



REPORT OF THE FOURTH MEETING OF THE COMMITTEE OF EXPERTS  
OF THE PEREZ-GUERRERO TRUST FUND FOR ECDC/TCDC

New York, 22-24 September 1989

OFFICE OF THE CHAIRMAN OF THE GROUP OF 77  
NEW YORK

## I. INTRODUCTION

1. Pursuant to the provisions of the High-level Meeting on ECDC held at Cairo in August 1986, and in accordance with the rules of procedure adopted at its first meeting held in Caracas in August 1987, the Committee of Experts of the Perez-Guerrero Trust Fund (PGTF) for ECDC/TCDC held its fourth meeting in New York from 22 to 24 September 1989.

2. The Meeting was attended by five of the six members of the Committee, representing the three regions of the Group of 77. Members of the Core of Assistants of the Chairman of the Group of 77 in New York also attended the Meeting. The list of participants appears as Annex I.

3. The Deputy-Director of the Special Unit for TCDC of UNDP was invited by the Committee to provide information on matters related to UNDP relevant to the deliberations of the Committee.

4. The Committee adopted the following agenda:

1. Consideration of new project proposals.
2. Formulation of the standard format for application to PGTF.
3. Formulation of information brochure on PGTF.
4. Other matters.

5. The Committee had before it the following documents:

1. Twenty (20) project proposals.
2. Feasibility report on "Development of Cooperative Arrangements among Developing Countries in the Consultancy and Engineering Field" prepared by the International Centre for Public Enterprises in Developing Countries (ICPE) and the International Association of State Trading Organizations of Developing Countries (ASTRO).

## II. CONSIDERATION OF NEW PROJECT PROPOSALS

6. The Committee had before it twenty (20) project proposals submitted to avail of the financing of PGTF. The list of these proposals is as follows:

1. Roots and tubers: Improvement of production and post-harvest technologies including yield and quality of cassava.
2. Improved technologies for the production and processing of cereals.
3. Improvement of packaging technologies for staple foods.
4. Food technology information exchange network.
5. Organization of Eastern Caribbean States (OECS) computer science center.

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6. OECS agricultural experimental center.
7. OECS medical telecommunications link.
8. Technical, secretariat and other support to the Global System of Trade Preferences among Developing Countries (GSTP), and technical assistance to countries participating or seeking to participate in the GSTP.
9. Feasibility studies for the establishment of the Stabilization Fund, the Development Fund and the Monetary Fund of the Non-Aligned and other Developing Countries.
10. Feasibility study for establishing a raw materials research and development information center.
11. Inventory of sources of cottage/small scale processing machinery to facilitate investment in raw materials development in Africa.
12. Feasibility study for the establishment of a solid minerals development bank.
13. Feasibility study for establishing a risk fund for commercialization of indigenous process and technology.
14. Provision of consulting services by CARICAD.
15. The Caribbean into the twenty-first century.
16. Assistance in conservation of energy in reheating facilities for rolling, forging and heat-treatment.
17. Regional programme for cooperation and coordination on plant germ plasm.
18. Special United Nations Service (SUNS).
19. Pilot project for an integrated data and communications network for the foreign services of small island and developing countries.
20. Maghreb institute of professional training.

Project proposal No. 1: Roots and tubers: improvement of production and post-harvest technologies including yield and quality of cassava

7. The proposal was submitted by the African Regional Center for Technology, from Dhakar, Senegal. In the cover letter the proposing institution indicated that it was seeking an assessment of the prospects of support for this project.

8. According to the text of the proposal the objectives of the project would be, among others, to (a) reinforce research programmes to improve on yield and quality of cassava; (b) collect and disseminate suitable propagation materials; (c) develop local capacities for the production and implementation of viable production techniques; (d) collect, process and disseminate information of research results on the improvement of yield and quality of cassava; (e) investigate and evaluate achievements in the fields of cassava processing in selected African countries; (f) expand ongoing R&D activities on the development of small scale cassava processing machinery; (g)

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identify five operating pilot plants and demonstration units utilizing viable techniques adapted to small processing enterprises at rural level; (h) training of craftsmen in the operation, maintenance and repair of the processing units.

9. The total estimated cost of the project is USD 450,000. No breakdown of expenses was provided in the proposal.

10. The Committee considered that the proposal as presented corresponds to a preliminary version of the project, where there is no indication of the activities for which financing from the PGTF was requested nor a breakdown of expenses that would enable the Committee to ascertain which part of the project was eligible for financing from PGTF.

11. Therefore, the Committee recommended that this proposal be resubmitted in a more detailed form for the consideration of the Committee at its next meeting, taking into account para. 10 above.

