, AND CASH COUNTERPART CONTRIBUTIONS.

- The increased level of financial support now recommended is intended to have a multiplier effect on the other major donors and to encourage upper income developing countries to become net contributors to the UNDP.

The U.S. remains the largest single contributor to UNDP but our share has decreased markedly from 37% ten years ago to less than 20% in recent years. In order to get

UNDP through its current financial difficulties and off to a good start in the second Programming Cycle, a significant increase in the U.S. contribution in FY 1978 is justified. We propose \$130 million for UNDP for FY 1978. This would represent about 22% of expected contributions and would constitute an important increase over the FY 1977 level of \$100 million demonstrating a greater U.S. commitment to the developing world.

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## UNITED NATIONS DEVELOPMENT PROGRAM (UNDP)

- Failure of the United States and other major donors to increase their contributions substantially will seriously jeopardize the ability of UNDP to fulfill the established program targets. This will be particularly serious for the least developed countries for whom there is often no alternative to UNDP funding of their technical assistance requirements.
  - In terms of contribution per capita, the United States provides less funding than many other countries. Denmark provided UNDP about \$8 per capita in 1975, and Sweden \$6 while the U.S. contribution was 44¢ for each American. Scandinavia's pledges for 1976 and 1977 substantially exceed those of the United States and the Netherlands also provides more than half as much as we. The European Economic Community's share in 1976 was around one third of the total.
- A major goal of UNDP, strongly backed by the United States, is an increase in support of the UNDP from the richer developing countries. In addition they are asked to cover the cost of any programs carried out within their country. While not achieving as much success as hoped, the Administrator is continuing to give great emphasis to this goal:
- Contributions from OPEC countries increased threefold from 1972 to 1976.
  - A number of countries including Saudi Arabia, Nigeria, Iran, Venezuela, Czechoslovakia and Yugoslavia contribute more than the cost of the UNDP effort in their own country.

PROGRAM DATA

<p>PROGRAM UN Relief and Works Agency for Palestine Refugees In Near East (UNRWA)</p>	<p>FUNDS INTERNATIONAL ORGANIZATIONS AND PROGRAMS</p>	<p>PROPOSED CONTRIBUTION (In thousands of dollars) FY 78 52,000</p>
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Program Purposes and Priorities

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), which was established in 1949, provides food, housing, schooling, and health services to registered refugees of the 1948-1949 Arab-Israeli conflict and, on a temporary and limited basis, certain services to persons displaced as a result of the 1967 hostilities.

- As of June 30, 1976, the refugee population registered with UNRWA numbered approximately 1,668,205 of which 828,114 were receiving rations from UNRWA.
- UNRWA is still attempting to cope with the effects of the June 1967 war when about 250,000 persons fled to the East Bank of Jordan from the West Bank and Gaza. Most of these refugees have subsequently been unable to return to their homes.

UNRWA estimates its budget for 1977 as:

Relief Services	\$ 50,762,000
Health Services	15,946,000
Education Services	68,861,000
Other	4,164,000
	\$139,733,000

- Relief Services include expenditures for shelter, food and camp improvements and maintenance. UNRWA procures and distributes basic monthly rations of flour, sugar, rice, cooking oil and kerosene to more than 825,000 registered refugees.

- Health Services, provided with WHO professional assistance, cover clinics, special programs for the health of pregnant women, nursing mothers, and young children, and public health measures with special emphasis on preventive medicine.
- Educational services comprise the largest proportion of the UNRWA budget since this is its major way of giving the refugees hope for the future. UNRWA operates not only primary schools, but also leader training and vocational institutions whose graduates are in demand all over the Middle East. Over 300,000 children are in primary and lower secondary UNRWA/UNESCO schools and 4,500 trainees in vocational and teacher training classes.

Current developments in Lebanon have vastly complicated UNRWA's responsibilities in that country. UNRWA officials have attempted to meet the relief requirements of those refugees caught up in the hostilities through the relocation of education, administrative, health, and food program facilities. Reconstruction of facilities destroyed in the fighting will be undertaken after order has been restored in the area.

- It is conservatively estimated that UNRWA's requirements arising out of the situation in Lebanon could reach several millions of dollars. No provision is made for these extraordinary costs in the current request.

U.S. Interests and Direct Benefits

U.S. support for UNRWA meets a clear humanitarian need

PROGRAM DATA

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PROGRAM

UN Relief and Works Agency for Palestine Refugees In Near East (UNRWA)

and is an important element in promoting political stability in the Middle East, complementing current efforts to achieve peace and helping to protect our basic interests there.

- The majority of the Palestinian refugees receiving UNRWA services reside in Israeli-occupied territories and in Jordan. A substantial reduction or termination of UNRWA services would place a heavy added burden on these countries which they would find difficult to assume.
- The human dimensions of this problem impel the traditional U.S. concern for the long-suffering Palestine refugees in the Near East. The United States and the international community demonstrate by their support of UNRWA their concern for the Palestinian people and our desire to take their interests into account in seeking a just and lasting peace in the area.

As has been the case for several years, the U.S. pledge is made on the condition that UNRWA "take all possible measures to assure that no part of the United States contribution shall be used to furnish assistance to any refugee who is receiving military training as a member of the so-called Palestine Liberation Army or any other guerrilla-type organization, or who has engaged in any act of terrorism" (Section 301(c) of the Foreign Assistance Act of 1961, as amended). The Commissioner General of UNRWA has reiterated his assurances that UNRWA is taking all measures possible in the circumstances which exist in the area of its operations to ensure that all contributed funds are used for assist-

ance to eligible refugees in need, and are not diverted for any purpose foreign to UNRWA's mandate.

U.S. Contribution

The proposed U.S. voluntary contribution of \$52 million to UNRWA in FY 1978 would represent approximately 35% of the projected budget expenditures for the calendar year of 1978, of \$150 million.

- This percentage level, which is significantly lower than those of all prior years except one, is appropriate both in terms of the interest we have in stability in the Middle East and as an inducement to generous support by others.

