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SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE: SPECIAL PROGRAMMES
OF ECONOMIC ASSISTANCE

Special economic assistance to Chad

Report of the Secretary-General

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* A/44/150.

I. INTRODUCTION

1. The present report has been prepared in pursuance of General Assembly resolution 43/205 of 20 December 1988, entitled "Special economic assistance to Chad", in which the Secretary-General was requested, inter alia, to report to the Assembly at its forty-fourth session on the situation in Chad. The report updates information contained in the previous report of the Secretary-General, on assistance to Chad (see A/43/483, sect. II C).
2. Following the adoption by the General Assembly of resolution 35/92 on 5 December 1980, a special programme of economic assistance to Chad was initiated. The purpose of such special programmes is to help countries in dealing with special circumstances that have a serious negative impact on their development efforts. In the Sudano-Sahelian country of Chad, the effects of war, natural calamities and disasters have compromised the Government's efforts for the reconstruction and development of the country. The seriousness of the food and health situation in Chad has prompted the Government and governmental and non-governmental organizations to launch appeals for international assistance on numerous occasions.
3. Having been classified by the General Assembly as a least developed country, Chad is one of a significant number of such countries that are implementing a round-table process as a follow-up mechanism of the Substantial New Programme of Action for the 1980s for the Least Developed Countries. ^{1/} In mobilizing and co-ordinating donor support, the special programme of economic assistance to Chad has been integrated into the round-table process.
4. Through its continuing series of consultations with donors and its primary focus on a country's economic situation, the round-table process provides a particularly appropriate framework in which the status and future needs of a country can be assessed. The process provides the Government with a mechanism to mobilize support for the country's development strategy. The documentation prepared for a round-table conference provides a macro-economic analysis of the country's current situation and identifies constraints to its development. Sectoral and special programme consultations that ensue as follow-up to the round-table conference generate analyses of key specific issues and thereby suggest directions for subsequent approaches and activities. Round-table meetings provide an opportunity for Governments to enter into an economic policy dialogue with donors to encourage a mutual commitment to implement appropriate strategies. The round-table meetings also give donors an opportunity to consider whether the level of their financial commitment and their aid modalities are conducive to the achievement of the desired development objectives. The lead agency in the round-table process is the United Nations Development Programme (UNDP).
5. The present report has been prepared by UNDP, based on information provided by the Government of Chad through the Resident Co-ordinator for operational activities for development of the United Nations system/Resident Representative of UNDP in Chad as well as on data available in the UNDP Africa Bureau and on information provided by United Nations offices, programmes and specialized agencies. Additional information concerning the round-table meetings for Chad may be obtained from the UNDP Africa Bureau or from the Government of Chad.

II. SALIENT DEVELOPMENTS

A. Economic situation

6. A favourable pattern of rainfall in Chad in 1987/88 resulted in a striking recovery in agricultural output in 1988/89 from the depressed 1987 levels. Food crops, cotton and livestock all showed marked increases in production. The output of cotton grain exceeded 145,000 tons, as compared with just under 90,000 tons in the previous year. Food crop production was 50 per cent higher than in 1987/88. Particularly striking was the performance in the Sahelian zone where the output of cereals almost doubled between 1987 and 1988, with an increase from 200,000 tons to 390,000 tons. Gross domestic product (GDP) in 1988 is estimated at slightly over 300 billion CFA francs at 1988 prices, 21 per cent up from 1987 GDP (241 billion CFA francs at 1987 prices).

7. In a further measure of financial support to Chad, an agreement was signed in 1988 by the Government of Chad and the World Bank that will provide Chad with a financial rehabilitation credit in the amount of \$45 million. This agreement follows upon a credit agreement reached between the Government and the International Monetary Fund in 1987 in the framework of the Structural Adjustment Facility. The financial rehabilitation credit from the World Bank, which covers the years 1988 to 1990, aims essentially at improving performance in a number of sectors. Specifically, the goals are to increase efficiency in the public sector, to raise the competitiveness of the cotton sector, to restore balance to public finances, to revitalize the banking sector and to rationalize public enterprises.