12. The African Regional Center for Technology submitted three other project proposals, which are similar in nature and formulation to project proposal No. 1. The Committee recommended, for the same reasons as indicated in para. 10, that these proposals (Nos. 2, 3 and 4) be resubmitted in a more detailed form for consideration by the Committee.

Project proposal No. 5: Organization of Eastern Caribbean States (OECS) computer science center

13. This proposal was submitted by the Government of Antigua and Barbuda.

14. According to the text of the proposal, the objectives of the OECS computer science center would be to provide training in all aspects of computer science, data entry and processing, word processing, computer programming, maintenance, graphics and spreadsheets. The project was presented as a regional project for the Eastern Caribbean countries.

15. Total estimated costs for 1990 would be USD 389,000. A breakdown of this amount is as follows:

<u>Item</u>	<u>Cost (USD)</u>
Building (classrooms and housing)	200,000
Computers (for 30 students and instructors)	104,000
Salaries for instructors and maintenance personnel	75,000
Equipment replacement and other expenses	<u>10,000</u>
TOTAL	389,000

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16. In the light of the information presented, the Committee considered that the regional component of the project is not clear, e.g., there is no indication about the accessibility of the center, in terms of costs, to the students. In addition, it is not clear how the center would be financed beyond the first year.

17. The Committee therefore recommended that this project as presently formulated should not avail from the financing of PGTF.

18. The Government of Antigua and Barbuda also submitted two other project proposals (Nos. 6 and 7) which are similar in nature to proposal No. 5. In addition, project proposal No. 6 (OECS agricultural experimental center) would be a duplication of existing endeavours since a large number of similar agricultural experimental stations are currently operating in the region. The Committee recommended, for the same reasons as indicated in para. 16, that project proposals Nos. 6 and 7 should not avail from the financing of PGTF.

Project proposal No. 8: Technical, secretariat and other support to the Global System of Trade Preferences among Developing Countries (GSTP), and technical assistance to countries participating or seeking to participate in the GSTP.

19. The proposal was submitted by the Office of the Chairman of the Group of 77 in New York.

20. According to the text of the proposal, the objective of this project is to provide technical, secretariat and other support to the Global System on Trade Preferences (GSTP), and technical assistance to countries participating or seeking to participate in the GSTP.

21. The project would have a duration of three (3) years, starting in January 1990. Total estimated cost is USD 1,500,000 for the three-year period, the annual disbursements being USD 350,000 in 1990; USD 550,000 in 1991; and USD 600,000 in 1992. A breakdown of the total cost is as follows:

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<u>Item</u>	<u>Cost USD</u>			<u>Total</u>
	<u>1990</u>	<u>1991</u>	<u>1992</u>	
<b>PERSONNEL</b>				
Int. experts	182,000	267,000	352,000	801,000
Consultants	10,000	40,000	40,000	90,000
Administ. support	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>300,000</u>
Sub-total	292,000	407,000	492,000	1,191,000
<b>OFFICIAL TRAVEL</b>	20,000	55,000	20,000	95,000
<b>MISCELLANEOUS</b>				
Computer services	20,000	20,000	20,000	60,000
Meetings	12,000	12,000	12,000	36,000
Workshops/seminars	--	50,000	50,000	100,000
Documentation	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>18,000</u>
Project total	350,000	550,000	600,000	1,500,000

22. The Committee was informed that UNDP had been approached for funding this project and that there were no resources available in the Global and Interregional Programme of UNDP for the present programming cycle. However, the Governing Council of UNDP would be prepared to consider financing the project from this source for the next cycle, which will start in 1992.

23. The Committee considered that in order to ensure an adequate implementation of the project for the benefit of all developing countries it is necessary to undertake:

- a) An assessment of the results of the first phase of the GSTP project;
- b) A review of the operating modalities of the project in order to ensure that its implementation incorporates the TCDC component to the fullest extent possible.

24. In this regard, the Committee recommended the immediate disbursement of USD 100,000 to enable continuity of the project, taking into account the large support to the objectives of the project by member countries of the Group of 77 as indicated in IFCC-VII. Disbursement of additional funds up to a maximum of USD 250,000 will be made only after the provisions indicated in para. 23 are met and the cost figures are revised accordingly. Assessment of the fulfillment of such provisions will be undertaken by the Chairman of the Group of 77 in New York in consultation with the Chairman of the Group of 77 in Geneva and the Chairman of the Committee of Experts.