-- Other major contributors in 1976 were:

Canada	\$ 3.6 million
Denmark	i.6
EEC	15.2
France	1.3
Federal Republic	3.3
Israel	1.1
Japan	5.5
Netherlands	1.8
Norway	2.0
Saudi Arabia	11.2
Spain	1.0
Sweden	6.7
Switzerland	1.3
United Kingdom	6.7

- The estimated U.S. contribution for the calendar year 1977 is \$48.7 million (\$26.7 million

PROGRAM DATA

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PROGRAM

UN Relief and Works Agency for Palestine Refugees In Near East (UNRWA)

initial appropriation plus supplemental request  
of \$22 million attributable to the needs for  
that year).

PROGRAM DATA

PROGRAM UNITED NATIONS CHILDREN'S FUND (UNICEF)	FUNDS INTERNATIONAL ORGANIZATIONS AND PROGRAMS	PROPOSED CONTRIBUTION (In thousands of dollars) FY 78 20,000
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Program Purposes and Priorities

One of the first UN organizations, since 1946 UNICEF has worked hard to help first with the immediate welfare of children left destitute in World War II, and in later years for the long-range welfare and development of children in developing countries. UNICEF enjoys universal support.

- UNICEF is financed entirely by voluntary contributions from governments and individuals.
- An apolitical organization, UNICEF helps children around the world.
- Some 103 countries and territories received benefits from UNICEF in 1976.
- Much of UNICEF assistance takes the form of the provision of commodities of various types as well as technical assistance. In this UNICEF differs from many UN programs.

UNICEF programs emphasize the principle of "self-help", so that eventually the developing countries can carry on without further foreign assistance. The principal new thrust in UNICEF program strategy is the concept of basic services for children and mothers.

- The aim is to reach the poorest population strata (some 900 million).
- Basic services means interrelated and mutually supportive services in the fields of maternal and child health (including family planning), safe water, nutrition, social services and

education.

Estimated Program Expenditures in 1976 (\$ millions)

	<u>Amount</u>	<u>Percent</u>
Maternal and Child Health	\$45.1	54.4
Education - nonformal, formal and prevocational	15.5	18.5
Child Nutrition	7.7	9.4
Emergency Aid	5.6	6.8
Children's social services	3.8	4.6
Country Program planning and project preparation	5.2	6.3
Total	<u>\$82.9</u>	<u>100.0</u>

U.S. Interests and Benefits

Not only have the American people endorsed the humanitarian aspects of child welfare over the thirty years of UNICEF's existence, but also, UNICEF, by caring for the future generations, helps ensure that social development. UNICEF is also a major purchaser of goods and services in the United States. In 1976 these purchases had an estimated value of \$42 million, a figure which represents over twice the U.S. Government contribution to UNICEF.

U.S. Contributions

The proposed voluntary contribution of \$20 million in FY 1978 is the same as that given in FY 1976 and FY 1977.

- In FY 1976, 121 countries gave \$80 million to UNICEF.

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PROGRAM

UNITED NATIONS CHILDREN'S FUND (UNICEF)

- The U.S. contribution was 25%. At the pledging conference for 1977 the UNICEF Executive Director estimated total contributions to general resources would reach \$92 million.
- Ninety-two countries participated; 25 increased their pledges.
- The U.S. pledge represented 21.7% of the total.
- Sweden led the other contributors with \$20 million.
  - \*\* Norway gave \$8.5 million.
  - \*\* Canada gave \$6.7 million.
- Anticipated receipts are 16% ahead of 1976 which should enable UNICEF to increase its assistance despite inflation.

## PROGRAM DATA

<b>PROGRAM</b> International Atomic Energy Agency Operational Program	<b>FUNDS</b> INTERNATIONAL ORGANIZATIONS AND PROGRAMS	<b>PROPOSED CONTRIBUTION</b> (In thousands of dollars) FY 78 10,000
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### Program Purposes and Priorities

The Operational Program equips the Agency with a functional capacity essential to achieving the objectives defined in its Statute.

- It provides technical assistance in the form of experts, equipment and training to developing countries to promote peaceful uses of atomic energy.
- It provides a mechanism for disbursing additional U.S. voluntary contribution for strengthening Agency safeguards.

Priorities for technical assistance projects include:

- Nuclear engineering and technology, 30-40%;
- Application of radioisotopes in agriculture, 15-20% -- in medicine 10-15% -- in other fields 10-15%;
- prospecting, mining and processing of nuclear materials, 15-20%.

### U.S. Interests and Benefits

The United States played a leading role in establishing this program, recognizing both a responsibility to assist the worldwide development of peaceful uses of atomic energy and the desirability of influencing such development. The program:

- effectuates U.S. policy of assisting developing countries to expand their energy supplies and to receive the benefits of modern advances in science and technology;
- contributes to meeting U.S. obligations under the Non-Proliferation Treaty concerning obligations of advanced countries to assist developing countries in obtaining the benefits of peaceful uses of nuclear energy;
- helps maintain overall balance in Agency activities between technical assistance and nuclear safeguards regime, thereby obtaining improved acceptance and support for safeguards by developing countries;
- promotes development of future export markets for U.S. nuclear equipment and material by providing opportunity for specialists from other countries to become acquainted with U.S. technology and equipment.

### U.S. Contribution

For 1977 the total U.S. voluntary contribution will be \$9 million, composed of \$1,650,600 in cash and \$7,349,400 in in-kind support.

For 1978 a total voluntary contribution of \$10 million is proposed, \$1,788,150 in cash and \$7,211,850 in in-kind support.

## PROGRAM DATA

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PROGRAM

## International Atomic Energy Agency Operational Program

-- This amount will enable us to continue our support for such IAEA programs as development of nuclear energy as an alternate energy source; reactor safety, waste management and environmental protection; and to reinforce our support for safeguards and physical protection.