8. In the area of public finance, the Government undertook to pay in full the salaries of the country's civil servants, beginning on 1 January 1989. The Government also lifted the moratorium on bank deposits, which had been introduced in 1983, as at 31 December 1988.

9. However, Chad continues to confront serious financial constraints and to rely heavily on external financial assistance. This is reflected in both the budget situation and the balance of payments. The financing of the investment budget relies almost entirely on donor financing. The investment budget of 123 billion CFA francs adopted in January 1989 will rely on grants and concessional loans. In the balance of payments, the deficit on current transactions, now amounting to the equivalent of about 3 per cent of GDP, would rise to as much as 25 per cent of GDP if unilateral flows of assistance to the public sector were excluded.

10. According to data compiled by the World Bank, the total external debt of Chad, outstanding and disbursed, amounted at the end of 1987 to \$269.6 million. 2/

B. Development planning and the round-table process

11. After difficult years in which the Government's efforts to rehabilitate the economy of Chad were compromised by adverse climatic conditions, including severe droughts and torrential rains, and by the slump in world prices for cotton, the country's leading export, recent developments would indicate that the country is

now in a better position to proceed with a true restructuring of the economy. Efforts to pursue coherent, well-structured development policies have begun with the preparation of a new Development Plan, succeeding the Interim Plan of 1986-1988. UNDP is funding a project of support to planning under which the World Bank is assisting the Government in the preparation of Chad's new 1989-1992 Development Plan.

12. Sound demographic data will be essential to the development planning function in Chad. With \$1.1 million from the United Nations Population Fund (UNFPA) and \$500,000 from UNDP, the Department of Technical Co-operation for Development of the United Nations Secretariat is assisting the Government to prepare for a population census for which the target date is April 1991.

13. In follow-up to the round-table conference for the economic development of Chad held at Geneva in December 1985, sectoral consultations for cotton were held at Washington, D.C., in May 1986, and two sets of consultations between the Government and donors were held at N'Djamena in 1988. The first set, which was held in February 1988, focused on the rehabilitation of the transport and communications sector. Projects with a total cost of \$98 million were presented. Commitments made by donors amounted to 75 per cent of this amount.

14. In December 1988, consultations were held focusing on the rehabilitation of the prefecture of Borkou-Ennedi-Tibesti in northern Chad. The situation in these areas had been such that the region could not be included in the successive meetings of donors that had begun with the International Conference on Assistance to Chad held at Geneva on 29 and 30 November 1982. The history of the region is one of exceptional hardship, as it has experienced foreign military occupation, drought, loss of lives and uprooting of population. The aim of the Government is to mobilize all the available means to enable the population of Borkou-Ennedi-Tibesti to resume their normal activities and for the region to be integrated into the national processes of social and economic development. The current situation is characterized by a lack of basic infrastructure, a lack of health care and education facilities and a population that has suffered forced resettlements and deprivations. Moreover, because of the great distances involved and the roughness of the terrain, the Borkou-Ennedi-Tibesti region tends to be cut off from the rest of the country. All the technological means available (air transport, telecommunications and radio transmission) will be needed to integrate the region into Chad's social and economic development. In the medium to long term, prospects for the region are deemed to be good because of its mineral potential.

15. At the special consultations held in December 1988, a programme for the rehabilitation of Borkou-Ennedi-Tibesti, with a total cost of \$43 million, was presented. The programme covers a broad range of aspects of rural and urban development and includes measures of environmental protection. Declarations of intentions by donors at the December meeting amounted to \$27 million (63 per cent), of which confirmations have been made in respect of projects totalling \$22 million, although documents are not as yet signed. Donor interest centred particularly on projects in the agro-sylvo-pastoral sector and, geographically, on the region of Borkou and, in particular, on the oasis of Faya-Largeau.

16. Analysis already carried out in connection with the 1989-1992 Development Plan indicates that a priority need will be to make the best use of local human resources in the country's socio-economic development. Consultations on education, training and employment are scheduled to take place in March/April 1990 under the round-table process and other consultations on health should be held later in the same year. The Government of Chad is studying the possibility of organizing a new round-table conference to present the Development Plan under preparation to its main development partners.