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25. In the light of the information available, the Committee of Experts considered that, given the amount of resources requested for implementation of the project, it was not possible to commit funds for activities related to the project beyond 1990. This implies that other financial arrangements would have to be worked out since UNDP funds would not be available in any case prior to 1992. In this regard, contributions by participating member countries should be sought.

26. The Committee therefore recommended that this proposal avail from the financing of PGTF and that USD 100,000 be allocated to this end, subject to the conditions set out in paras. 23-25.

Project proposal No. 9: Feasibility studies for the establishment of the Stabilization Fund, the Development Fund and the Monetary Fund of the Non-Aligned and other Developing Countries

27. This project proposal was submitted by the Permanent Mission of Madagascar to the United Nations, in accordance with the relevant provisions of the decisions related to monetary and financial cooperation of the Sixth Meeting of the Coordinating Countries of the Action Programme for Economic Cooperation of the Non-Aligned Countries, held in Harare, Zimbabwe, in May 1989.

28. According to the text of the proposal, the general objectives of the Stabilization Fund, the Development Fund and the Monetary Fund are to organize economic, monetary and financial cooperation among member countries in a collective effort to promote their development, to strengthen the bonds of complementarity between their economies and to enhance their negotiating power in the international arena.

29. The feasibility studies for these funds would be undertaken in, inter alia, the following areas:

(1) Stabilization Fund:

- (a) Experiences of the existing mechanisms and structures with a view to avoiding the inadequacies of the past;
- (b) Identification and examination of export products originating predominantly from Non-Aligned and other Developing Countries with a view to recommending ways and means of stabilizing export earnings arising therefrom;
- (c) Ways and means to increase the export earnings of these countries through, inter alia, improved processing and distribution of commodities;
- (d) Ways and means of achieving diversification and expansion of trade among these countries.

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## (2) Development Fund:

- (a) Establishment of the Fund on sound economic and financial bases;
- (b) Ability of the Fund to provide appropriate financing for the development needs of developing countries, in particular long-term financing of development and adjustment as well as shorter term financing;
- (c) Ability of the Fund to attract sufficient funds;
- (d) Terms and conditions of access to the resources of the Fund.

## (3) Monetary Fund:

- (a) Establishment of the Fund on sound economic and financial bases;
- (b) Strengthening of monetary cooperation among Non-Aligned and other Developing Countries for supporting growth of their mutual trade;
- (c) Ways and means to establish a clearing house and payment arrangements at regional and interregional levels;
- (d) Possibility of beneficial interaction between the Fund and existing relevant arrangements within developing countries such as the GSTP.

30. The estimated cost contained in the proposal is USD 15,000 for each one of the three feasibility studies, i.e., a total of USD 45,000.

31. In the light of the information presented, the Committee considered that the feasibility study for the Monetary Fund complies with the guidelines for utilization of PGTF provided that its scope does not represent a duplication of studies already undertaken. In this regard, the Committee recommended that the Office of the Chairman of the Group of 77 in New York request UNCTAD to inform on possible duplications.

32. According to information available to the Committee, it was recognized that the estimated cost of USD 15,000 would not reasonably ensure the preparation of a quality study. The Committee considered that a more realistic figure would be USD 30,000.

33. The Committee recommended that the feasibility study on the Monetary Fund avail from the financing of PGTF and that USD 30,000 be allocated to this end, after ascertaining that there is no duplication with studies already undertaken.

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34. The Committee considered that the proposals for feasibility studies on the Development Fund and the Stabilization Fund contain significant duplications with studies already undertaken by the Group of 77 on the establishment of the South Bank. The Committee therefore recommended that the conclusions of these studies be taken into account in reformulating such proposals.

Project proposal No. 10: Feasibility study for establishing a raw materials research and development information center

35. This proposal was submitted by the Permanent Representative of the Federal Republic of Nigeria to the United Nations, as derived from the recommendations of the First Meeting of the Action Committee on Raw Materials held in Abuja, Nigeria, from 3 to 7 April 1989. The executing organization would be the Raw Materials Research and Development Council from Lagos, Nigeria.

36. According to the text of the proposal, the objective of this project would be to gather information on existing facilities in some African countries that could house information/data banks, as well as generate adequate information on raw materials for the basic problems being addressed at sectoral and project levels, as well as current and future programmes or action plans of the sector.