The proposed distribution of U.S. contributions for FY 1978 is as follows:

- Voluntary Cash Contribution - \$1,788,150 is proposed for the U.S. cash contribution in FY 1978, an increase of \$137,550 or 8.3% over FY 1977. The Agency's target for total cash contributions was raised from \$5.5 million in 1976 to \$6 million in 1977 and will probably be set at \$6.5 million for 1978. The U.S. contribution will then be about 27.51% of this target. Other major cash contributors are USSR - 15.168%; Japan - 7.4%; FRG - 7.35%; France - 6.07%; U.K.- 5.5%.
- Fellowships and Training - \$1,761,850: This program would be increased \$161,850 or 10% over the 1977 level to meet the growing need for training in nuclear energy production on the part of developing countries.
- Gifts of U.S. Equipment - \$650,000: This program will be maintained at the same level as 1977.
- Provision of U.S. Experts - \$200,000: Funds for provision of experts in connection with world energy and food problems as well as reactor

safety, waste management and environmental protection would be maintained at their 1977 level.

- Safeguards and Physical Protection - \$5,600,000: It is proposed to increase by \$1 million the 1977 program to assist the Agency to strengthen safeguards and take the lead in the improvement of physical protection. This program includes \$600,000 previously planned for this purpose, \$1 million attributable to the President's initiative to supplement other United States contributions by \$5 million over a period of five years, and \$4 million as a follow up to the President's Nuclear Policy Message expressing an expanded commitment to the IAEA safeguards system.

## PROGRAM DATA

PROGRAM UN Environment Program Fund (UNEP)	FUNDS INTERNATIONAL ORGANIZATIONS AND PROGRAMS	PROPOSED CONTRIBUTION (In thousands of dollars) FY 78      10,000
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### Program Purposes and Priorities

UNEP was established by the UN General Assembly in December 1972 following an initiative of the President who proposed in his 1972 environment message to Congress that a fund be established with a goal of \$100 million for the first five-year period 1973-1977 to which the United States should contribute \$40 million on a 60/40 matching basis.

- UNEP's primary mission is to provide general policy guidance for the direction and coordination of environmental programs within the UN system.
- The Environment Fund is to be used to finance in whole or in part new environmental initiatives undertaken within the United Nations system or to strengthen programs already underway.
- The Fund is supported entirely by voluntary contributions of member states and is administered by UNEP.

### Program priorities include:

- development of environmentally sound technology related to human settlements, low-cost building techniques, water and waste treatment;
- human and environmental health, including the development of environmental health criteria, an assessment of the effects of selected pollutants on human health and the environment, and establishment of an International Registry

of Potentially Toxic Chemicals (IRPTC);

- environmentally sound management/conservation of terrestrial ecosystems, including arid lands, tropical forests, wildlife and genetic resources, water and other renewable natural resources;
- protection of the marine environment through international and regional conventions and programs that have monitoring, research and training components to foster sound management of marine resources;
- the functional components of Earthwatch, including the Global Environmental Monitoring System (GEMS), the information exchange mechanism of the International Referral System (IRS), and environmental assessments to provide clearer understanding of the "outer limits" of man's encroachment upon the earth's life support systems in such areas as climatic change, weather modification and risks to the ozone layer.

### U.S. Interests and Benefits

UNEP program priorities represent a balance between the environmental objectives of the developing countries on the one hand and the developed countries on the other.

- The United States attaches particular importance to the Earth-watch activities--including GEMS and IRS--intended to monitor and assess the state of the global environment, thereby

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## PROGRAM

UN Environment Program Fund (UNEP)

providing all countries with the informational tools essential to sound environmental management. These objectives could not be adequately accomplished at the national or even regional level.

- In a related area of global importance, UNEP will sponsor a scientific meeting on risks to the ozone layer in Washington in March 1977, an activity the United States urged in the fourth session of the UNEP Governing Council in April-May 1976.
- UNEP's worldwide exchange of information on toxic chemicals through the International Registry of Potentially Toxic Chemicals (IRPTC) will enhance U.S. programs in this important area.
- The United States also has deep interest in UNEP's multidisciplinary programs designed to protect the world's marine environment and conserve its resources.

U.S. Contribution

Separate legislation was enacted in December 1973 to authorize U.S. contributions to the Fund of up to \$40 million, with the proviso that not more than \$10 million be appropriated in FY 1974. This underscored our commitment to launch UNEP.

- As of November 1, 1976, 68 countries, including the United States, had pledged approximately \$109.7 million for the five-year period 1973-1977.

-- Other major contributors to the Fund are: Canada, France, Federal Republic of Germany, Japan, Sweden, the United Kingdom and the USSR.

-- Pledges of other countries for 1977 total approximately \$21.0 million.

-- A U.S. contribution for 1978 of \$10.0 million is proposed. On the assumption that total contributions in that year will reach \$25.0 million, this would be 40% of the total.

-- With this amount, the United States will have met the terms of its original pledge, but only in the first year following the initial five-year period of the program.

## PROGRAM DATA

PROGRAM	FUNDS	PROPOSED CONTRIBUTION (In thousands of dollars)
United Nations University (UNU)	INTERNATIONAL ORGANIZATIONS AND PROGRAMS	FY 78 10,000

### Program Purposes and Priorities

The United Nations University was created as an autonomous body under UN General Assembly auspices in 1972. It became operational in 1975 with the appointment of the Rector and the establishment of the University Center in Tokyo.

- It provides a new mechanism on a technical, non-political level, to promote collaborative research and intellectual cooperation in seeking practical solutions to pressing global problems. UNU is not a traditional university but rather consists of world-wide networks of advanced research and training institutions.
- Financed entirely by voluntary contributions, it relies almost entirely upon income derived from its endowment fund.
- It is giving special attention to research program priorities of developing countries. To date agreements have been reached with three institutes engaged in applied research programs in nutrition and post-harvest food conservation, to enable them to serve as centers for establishing networks for collaborative research with other facilities in their respective regions.

### U.S. Interests and Benefits

- From the outset Japan has taken the lead in supporting and promoting the UNU. Since we have long encouraged Japan to take on greater responsibility in multi-lateral affairs, as it is now doing with the UNU, A U.S. contribution would

- demonstrate our active interest in the UNU and our endorsement of Japan's leadership role in its program.
- UNU provides a mechanism for the American academic and research communities to collaborate with and assist advanced research and training institutions in other nations. The University's American Rector has already involved American experts and institutions such as MIT in the UNU.
- The American Council on Education, a leading professional association, sees the UNU playing an important role in "promoting transnational collaborative research on major human problems" and has strongly recommended U.S. support.
- UNU efforts that enhance the capability of institutions engaged in applied research on problems of world significance benefit the U.S., as well as those developing countries more immediately concerned.
- U.S. assistance to the UNU is in keeping with our policy objectives of supporting self-help mechanisms for institution-building in the Third World.
- The UNU may be an effective instrument for the U.S. to promote international cooperation on a functional level. It can also provide a non-political forum for launching new initiatives.