C. Technical assistance

17. In June 1989, consultations were held between UNDP and the Government of Chad with a view to launching a National Technical Co-operation Assessment and Programmes (NaTCAP) exercise. A NaTCAP is a process for systematically reviewing the technical co-operation that a country receives from all sources, particularly in regard to the effectiveness of that assistance and the programming of priority needs. The NaTCAP will help strengthen the institutions, develop the methodologies and establish the mechanisms for more systematic programming and co-ordination of technical co-operation in support of the Government's development policies. It is a collaborative exercise, led by the Government, which has appointed a National Working Group, and involves the donor community, UNDP and the relevant United Nations bodies in the implementation, review and monitoring of the technical co-operation policies and programmes adopted by the Government.

18. The NaTCAP process will result in the establishment of a reliable data base on technical co-operation, the definition of a national policy framework for technical co-operation, the identification of specific requirements for technical co-operation and establishment of priorities between them, and the eventual integration of technical co-operation into the Government's planning and budgeting procedures.

19. In 1988, technical assistance valued at 21,381 million CFA francs (\$71.7 million) was provided to Chad, of which 55 per cent was bilateral assistance, 36 per cent was provided by multilateral organizations, including the United Nations, and 9 per cent was provided by 12 non-governmental organizations. The countries providing technical assistance to Chad in 1988 were (in order of volume of assistance): France, the United States of America, Switzerland, Egypt, the Federal Republic of Germany, the Netherlands and China.

D. Assistance from the United Nations system

20. In its programming for Chad for the period 1987-1991, UNDP can take account of resources amounting to \$179.3 million, of which \$40.4 million is Indicative Planning Figure (IPF) funds, \$54.6 million is UNDP non-IPF funds and \$84.3 million is funding from other United Nations bodies firmly committed as a result of the country programme exercise, including the World Food Programme (WFP), the Food and Agriculture Organization of the United Nations (FAO), the World Health Organization (WHO), the United Nations Children's Fund (UNICEF) and UNFPA.

21. The special circumstances of Chad have resulted in a particular focus by the United Nations system on assistance to help meet the basic humanitarian needs of Chadians and the resettlement needs of large numbers of persons in Chad. A brief description of some of the ongoing United Nations activities directed to meeting basic humanitarian needs in Chad or to strengthening the capacity of the Government to meet these needs is provided below.

22. With a view to strengthening the logistics structure of the food and agriculture sector, the Office for Special Relief Operations of FAO is implementing a project that aims at assisting the Government of Chad in the transport of emergency food aid and of agricultural inputs for urgently needed recovery projects. Technical assistance and training are provided with respect to truck maintenance and repair and spare parts management. The second phase of the project was approved by FAO in October 1988 and is expected to terminate in December 1989. FAO is contributing \$1.5 million to the project.

23. On 30 September 1988, the Director-General of FAO approved emergency food assistance for persons affected by food shortages and floods in Borkou-Ennedi-Tibesti, Chari-Baguirmi, Ouaddai and Biltine. The assistance provided included 2,520 tons of cereals for 70,000 persons and 42 tons each of vegetable oil and dried skimmed milk for 15,000 people in "vulnerable groups". The total cost of the operation was estimated at \$1.7 million.

24. The desert locust plague, which expanded rapidly in 1987/88, reached Chad in April 1988. Following the summer rains, a second generation of breeding took place in western Chad in late September and early October 1988. Although numerous swarms are still reported in the Sahel and southern Sahara, the plague declined considerably in the fourth quarter of 1988 and in 1989. Under the locust and grasshopper operations undertaken by FAO, 105,160 hectares in Chad were treated in the 18 months ending June 1989.