37. Total estimated cost is USD 243,000. Of this amount, USD 68,000 would be the local contribution whereas USD 175,000 would be the contribution sought from PGTF. A breakdown of the total costs is as follows:

<u>Item</u>	<u>Contribution (USD)</u>		
	<u>Local</u>	<u>PGTF</u>	<u>Total</u>
<u>Preparatory phase</u>			
Consultancy and personnel cost (6 consultants for 6 months)	--	50,000	50,000
Travel expenses	--	70,000	70,000
<u>Execution phase I</u>			
Visits to designated centers	--	35,000	35,000
Consultancy fees	7,000	--	7,000
<u>Execution phase II</u>			
Consultancy and personnel cost	27,000	--	27,000
<u>Execution phase III</u>			
Workshops/training	<u>34,000</u>	<u>20,000</u>	<u>54,000</u>
TOTAL	68,000	175,000	243,000

38. The Committee considered that this proposal complies with the guidelines for utilization of PGTF provided that there is no duplication with activities already undertaken. In this regard, the Committee recommended that the Office of the Chairman of the Group of 77 request UNIDO to provide information on possible duplications. In addition the Committee recommended that the experience of the Industrial Development Fund be used in implementing the project.

39. The Committee considered that the preparatory phase of the project, the estimated cost of which is USD 120,000, is eligible for financing from PGTF. However, it considered that the cost figure for travel should be revised downwards from USD 70,000 to USD 50,000. The Committee therefore recommended that this project avail from the financing of PGTF and that USD 100,000 be allocated to this end.

40. The Permanent Representative of the Federal Republic of Nigeria also submitted three other project proposals (No. 11: Inventory of sources of cottage/small scale processing machinery to facilitate investment in raw materials development in Africa; No. 12: Feasibility study for the establishment of a solid minerals development bank; and No. 13: Feasibility study for establishing a risk fund for commercialization of indigenous process and technology).

41. The Committee considered that the activities contained in these three proposals contain a significant amount of duplication with project proposal No. 10. Therefore, the Committee recommended that these proposals be reformulated in the light of the results of the implementation of project proposal No. 10.

Project proposal No. 14: Provision of consulting services by CARICAD

42. This project proposal was submitted by the Caribbean Center for Development Administration (CARICAD), from St. Michael, Barbados.

43. According to the text of the proposal, the objectives of this project are, inter alia:

- (a) To harness the skills of professional Caribbean management consultants;
- (b) To ensure utilization of available technical skilled personnel by public and private sector organizations from the region;
- (c) To assist member countries in recruiting and selecting the most suitable candidates for management consultancies;

- (d) To conduct an inventory of management consulting services required by member countries.

44. Total estimated cost of this project is USD 248,000, broken down as follows:

<u>Item</u>	<u>Cost (USD)</u>
EQUIPMENT	
3 microcomputers and software	30,000
3 projectors	12,000
Other equipment	<u>12,000</u>
Sub-total	54,000
OPERATING EXPENSES (two-year period)	
Salaries of core personnel	144,000
Travel and accommodation	35,000
Other expenses	<u>15,000</u>
Sub-total	194,000
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Total	248,000

45. The Committee considered that the proposal complies with the guidelines for utilization of PGTF and is thus eligible for financing. However, the Committee considered that only the expenses related to the acquisition of equipment qualify for funding by PGTF. In this regard, the Committee recommended that the cost figure for acquisition of the three microcomputers should be revised downwards from USD 30,000 to USD 21,000.

46. The Committee recommended that this project avail from the financing of PGTF and that USD 45,000 be allocated to this end.

Project proposal No. 15: The Caribbean into the twenty-first century

47. The proposal was submitted by the Nation Organization, from Bridgetown, Barbados, and the Eastern Caribbean Research Center, from Castries, Saint Lucia. The project has the full support of the Governments of Barbados and Saint Lucia.

48. According to the text of the proposal, the objective of the project would be to draw up a written, audio and video set of development projects and priorities for the Caribbean countries through the organization of a meeting of public and private sector experts.

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49. Total estimated cost of the project is USD 70,000, broken down as follows:

<u>Item</u>	<u>Cost (USD)</u>
Travel and living expenses	25,000
Conference administration	20,000
Programme consultancy	15,000
Conference report, video and audio	<u>10,000</u>
TOTAL	70,000

50. The Committee concluded that this project proposal complies with the guidelines for utilization of PGTF and therefore qualifies for funding. However, the Committee felt that the financing of the travel and living expenses component is in the purview of the Special Unit for TCDC of UNDP and that therefore the Special Unit should be approached in this regard.

51. The Committee therefore recommended that the project avail from the financing of PGTF and that USD 50,000 be allocated to this end.

Project proposal No. 16: Assistance in conservation of energy in reheating facilities for rolling, forging and heat-treatment

52. The proposal was submitted by the Government of Pakistan. The executing agency would be the Metal Industry Research & Development Centre (MIRDC) from Lahore, Pakistan.