PROGRAM DATA

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PROGRAM

United Nations University (UNU)

U.S. Contribution

- The UNU is seeking to establish contributions over a ten-year period for an endowment fund of \$500 million. Japan has pledged \$100 million, Venezuela \$10 million, Ghana \$2.5 million, and seven other nations have made lesser pledges. Japan has already deposited \$60 million and Venezuela \$2 million.
  
- The UNU has sought a U.S. pledge of \$50 million for its first five years of operation. It is proposed that the U.S. contribute \$10 million to the UNU at this time.
  
- Congress in 1975 authorized \$10 million for FY 1977 "upon the request of the President." The current FY 1978 proposal represents such a request for the first time.

## PROGRAM DATA

PROGRAM UN Revolving Fund for Natural Resources Exploration	FUNDS INTERNATIONAL ORGANIZATIONS AND PROGRAMS	PROPOSED CONTRIBUTION (In thousands of dollars) FY 78 2,000
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### Program Purposes and Priorities

The United Nations Revolving Fund for Natural Resources Exploration was established by the UN General Assembly in 1973 and became operational in 1976. It is designed to stimulate the search for natural resources in developing countries.

- Cooperating closely with the World Bank and other elements of the UN development system, as well as with host countries and international private enterprise, the Fund will finance surveys to locate and evaluate natural resources--primarily solid minerals.
- Mineral exploration is a high risk investment and it is not easy to obtain the capital for such ventures. The Revolving Fund (RF) will help to provide this capital, and with it, the possibility of developing countries obtaining new sources of revenue to meet their economic and social challenges.

The Revolving Fund includes a replenishment feature unique in international organization development programs.

- No charge would be made to the LDC beneficiaries unless the Revolving Fund final project report identifies natural resources that, in fact, are exploited within a 30-year period.
- The beneficiary will then repay 20% of gross value extracted for the first 15 years. Even though explorations that will be unsuccessful are projected to run as high as ten to one over

successful finds, the Fund is expected to become self-financing in perhaps 20 years depending upon its pattern of expenses.

- To date 5.4 million has been contributed to the Fund, principally by Japan (\$5 million) and the Netherlands. For 1977 \$8 million in total contributions is projected.

### U.S. Interests and Benefits

Given a continuation of current trends, indications are that the world-wide demand for natural resources in future years will grow much more rapidly than supply, particularly in certain commodities, thus jeopardizing continued prosperous functioning of the global economy. Thus, it is in the interest of developed and developing countries alike to diversify and expand the global resources base of many natural resources. In recognition of this the United States wishes to assist in helping to ensure the successful development and operation of the UN Revolving Fund for Natural Resources Exploration. A contribution at the level proposed would as well encourage wider participation on the part of other developed countries. We would expect that in 1978 the Fund would be in a position where it could effectively use these funds in implementation of the program's initial projects.

### U.S. Contributions

A U.S. contribution of \$2,000,000 for FY 1978 is proposed. This would represent about 20% of total contributions through that time. The U.S. FY 1977 contribution was \$2.5 million.

## PROGRAM DATA

<b>PROGRAM</b> World Meteorological Organization Voluntary Assistance Program (VAP)	<b>FUNDS</b> INTERNATIONAL ORGANIZATIONS AND PROGRAMS	<b>PROPOSED CONTRIBUTION</b> (In thousands of dollars) FY 78 2,000
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### Program Purposes and Priorities

The Voluntary Assistance Program (VAP) of the World Meteorological Organization (WMO) provides for the participation of the developing countries in the World Weather Watch. The World Weather Watch:

- attempts to bring the global atmosphere under surveillance;
- arranges for the rapid collection and exchange of weather data in order that the world's weather system might be better understood.

This will result in an enhanced ability to predict drought, flood, and climatic changes.

### U.S. Interests and Benefits

A primary result has been the improvement of U.S. domestic weather forecasting for agriculture, construction, transportation, fisheries and other industries.

- All requests for assistance under the VAP are submitted by the WMO Secretary-General to a panel of the WMO Executive Committee (the United States is represented on both the Committee and the panel) for review and approval.
- As a result of this procedure, the United States is able to select those projects for support under its in-kind contribution which:

- \*\* contribute most directly to U.S. regional and global weather program;
- \*\* are of the type of assistance which the United States is best suited technically and financially to provide; and
- \*\* correspond to U.S. national and international objectives in the World Weather Program.

### Recent Developments

During 1976, projects contributed to by the United States consisted largely of training and/or installations of direct satellite receiving equipment and telecommunications and observing equipment, which enable the recipient countries to collect, transmit and receive up-to-the-minute weather data for the World Weather Program.

### U.S. Contribution

In FY 1978 we propose a U.S. contribution to the Voluntary Assistance Program of \$2.0 million. This represents about 35% of the total amount contributed by member countries. The U.S. pledge contains a proviso that the cash contribution will not exceed 40% of the total contributed by all member countries. This request would provide:

- a U.S. cash contribution of \$150,000 and
- \$1,850,000 for in-kind contributions consisting of U.S. equipment, experts and services, and

PROGRAM DATA

Continuation Sheet

PROGRAM

World Meteorological Organization Voluntary Assistance Program (VAP)

training in the United States for people from developing countries.

In this way, these trainees are introduced to U.S. technology, equipment and methods, thus improving opportunities for American suppliers in the future.

The amount requested in FY 1978 is the same as the previous fiscal year. In the 10-year history of this program, the amount requested had remained almost unchanged at \$1.5 million. In FY 1977 it was increased to \$2.0 million to permit some restoration to the value of the program from the erosion resulting from inflationary pressures over the past few years.