25. At the request of the Government, WFP arranged for a number of missions to visit Chad for consultations on the WFP programme in that country, which now covers three areas: rural development, education and vulnerable groups. Three projects relating to these sectors were affirmed in the course of 1988: (a) a three-year rural development project providing 3,300 tons of food with a value of \$2.4 million, (b) a three-year school feeding project providing 24,095 tons of food with a value of \$23.9 million and (c) a two-year project of assistance to vulnerable groups, which will provide 4,855 tons of food with a value of \$4.5 million. The three projects are closely linked to external sources of funding in each sector. WFP transports the commodities directly to the regions, meets a portion of the transport costs from the regions to the institutions and defrays part of the expenses related to the management of the food.

26. In response to an emergency appeal from the Government of Chad following heavy rains and flooding in the south in August-September 1988, WFP provided emergency assistance to cover a three-month period in the form of 2,602 tons of food to some 70,000 victims. The indications as of May 1989 were that, as a result of the rains and floods, cereal production in the five southern prefectures could be 53 per cent

lower than originally forecast. WFP and other partners in Chad are watching the situation closely. If necessary, WFP will adjust its programme of assistance to Chad.

27. In response to General Assembly resolution 41/140 of 4 December 1986, the Office of the United Nations High Commissioner for Refugees (UNHCR) launched in January 1987 a special programme of assistance to returnees to Chad. Initially envisaged for nine months, the programme was extended several times and carried out until 31 March 1989.

28. At the end of 1988, UNHCR had assisted an estimated 103,000 persons to return to Chad. Under the programme, blankets, household utensils, seeds and agricultural implements were supplied, and funding was provided for the transport and distribution of foodstuffs. The distribution of other products in the south of Chad was carried out using vehicles belonging to FAO, under the supervision of the League of Red Cross Societies and of the Chadian Red Cross. In the south of the country, the area of origin of a large number of returnees, UNHCR has provided assistance for the rehabilitation of the agricultural sector and the provision of water supplies. Drilling of bore-holes and the installation of hydraulic pumps were carried out in 1988 by a private company under the control of l'Office national de l'hydraulique pastoral et villageoise (ONHPV). In the region of Ouaddai, a non-governmental organization of the Federal Republic of Germany, Agro-Action, has been the principal executing partner of UNHCR. The UNHCR representative in Cameroon co-ordinates UNHCR activities in Chad with the UNDP field office at N'Djamena.

29. UNICEF carried out two major projects in Chad in 1988. One was an extended programme of vaccination to which the UNICEF contribution was \$1.3 million, with other donors providing additional funding. In the framework of this programme, UNICEF carried out a project, financed by Italy, which provides medicines to the people of Chad. The second project, for which UNICEF provided \$1.0 million, was the provision of basic services, including the provision of water supplies, the rehabilitation of primary schools and assistance to improve food production. These two projects accounted for 69 per cent of UNICEF total assistance to Chad in 1988, which totalled \$3.5 million.

30. Following torrential rains that flooded N'Djamena and the central western regions in late August 1988, the Office of the United Nations Disaster Relief Co-ordinator (UNDRO) organized the mobilization of \$3 million in assistance to 47,350 affected people. At the request of the Government of Chad, UNDRO issued an appeal to the international community for emergency assistance. A generous response was made in the form of food, shelter material, relief and medical supplies and cash donations. UNDRO also monitored the assistance to the population of the Biltine Prefecture when it was stricken by a devastating hailstorm. The Office offered its services to the Government when epidemics of spinal meningitis and sleeping sickness broke out in Chad in the early months of 1988.

31. Groundwater exploitation is an area of particular importance for the well-being of the people of Chad. With \$5.1 million financing from UNDP and \$2.9 million from the United Nations Capital Development Fund, the Department of

Technical Co-operation for Development is executing a project under which approximately 500 bore-holes are to be drilled over a three-year period (350 in the Ouaddai region and 150 in the Guera region). The project will also assist in rehabilitating 11 water yards in the Chari-Baguirmi region, will set up two field stations in Abeche and Mongo, and will provide training to some 98 national project staff.

Notes

1/ Report of the United Nations Conference on the Least Developed Countries, Paris, 1-14 September 1981 (United Nations publication, Sales No. E.82.I.8), part one, sect. A.

2/ World Debt Tables, 1988-89 edition, External Debt of Developing Countries, vol. II.

Annex