53. According to the text of the proposal the objective of the project is to reduce energy consumption in the steel industry by properly designing natural gas fueled reheating furnaces, converting the existing obsolete units to those of proper design and erecting new reheating furnaces of proper design.

54. Total cost of the project is estimated to be USD 219,000. A breakdown of this cost is as follows:

<u>Item</u>	<u>Contributions (USD)</u>		
	<u>PGTF</u>	<u>LOCAL</u>	<u>TOTAL</u>
Professional costs (11 man-months)	106,300	--	106,300
Equipment/machinery	53,200	3,700	56,900
Training counterpart abroad	32,700	--	32,700
Cost of building	--	18,600	18,600
Other expenses	<u>4,500</u>	<u>--</u>	<u>4,500</u>
	196,700	22,300	219,000

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55. In the light of the information presented, the Committee considered that this proposal corresponds to a national project, which is not eligible for funding from PGTF. Given that in the text of the proposal reference is made to possible cooperation between Pakistan and other developing countries as a result of the completion of the project, the Committee felt that for such a project to be considered as a project rendering benefits to other developing countries, explicit participation of or declared interest by other countries as potential beneficiaries would be required. The Committee thus recommended that this project should not avail from the financing of PGTF.

Project proposal No. 17: Regional programme for cooperation and coordination on plant germ plasm

56. This proposal was submitted by the Latin American Economic System (SELA), headquartered in Caracas, Venezuela. Twelve countries from the region have decided to participate in the project.

57. According to the text of the proposal the objective of the project is to strengthen the region's capacities and the ties among member countries in the broad spectrum of plant breeding resources, not only as regards exploration, collection, conservation, maintenance, exchange, documentation, evaluation and regulation of these resources, but also in relation to plant breeding and other areas of agricultural research. Special emphasis is placed on the generation of projects for the development of modern technologies, particularly genetic engineering and biotechnology. Furthermore, the programme entails activities related to seed multiplication and distribution.

58. The proposal has been formulated in a modular manner including the preparatory activities as well as the full implementation of the project. Total estimated cost is USD 367,000. Of this amount USD 60,000 correspond to the input of the member states participating in the project and USD 307,000 correspond to the amount requested to PGTF. A breakdown of the total cost is as follows:

<u>Item</u>	<u>Contribution (USD)</u>		<u>Total</u>		
	<u>Countries</u>	<u>PGTF</u>			
<u>Module 1:</u> Diagnosis	---	13,200	13,200		
<u>Module 2:</u> Regional coordination	20,000	42,000	62,000		
<u>Module 3:</u> Institutional development	15,000	24,200	39,200		
<u>Module 4:</u> Scientific cooperation	] _____ ]	163,400	] _____ ]		
<u>Module 5:</u> Conservation of resources		25,000		24,200	252,800
<u>Module 6:</u> Seed multiplication		_____		40,200	_____
Total	60,000	307,200	367,200		

59. The Committee considered that only the preparatory activities contained in the project proposal comply with the guidelines for utilization of PGTF and are thus eligible for financing. In this regard, the Committee recommended that funding from PGTF includes modules 1 and 3, as well as some activities from modules 2 and 4. The recommended breakdown of costs to be funded by PGTF is as follows:

<u>Item</u>	<u>Contribution (USD)</u>
Module 1	13,200
Module 2	7,200
Module 3	24,200
Module 4	<u>13,400</u>
Total	58,000

60. The Committee considered that the financing of activities of Module 2 not recommended for funding by PGTF, i.e., travel expenses for attending regional seminars, is within the purview of the activities of the Special Unit for TCDC of UNDP and that the Unit should be approached in this regard.

61. The Committee recommended therefore that the activities referred to in para. 59 avail from the financing of PGTF and that USD 58,000 be allocated to this end.



Project proposal No. 18: Special United Nations Service (SUNS)