## PROGRAM DATA

PROGRAM UN/FAO World Food Program	FUNDS INTERNATIONAL ORGANIZATIONS AND PROGRAMS	PROPOSED CONTRIBUTION (In thousands of dollars) FY 78 1,500
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### Program Purposes and Priorities

The World Food Program (WFP) is a multilateral agency using food aid for economic and social development and emergencies worldwide. It is responsible jointly to the United Nations and the Food and Agriculture Organization.

- The Program has annual expenditures of over \$400 million and currently is involved in over 300 projects in over 80 countries.
- About one half of WFP's expenditures are used for projects based on a concept of food for work. These include projects for crop diversification, animal husbandry, and development of land, fisheries and forestry. By their nature, these projects generate employment.
- Slightly over one-third of the funds are used to provide food to and improve the nutrition of the most vulnerable groups and promote education and training. Nearly 10% of WFP's resources are devoted to emergency relief and rehabilitation programs.

The 18th FAO Conference in November 1975 and the 30th United Nations General Assembly approved the reconstitution of the WFP Intergovernmental Committee (IGC) as a Committee on Food Aid Policies and Programs (CFA). This Committee, which governs the World Food Program is composed of 30 members, one half elected by the UN Economic and Social Council and one half by the FAO Council. The new Committee will:

- provide general guidance on the policy, administration and operation of the World Food Program;
- provide a forum for intergovernmental consultations on national and international food aid programs and policies;
- review periodically general trends in food aid requirements and food aid availabilities;
- recommend to governments, through the World Food Council, improvements in food aid policies and programs on such matters and program priorities, commodity composition of food aid and other related subjects;
- formulate proposals for more effective coordination of multilateral, bilateral, and non-governmental food aid programs, including emergency food aid;
- review periodically implementation of recommendations on food aid policies made by the World Food Conference held in November 1974.

### U.S. Interests and Benefits:

The United States was an originator of the WFP and has been its strongest supporter to date. The United States has contributed heavily to economic development in WFP recipient governments and received considerable good will from its humanitarian efforts.

PROGRAM DATA

Continuation Sheet

PROGRAM

UN/FAO World Food Program

-- The Program has helped to spread the food aid burden among a substantial number of countries. By laying stress on the "self-help" principle and generally insisting on recipient country input into developmental projects, the Program has helped to strengthen the responsibility of beneficiary countries.

U.S. Contribution

Since its inception in 1963, the World Food Program has grown steadily. The number of contributing countries has increased from 29 in 1963 to about 80 in recent years. Pledges to the WFP have increased from \$85 million for the initial three-year period to a level of \$667 million pledged for the 1975-76 biennium, 57% over the \$440 million 1975-76 target. For the 1977-1978 biennium the United States has pledged \$155 million in commodities, \$30 million in transport services and \$3 million in cash towards the adopted target of \$750 million. Other major contributors are Canada, Saudi Arabia, Denmark, Sweden and the Netherlands.

In FY 1978, \$1.5 million is requested under this appropriation to meet the first-year portion of the projected \$3 million cash pledge for the administrative expenses of the WFP in the 1977-1978 biennium. The U.S. contribution of commodities and transport services will be through the PL-480 budget of the U.S. Department of Agriculture.

PROGRAM DATA

PROGRAM UN Institute for Training and Research (UNITAR)	FUNDS INTERNATIONAL ORGANIZATIONS AND PROGRAMS	PROPOSED CONTRIBUTION (In thousands of dollars) FY 78 500
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Program Purposes and Priorities

Established at the United States initiative in 1965, UNITAR's general purpose is to enhance the effectiveness of the structure and functioning of the United Nations system through inter-related training and research.

-- Training recipients have included:

- \*\* 600 participants from 120 countries in 1975;
- \*\* members of Permanent Missions to UN headquarters in New York and Geneva;
- \*\* other diplomats and government officials involved with UN activities; and
- \*\* UN Secretariat officials.

-- Research has emphasized:

- \*\* short-range, action-oriented methods of economic and social development and cooperation; and
- \*\* identification of long-range needs of the international community and recommendation of effective, non-duplicative institutions to meet such needs.

-- Examples of problem-oriented training and research:

- \*\* Course: "The UN and Population Issues";

\*\* Course: "Science and Technology for Development";

\*\* Publication: The UN, Energy, and Raw Materials;

\*\* Publication: Contemporary Trends in Law of the Sea.

U.S. Interests and Benefits

The objectivity of UNITAR publications and seminars is a positive antidote to ill-informed and ideologically-based national or bloc politicization of issues. UNITAR has steadfastly and successfully resisted pressures toward use of its activities as propaganda platforms.

As the largest contributor to many UN programs, the U.S. has a special interest in the unpoliticized efficiency and effectiveness which UNITAR fosters in UN programs.

U.S. Contributions

U.S. contributions are made on a matching basis to encourage other contributions and do not exceed 33% of total unrestricted governmental contributions.

Amount of U.S. Contribution

FY 1976 Actual	FY 1976 T.Q.	FY 1977 Estimated	FY 1978 Proposed
\$400,000	---	\$400,000	\$500,000

## PROGRAM DATA

Continuation Sheet

PROGRAM

UN Institute for Training and Research (UNITAR)

U.S. Contribution As A Percent Of Total Contributions

<u>FY 1976</u> <u>Actual</u>	<u>FY 1977</u> <u>Estimated</u>	<u>FY 1978</u> <u>Estimated</u>
19.5%	21.6%	25%

During 11 years of UNITAR operations the U.S. contribution has remained at a constant absolute level of \$400,000. Due to inflation this constant level contribution has progressively supported fewer programs. At the same time, increased contributions from other nations have reduced the U.S. percentage of total governmental contributions from 31.9% in 1970 to 21.0% in 1975. (While the U.S. percentage thus decreased by approximately 11%, the largest contributors after the U.S.--the FRG, Sweden, Belgium, Canada, Norway, Switzerland, and Italy)--have increased their contributions anywhere from 125% to 320%.)

The proposed U.S. increase will help assure continued strong U.S. influence in UNITAR as manifest in the responsiveness of UNITAR programming to U.S. suggestions. Furthermore, U.S. citizens occupy 24% of the professional positions in the Institute and the key position of Research Director has always been held by a U.S. academician.