62. This proposal was submitted by the South Commission.
63. The project proposal was originally submitted to the Third Meeting of the Committee of Experts and referred back to the Committee by Seventh Meeting of the Intergovernmental Follow-up and Coordination Committee (IFCC-VII) on ECDC, held in Kuala Lumpur, Malaysia, from 31 July to 5 August 1989. The objective of the project is to seek to provide, free of charge, a unique and valuable daily information bulletin (the Special United Nations Service - SUNS) to the missions of developing countries in the various chapters of the Group of 77 as well to the National Focal Points for ECDC. The bulletin provides coverage of the development-related events worldwide, with focus on the South-North interactions and negotiations in Geneva.
64. The SUNS has been published by the International Foundation for Development Alternatives (IFDA) for more than 10 years. It was supported largely by the subscriptions of developing countries, but in general difficulties were experienced in making it financially self-sufficient.
65. In March 1989 IFDA decided to cease the publication and pass the responsibility for SUNS to the South. Based on the strong demand from the Geneva missions of the Group of 77 for continuation of SUNS, an interim solution was worked out to assure that it will be published through the end of 1989 and thus fulfill the commitment towards those users who had already paid their subscriptions.
66. An advisory board composed of Geneva-located ambassadors of Algeria, Brazil, India, Indonesia, Peru, Tanzania and Yugoslavia was established. The role of the publisher was assumed by the Third World Network from Penang, Malaysia. Financial and logistical support was provided by the South Commission and the Inter Press Service News Agency (IPS).
67. At present the SUNS has a circulation of ninety copies, limited to subscribers only. Its estimated monthly expenses are approximately SFr 13,500, of which 11,200 is for salaries of full-time editor and part-time production/management staff. At present SUNS is not printed commercially, with this service being provided by the South Commission. The monthly income is approximately SFr 14,000, of which SFr 6,700 comes from subscriptions while the remainder is contributed by the South Commission and IPS.
68. In planning for the future of the SUNS, and in view of the end of the South Commission mandate by mid-1990, provisions need to be made for commercial printing and additional overhead expenditures related to production of the bulletin. This would raise the total monthly expenses to SFR 20,000. On the

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assumption that the South Commission contribution would end, IPS contribution would continue at its present level, and that the level of subscriptions will remain the same, a monthly gap of SFR 10,000 still exists, which would need to be covered from other sources. This gap would increase to SFR 16,700 if subscriptions are not taken into account.

69. The Committee considered this request as a project for ensuring the continuity of a proven source of information until a permanent solution for the publication of SUNS is worked out, which should take place before the end of 1990. The Committee suggested therefore that financial support be given to the publication of SUNS only for a period of one year starting in January 1990.

70. The Committee considered that given the financial support provided to SUNS by PGTF it would have to be distributed free of charge to the missions of member countries of the Group of 77 in all the Chapters where the Group carries out its activities, as well as to National Focal Points for ECDC. Taking into account that personnel costs involved in the publication of SUNS amount to SFr 12,200 per month and under the assumption that IPS contribution will continue at its present level of SFr 3,067 per month, the Committee considered that a contribution of USD 120,000 for a one-year period (equivalent to a total of SFr 200,000 or SFr 16,700 per month) would enable SUNS to strike a financial balance.

71. This arrangement entails an efficient system of distribution of SUNS copies to the various Chapters of the Group of 77 and National Focal Points for ECDC. The Committee recommended in this regard that a plan of distribution be submitted to the Office of the Chairman of the Group of 77 in New York prior to disbursement of funds.

72. The Committee was of the opinion that it is fundamental that a permanent arrangement be worked out by the publisher as soon as possible in order to ensure the continuous publication of SUNS beyond 1990. To this end the Committee recommended that the disbursement of the contribution from PGTF be made in two instalments: USD 60,000 to be released immediately after approval of the project and the remaining USD 60,000 to be released six months later after assessment of the proposed arrangements by the Office of the Chairman of the Group of 77 in consultation with the Chairman of the Committee of Experts.

73. The Committee therefore recommended that this project avail from the financing of PGTF and that USD 120,000 be allocated to this end, subject to the conditions set out in paras. 70, 71 and 72.

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Project proposal No. 19: Pilot project for an integrated data and communications network for the foreign services of small island and developing countries

74. This proposal was submitted by the Ministry of External Affairs and International Trade of the Republic of Trinidad and Tobago.

75. According to the text of the proposal the objectives of the project are: (a) to achieve interactive access to regional, international and multilateral data bases; (b) the development of a communications network with overseas missions; and (c) the development of an enhanced capability to monitor and evaluate regional and international developments.

76. The proposal states that the pilot project would be a model which can be widely adopted by other small island developing countries.

77. Total estimated cost for the project is USD 200,000 which would cover the cost of hardware (particularly computers), software, installation and running costs, appropriate training and retraining of staff, and the costs of establishing and maintaining linkages with international and regional data bases.

78. In the light of the information presented to the Committee, it considered that this project is a national one, which is not eligible for funding from PGTF. Even though the project was presented as a pilot one that could be replicated in other island developing countries and therefore create opportunities for sharing information and data bases, and for the establishment of regional information networks, the Committee considered that the regional dimension can only be achieved by carrying out similar projects in other countries, which is not the case in the proposal submitted, or by an extensive redesign of the project proposal.