## PROGRAM DATA

PROGRAM	FUNDS	PROPOSED CONTRIBUTION (in thousands of dollars)
UN Educational and Training Program for Southern Africa	INTERNATIONAL ORGANIZATIONS AND PROGRAMS	FY 78    500

### Program Purposes and Priorities

The UN Educational and Training Program for Southern Africa was established by the General Assembly in 1967 to integrate earlier special educational and training programs to assist persons from Namibia, South Africa, Southern Rhodesia and Portuguese territories in Africa.

- The program is financed by a trust fund made up of voluntary contributions and is designed to provide scholarships to students from southern Africa so that they can obtain education and training opportunities which they are denied in their own native countries.
- Since 1968 the total income of the trust fund has reached \$8,141,151. The number of scholarship holders has grown from 454 in 1968-1969 to 1,375 in 1974-1975.

Because of urgent requirements arising out of the political situation in southern Africa, especially the need for greater educational assistance there for leadership formation purposes, a marked increase in the level of UNETPSA activity is foreseen.

- UNETPSA has a pressing need for substantial increased funding to enable it to deliver an enlarged program and to deal with the worldwide rise in the costs of tuition, travel and subsistence incident to its financial assistance.
- Due to shortage of funds most of its money is being taken up by renewals with little left for new awards. For example, for 1976 only

\$200,000 (out of projected expenditures of \$1,800,000) was allocated to new awards.

- On the other hand the number of deserving applications has been increasing. During the period October 1974 to October 1975, 2,113 qualified applications were received and 661 new awards made. The number of 1976 new awards was 82.

### U.S. Interests and Benefits

The proposed U.S. voluntary contribution to UNETPSA of \$500,000 in FY 1978 represents a significant departure from previous levels and reflects and the following U.S. interest considerations:

- In the framework of the rapidly changing political situation in southern Africa, we wish to emphasize our concern in a practical way for the education of the young people of that part of the continent who represent the future of the area . In particular we wish to comply with Secretary of State's speech in Lusaka in which the United States called for the expansion of existing programs to train Namibian and Zimbabwean students as administrators and technicians to provide needed manpower when majority rule is attained in those territories. We need to reinforce these concerns by generous financial support of the principal UN program active in this field.
- With the territory of Namibia evolving toward independence in the next several years, there

PROGRAM DATA

Continuation Sheet

PROGRAM

UN Educational and Training Program for Southern Africa

will be a great need for educated Namibians to fill leadership positions. U.S. assistance to Namibian students through the UNETPSA program underlines our concern for the future of the territory and gives evidence of our support for the UN as the body legally responsible for the territory.

-- Because Namibian students seeking admittance to universities often do not meet minimum entrance requirements, UNETPSA awards to Namibians fall short of needs. We wish to work with UNETPSA to shape program arrangements for Namibian students in a way that will deal effectively with this problem. Funding at the level proposed is a minimum requirement to pursue this objective in FY 1978.

-- U.S. funding of UNETPSA complements our bilateral educational assistance for southern Africa:

\*\* UNETPSA assistance includes aid to southern African students not targeted by our bilateral program (such as those from Mozambique, Cape Verde, Guinea Bissau, Angola, etc.).

\*\* Whereas the bulk of AID's development funding will be directed at middle level and lower educational and technical training, the UNETPSA program is designed primarily for university education for students who have already been accepted at accredited institutions.

\*\* UNETPSA is an established, ongoing program and our participation in it encourages funds from other donors.

U.S. Contribution

The proposed U.S. contribution to UNETPSA of \$500,000 in FY 1978 would represent approximately 25 percent of estimated total contributions for that year. The U.S. contribution for FY 1977 was \$50,000 or about 2.5% of estimated total contributions.



## PROGRAM DATA

<p><b>PROGRAM</b> Special Multilateral Fund for Education, Science and Technology (SMF)</p>	<p><b>FUNDS</b> INTERNATIONAL ORGANIZATIONS AND PROGRAMS</p>	<p><b>PROPOSED CONTRIBUTION</b> (In thousands of dollars) FY 78 7,000</p>
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### Program Purposes and Priorities

The Special Multilateral Fund (SMF) of the Inter-American Council for Education, Science and Culture (CIECC) supports regional development programs in education and in science and technology. Technical assistance and training are offered through scholarships, seminars, and advisory missions.

The Regional Education Development Program is designed to raise the region's economic and social level by supplementing national efforts to improve the quality of education, by encouraging modern research methods in education, and by promoting inter-American cooperation in educational matters.

### Areas of emphasis are:

- Educational Administration and Planning provides specialized and advanced training for Ministry of Education officials and administrative personnel. In FY 1976, eight professors were provided to teach at multinational centers and 75 professionals were trained.
- Curriculum and teaching methods and materials assists indigenous technical capability to modernize course content, improve textbooks, and update methods of teaching. In FY 1976, 35 professors were provided to teach at multinational centers and 175 professionals were trained.
- Educational technology develops skills in the use of mass media and communications machinery for educational purposes, as adapted to the Latin American environment. In FY 1976, 19 professors were provided, and 52 professionals were trained.

-- Technical and Adult Education and Educational Research supports research on the role of education in development and trains personnel to teach and prepare materials for adult literacy and vocational and technical education programs. In FY 1976, 14 professors were provided to teach at multinational centers and 78 professionals were trained.

-- Preparation and Diffusion of Educational Material and Information trains provincial news people to use radio and newspapers to disseminate educational materials to adults and young people outside the formal education system; trains university professors in communication sciences. In 1976, two professors were provided and 20 professionals were trained.

The Regional Program of Scientific and Technological Development is designed to promote the advancement of science and technology in the region in order to contribute to the acceleration of economic and social development of the peoples of the hemisphere. Activities are chosen for their impact and multiplication effect.

The Program's principal objectives are to complement national plans on science and technology; to encourage the development of high-level institutions for basic and advanced training, research, and information; and to promote inter-American cooperation in scientific and technological matters.

Areas of emphasis are:

PROGRAM DATA

Continuation Sheet

PROGRAM

Special Multilateral Fund for Education, Science and Technology (SMF)

-- Basic Sciences upgrades research and instruction centers offering master's and doctoral programs for scientists, principally in mathematics, physics, chemistry and biology. In FY 1976, 82 technical experts and professors were provided, and 34 fellowships were awarded.

-- Applied Sciences in the fields of engineering, agriculture, earth science, marine science and nuclear energy, this program supports graduate level training at the best institutions in the region. These institutions, in turn, assist weaker ones in other countries. In FY 1976, 55 technical experts and professors were provided and 97 fellowships were awarded.

Technological Development concentrates on applied research, particularly related to industrial development. Key fields: ore dressing, metallurgy, food and nutrition, pulp and paper, vegetable extracts, tanning, standardization. In FY 1976, 50 technical experts and professors were provided and 82 fellowships were awarded.

-- Scientific and Technology Policy and Planning helps member countries establish their own scientific and technological planning systems and to conduct analytical studies on scientific and technological development. In FY 1976, 19 technical experts and professors were provided and 5 fellowships were awarded.

-- Technical Change and Transfer of Technology provides training in technology management, helps enterprises organize data and extension systems; helps identify areas of technical

change of interest to member countries, facilitates cooperation among countries in establishing agreements on exchange of material and training of specialists. In FY 1976, 45 technical experts and professors were provided and 8 fellowships were awarded.

U.S. Interest and Benefits. The Ministers of Education of the OAS member states meet yearly as the Inter-American Council on Education, Science and Culture of the OAS (CIECC). U.S. support of the SMF, the principal action mechanism of the CIECC, is tangible evidence of U.S. concern that education and science have a useful impact in the economic and social development of Latin America.

U.S. Contributions

The proposed contribution for FY 1978 is \$7.0 million. This represents 66% of the funding of the SMF programs which is at the same level of funding as that of FY 1977 (including the transitional quarter) but \$0.59 million lower than for FY 1976. Since the inflation rate for the two years pushed salaries and prices up considerably, in real terms this represents funding of the program at a level of approximately 15% below that of 1976.

It is anticipated that for FY 1978 the contributions of the other major donors will be as follows:

Argentina	\$ 818,769
Brazil	774,267
Mexico	865,475
Venezuela	322,428

## PROGRAM DATA

PROGRAM OAS Special Development Assistance Fund (SDAF)	FUNDS INTERNATIONAL ORGANIZATIONS AND PROGRAMS	PROPOSED CONTRIBUTION (In thousands of dollars) FY 78    6,100
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### Program Purposes and Priorities

The primary OAS mechanism to promote economic and social development in its member states is the Special Development Assistance Fund (SDAF). Through this voluntary fund, technical assistance programs are mounted to help each country strengthen its capacity to promote development through its own efforts, and to improve mechanisms for regional cooperation in development.

### Areas of emphasis are:

- The Programs. The new (since 1975) Secretary General has made a number of improvements. One is the combining of the previously separate Rural and Urban programs, thus closely coordinating these two areas which impact very directly upon each other. Another is the change in Country Reviews, (mostly of value to the smaller countries) making them voluntary, and doing away with the need for periodic reviews of larger countries which derive little benefit from them.
- Country Reviews. Reviews are chaired by the OAS at the request of member states. The OAS arranges for the attendance of international lending and technical assistance agencies which may comment on the countries' presentation at the reviews, and take advantage of the opportunity to coordinate their programs. In 1976 several formal reviews took place as well as a greater number of OAS chaired meetings of external donors to discuss program coordination.
- Statistical Program. This activity assists in strengthening integrated statistical systems in

each member state and seeks to assure international comparability of data, particularly in reference to social data. During FY 1976, 39 statisticians were trained and 12 technical assistance missions sent out of headquarters.

- Social Development. Technical assistance and training is provided in policies and systems of manpower utilization, employment generation and social security modernization. In 1976 nine technical assistance missions served the member states and 15 persons were trained.
- Regional Development. This activity assists member states in surveys of physical resources, project formulation and evaluation, planning of regional development, and integrated natural resources management. It has produced studies on such problems as the control of erosion in large river basins. The program supports scholarships, special programs, and two inter-American training centers which specialize in project formulation and evaluation, and land and water resource development. In FY 1976, six technical assistance missions were sent out and 166 persons trained.
- Rural-Urban Development. These activities were combined in mid-1976. The program assists the formulation of national plans for balanced rural-urban development and strengthens institutions dealing with problems of community development, social integration, cooperatives and land use control. During FY 1976, the program provided forty technical assistance missions and trained

PROGRAM DATA

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PROGRAM

OAS Special Development Assistance Fund (SDAF)

262 persons.

- Industrial Development. A new category this year, it contains many elements of the former Sector Development Program which conducted studies on agriculture and industry. It will concentrate heavily on fishing and mining, and particularly on technology and policies for greater economic development of these natural resources by the member states.
- Development Finance. Formerly Public Finance and focused on taxation problems, it is now broadened to also include public expenditures, capital markets, and private investment policies and management. Last year the program provided technical assistance in taxation through 22 field missions and the training of 45 persons.
- Tourism Development. An Inter-American Center for Training in Tourism has been organized which provides research in the tourism development process, as well as technical assistance and training for national and regional tourism organizations. Last year seven technical assistance missions were provided to members and 60 persons were trained.
- Inter-American Program for Project Formulation. Formerly called Development Administration, the program is now more sharply focused on the individual project as a unit of the development process. Members are assisted in devising or improving their systems of project formulation and evaluation in order to achieve the most effective project investments. Last year six

technical assistance missions were sent to member states and 214 persons trained.

U.S. Interest and Benefits

U.S. support of the SDAF is support of Latin American expressed priorities in economic and social development. The SDAF programs of the OAS are complementary to some bilateral A.I.D. programs and also cover areas not addressed by A.I.D.

U.S. Contributions

The proposed level of contribution for FY 1978 is \$6.1 million. This represents 66% of the funding of the SDAF programs and is a decrease of \$ 0.2 million from FY 1977 (includes transition quarter) and \$ 0.310 million less than FY 1976. Since the inflation rate for the two years pushed salaries and prices up considerably, in real terms this represents funding of the program at a level of approximately 15% below that of 1976.