79. The Committee therefore recommended that this proposal should not avail from the financing of PGTF.

Project proposal No. 20: Maghreb institute of professional training

80. This proposal was submitted by the Permanent Representative of Tunisia to the United Nations.

81. According to the text of the proposal the objective of the project is to set up an institute for professional training that will train public works supervisors and contractors of the public and private sectors in the various countries of the Arab Union of Maghreb. No cost figures were indicated in the proposal.

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82. The Committee considered that this proposal represents a preliminary draft that has to be completed before full consideration can be given by the Committee.

Summary of project proposals recommended for approval

83. In summary, the Committee recommended that seven projects avail from the financing of PGTF. Total allocated resources amount to USD 503,000. A breakdown of this total is as follows:

<u>Project</u>	<u>Allocation (USD)</u>
1. Technical, secretariat and other support to the Global System of Trade Preferences among Developing Countries (GSTP), and technical assistance to countries participating or seeking to participate in the GSTP .....	100,000
2. Feasibility study for the establishment of the Monetary Fund of the Non-Aligned and other Developing Countries .....	30,000
3. Feasibility study for establishing a raw materials research and development information system .....	100,000
4. Provision of consulting services to CARICAD .....	45,000
5. The Caribbean into the Twenty-first century .....	50,000
6. Regional programme of cooperation and coordination on plant germ plasm .....	58,000
7. Special United Nations Service .....	<u>120,000</u>
TOTAL	503,000

III. FORMULATION OF THE STANDARD FORMAT FOR APPLICATION TO PGTF

84. The Committee prepared a standard format for submission of proposals for funding from PGTF. The recommended format is as follows:

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PEREZ-GUERRERO TRUST FUND  
PROJECT PROPOSAL

TITLE:

SUBMITTED BY:

ENDORSED BY:  
(governmental  
authority)

BENEFICIARIES:

DURATION OF PROJECT:

ESTIMATED STARTING DATE:

INPUTS BY PROPOSING  
INSTITUTION(S) (USD):

OTHER INPUTS (USD):

INPUTS REQUESTED FROM  
PEREZ-GUERRERO TRUST FUND (USD):

DATE OF SUBMISSION:

*SL* *SL* *SL* *SL* *SL*

A. Project justification and Background

i. A description of the following would be needed:

(a) The problem to be addressed by the project, including the present or "pre-project" situation;

(b) The expected situation at the end of the project; (including here, if pertinent, discussions of how the follow-up activities prescribed in the intended feasibility/pre-investment report will be financed);

(c) How and by whom the results of the project will be utilized ("target beneficiaries");

(d) The particular strategy and implementation arrangements of the project and why they have been chosen relative to other possible strategies or arrangements. Refer here to the results of any evaluation or other assessments which may have been made of other projects addressing aspects of the same or related problem;

(e) Arrangements for co-ordinating this project with other relevant efforts;

(f) The Capacity and commitment of the host institution to provide the inputs and support necessary for the project's operation.

B. Project Objectives

ii. An immediate objective states what the project itself is expected to achieve. It should be defined in terms of the specific change in status or condition which the project is intended to bring about. It must in turn contribute to the achievement of a large development objective.

iii. In thinking about immediate objectives, a useful first step may be to consider whether the assistance is intended to reach its target beneficiaries directly or indirectly.

iv. If directly, then it is likely to be in response to a one-time need, the satisfaction of which will be the immediate objective of the project. Referred to generally as "direct support", this type of project normally involves such outputs as feasibility, pre-feasibility or other diagnostic studies, increased skills of a particular group, research results, technical or economic data, etc.

v. If, on the other hand, the assistance would reach its target beneficiaries only indirectly, e.g., through a host country

*SP* *B...* *HEB* *R* *SB*

institution, then the immediate objective or objectives will normally best be defined in terms of the creation or upgrading of a capacity to satisfy the recurrent needs of the target beneficiaries on a sustained basis.

vi. For either type of project, care must be taken to state objectives which are realistic, in the sense that they fall within the range of results which reasonably may be expected to be achieved the limits of time, money and human resources of the project.

vii. They must also be stated to the extent possible in terms which allow measurement or at least observation of their achievement. If the project is correctly formulated, the achievement of the immediate objectives should result in movement from the pre-project to the end-of-project status. Their achievement is the basis on which the success or failure of the project is to be judged.