It is anticipated that for FY 1978 the contributions of the other major donors will be as follows:

Argentina	\$ 713,498
Brazil	674,719
Mexico	754,200
Venezuela	280,973

## PROGRAM DATA

<b>PROGRAM</b> Special Projects Fund of the OAS (Mar del Plata)	<b>FUNDS</b> INTERNATIONAL ORGANIZATIONS AND PROGRAMS	<b>PROPOSED CONTRIBUTION</b> (In thousands of dollars) FY 78      3,700
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### Program Purposes and Priorities

In 1968 the Inter-American Council for Education, Science and Culture (CIECC) established the Special Multi-lateral Fund for Education, Science and Technology (SMF). It offers technical assistance to the member states to improve their educational scientific and technological infrastructures.

The CIECC called for the creation of an additional special fund during its annual meeting at Mar del Plata, Argentina, in 1972. Now known as the Mar del Plata fund, it provides a mechanism whereby at least two member governments may jointly plan a project and submit it to the Council or its Executive Committee for approval. The projects must emphasize a practical approach to solving specific educational, or scientific, or technological problems of the participating governments.

The resolution also accords funding priority to the relatively less-developed members. Each project is financed by special contributions from those members who participate and a standard matching amount from the United States. There is also a clear requirement that the more developed Latin American countries help underwrite the development projects of their less developed neighbors. Fifteen percent of the contributions of Argentina, Brazil, Mexico and Venezuela are used for this purpose.

### U.S. Interest and Benefits

The U.S. was deeply involved in the creation of this new fund under the CIECC. Its special features--joint projects by two or more member states, and orientation to applied problems--were devised to set examples which the members would find so productive that they would seek to

replicate them with their own funds and outside the OAS organization. The Fund has only been in operation for two years, but the indications are that the members have a growing appreciation of the advantages of both multi-national projects and the problem-oriented project approach.

### U.S. Contributions

The proposed level of contribution for FY 1978 is \$3.7 million. This represents 66% of the funding of the Special Projects programs and is the same level of funding as that for FY 1977 (including the transitional quarter) but a decrease of \$2.3 millions from FY 1976. The reason for the decrease is due to a slow implementation rate during the first full year of the fund's existence. The United States approves of the concept of member states of the OAS participating and cooperating jointly in the applied projects of the Mar del Plata and wishes to encourage it. We believe that the remedies undertaken recently by the Secretariat to improve the implementation rate will be successful.

It is anticipated that for FY 1978 the contributions of the other major donors will be as follows:

Argentina	\$ 432,778
Brazil	409,256
Mexico	457,465
Venezuela	170,426

PROGRAM DATA

PROGRAM Inter-American Export Promotion Center (CIPE)	FUNDS INTERNATIONAL ORGANIZATIONS AND PROGRAMS	PROPOSED CONTRIBUTION (In thousands of dollars) FY 78 700
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Program Purposes and Priorities

CIPE was established in 1968 by the Inter-American Economic and Social Council of the OAS to support national export promotion efforts of the member states and thus their capacity to derive export earnings which could contribute to economic development. With headquarters in Bogota, Colombia, and a small office in New York City, CIPE's activities are of particular importance to the smaller member countries lacking the national infrastructure and export volume required to establish their own network of contacts in world trade centers.

In recent years CIPE has been less active than might have been hoped, and its budget has been correspondingly modest. A new Executive Director was appointed in July and given the task of revitalizing the organization. He has reorganized operations as follows:

-- Commerical Information. This continuing activity involves collaboration with member states in the expansion and improvement of the national information systems used in planning export promotion programs. By 1978 CIPE is expected to have the capacity to process over 50,000 replies to tariff and regulations questions. Activities in 1976 included provision of marketing opportunity information (1,500 cases), weekly commodity price quotations on 34 selected products, and specialized export news publications.

-- Preferential Systems. A major emphasis is on the preferential tariff systems of the industrialized countries, including the United States. CIPE will assist member countries in the mechanics of these systems and in identifying and promoting exports of goods entitled to preferential tariff treatment. Studies on opportunities under the U.S. system for Colombia, the Dominican Republic, Guatemala and Uruguay are near completion; similar studies will then begin for the other eligible countries. This program, and the marketing program mentioned below, will operate in conjunction with import market studies funded out of the Special Development Assistance Fund (SDAF).

-- Marketing. The new Executive Director hopes to provide some assistance leading directly to export sales. This will involve advice on such elements as quality control and packaging, and more basically advice on potentially exportable products. Assistance on import prospects in other countries will complete the program, with this necessary function performed in the United States by OAS staff funded by the SDAF.

-- Institutional Assistance. CIPE has assisted in the establishment and institutional development of national export promotion centers in most of the member

PROGRAM DATA

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PROGRAM

Inter-American Export Promotion Center (CIPE)

states. Assistance topics include commercial attache programs, export financing, credit insurance and export documentation. In addition to assistance to individual states, in 1976 CIPE also assisted the 5-country Andean Group. Another example was CIPE's coordination of seminars in Holland and Germany, jointly with local organizations, for Latin American participants, the latter for 25 Commercial Attaches from member countries.

rate for the two years pushed salaries and prices up considerably, this represents, in real terms, a funding level substantially below that of either of the two preceding fiscal years.

It is anticipated that for FY 1978 the contributions of the other major donors will be as follows:

Argentina	\$ 81,877
Brazil	77,427
Mexico	86,548
Venezuela	32,243

U.S. Interests and Benefits

The United States cooperates with CIPE in order to strengthen the Latin American export position and accelerate economic development in the region. CIPE offers a mechanism to help the less developed countries of Latin America and the Caribbean realize the benefits intended for them in the generalized system of preferences. We will follow closely the efforts of CIPE's new leadership to breathe new life into the organization, and encourage it to concentrate its assistance on the smaller and least developed members.

U.S. Contribution

The proposed level of contribution for FY 1978 is \$ 0.7 million. This represents 66% of the funding of the CIPE program and is an increase of \$ 0.2 million over FY 1977 but \$ 0.1 less than that for FY 1976. Since the inflation