#### C. Outputs

viii. These are the tangible "products" that the project itself should produce to achieve its immediate objectives.

ix. Outputs are to be described as concretely as possible and in verifiable terms. Some outputs may not be quantifiable. In formulating outputs, it may be useful to test them by asking if they are stated in a manner which permits a ready determination of whether and when they have been produced and whether they are of the required quality. If the answer is "no", the output needs to be reformulated.

x. Every immediate objective must be supported by at least one output.

xi. It is likely that there will be more than one output for every objective. Indeed, care must be taken to ensure that only the outputs necessary to the achievement of the objective are described. Otherwise the objective may prove unachievable.

#### D. Activities

xii. Each output must be supported by at least one activity. List each of the major activities necessary to produce a particular output together with that output. For each activity also indicate to the extent possible its expected duration, the proposed starting point during the project life (use month 1, month 2, etc.), whether it is dependent on the completion of other activities and which party is responsible for carrying it out. Only those tasks which are to be undertaken by the project should be listed, with care being taken to distinguish between the project's activities and those which are part of the broader

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ongoing activities of the host country institution or programme to which the project is related. Usually there will be more than one activity necessary to produce each output. Some activities may contribute to more than one output, in which case this should be indicated by cross-reference.

#### E. Inputs

xiii. The totality of inputs required to carry out the project's activities or otherwise to produce the specified outputs are to be listed. As a preliminary step, all the required inputs are to be identified, regardless of their possible source. Thereafter, it should be determined which of the inputs are expected realistically to be provided by the host Government or institutions and these should be listed in the project proposal first. Then those inputs which are expected to be provided by another source besides the proposing institutions or the Perez-Guerrero Trust Fund - PGTF, if any, should be determined and listed. Finally, inputs requested from PGTF should be listed.

xiv. The listing of inputs in this section of the project document should consist of a brief description which indicates not only the quantity but the type and quality of the input required. It is intended that the description be sufficient to allow judgement of the appropriateness of the input of the project.

SP      B      HEG      A      SB

F. Project Budget

xv. The total cost of the project for (duration) has been estimated at US\$ \_\_\_\_\_. The contribution from the Perez-Guerrero Trust Fund shall be US\$ \_\_\_\_\_. The details of the proposed budget for the project are set out below:

[PROJECT TITLE]

	Total <u>Man-months</u> \$	Year 1 \$	Year 2 \$
(1) Personnel			
Experts			
Consultants			
Sub-total (1)	_____	_____	_____
(2) Training			
(3) Travel			
(4) Equipment			
(5) Miscellaneous			
	_____	_____	_____
Project total			

*SL*    *SL*    *SL*    *SL*    *SL*

#### IV. FORMULATION OF INFORMATION BROCHURE ON PGTF

85. The Committee, in order to assist the Office of the Chairman of the Group of 77 in New York in the preparation of the information brochure on PGTF as requested in para. 86 of the Final Report of IFCC-VII, recommended that such brochure should contain the following elements:

- a) Background on PGTF
- b) What is PGTF? What does it do? How does it work?
- c) Procedures for submissions of proposals
- d) Guidelines for utilization of PGTF
- e) Indication of the dimension of PGTF activities
- f) Some examples of projects funded by PGTF

#### V. OTHER MATTERS

86. In accordance with the provision of para. 90(2)(b) of the Final Report of IFCC-VII, the Committee examined the Final Report of the study entitled "Development of Developing Countries Consultancy and Engineering Capacities" prepared by ICPE/ASTRO.

87. The Committee concluded that the feasibility report fulfills in general the terms of reference of the project as approved by IFCC-VI. However, the Committee felt that the usefulness of the report would be greatly enhanced if a number of fundamental issues were included in the report, such as references to other studies on the same subject undertaken previously, examples of successful consulting and engineering organizations in developing countries, in terms of qualitative results, and references of the availability of existing publications that provide information on consultancy and engineering tenders in developing countries such as found in the Development Forum, business edition.

88. The Committee recommended that all projects benefiting from PGTF financing should, to the extent possible, comply with TCDC modalities in their execution.

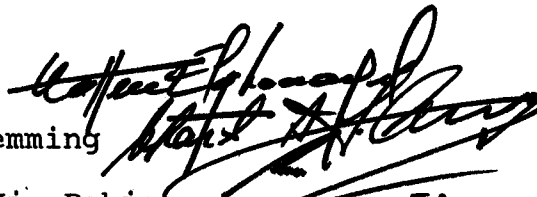
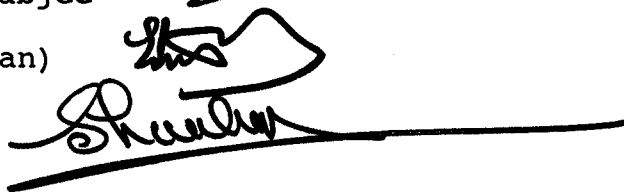
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