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

Assistance to Nicaragua

Report of the Secretary-General

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I. INTRODUCTION

1. In its resolution 39/204 of 17 December 1984 on assistance to Nicaragua, the General Assembly, considering that, despite the efforts of the Government and people of Nicaragua, the economic situation had not returned to normal and continued to worsen, urged all Governments to continue contributing to the reconstruction and development of Nicaragua; requested the organizations of the United Nations system to continue and to increase their assistance in this endeavour; recommended that Nicaragua should continue to receive treatment appropriate to the special needs of the country until the economic situation returned to normal; and requested the Secretary-General to report to the Assembly at its fortieth session on the progress made in the implementation of the resolution.

2. The resolution was brought to the attention of Member States, specialized agencies and other organizations within the United Nations system. The present report contains information communicated to the Secretary-General on assistance provided to Nicaragua by Member States, United Nations bodies and specialized agencies.

3. The report is based on information received from different sources not necessarily always with reference to identical time periods. Further, while most information reflects assistance delivered, some may reflect commitments only. For these reasons, differences may appear in the information presented in various sections of the report.

II. ASSISTANCE REPORTED BY THE GOVERNMENT OF NICARAGUA

A. Financial assistance

4. The following table shows the amounts of external resources pledged since 1979 by source of funding:

Table 1. Summary of external assistance pledged, by source of funding, in 1984 and from 1979 to 1984

(Millions of United States dollars)

Source of funding	1984	1979-1984 (Total)
Multilateral agencies	-	<u>629.9</u>
International	-	159.7
Regional	-	470.2
Bilateral sources	<u>341.7</u>	<u>2 109.5</u>
Western Europe	33.5	297.3
North America	15.7	88.3
Latin America	86.1	803.6
Africa and Asia	-	139.8
Socialist countries	206.4	780.5
Total	<u>341.7</u>	<u>2 739.4</u>

5. The following table gives details of non-reimbursable bilateral assistance and assistance from non-governmental organizations from 1980 to 31 May 1985:

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Table 2. External bilateral non-reimbursable assistance,
by source, from 1980 to 31 May 1985

(Thousands of United States dollars)

Donor	1980	1981	1982	1983	1984	Up to 31 May 1985	Total
Countries							
A. Latin America	27 440	10 687	3 464	-	991	-	42 582
Argentina	40	3 000	3 000	-	991	-	7 031
Costa Rica	-	-	4	-	-	-	4
Mexico	25 167	5 882	375	-	-	-	31 424
Panama	-	-	63	-	-	-	63
Peru	-	-	1	-	-	-	1
Venezuela	2 233	1 805	21	-	-	-	4 059
B. North America	4 403	4 427	3 268	3 527	799	47	16 471
Canada	1 164	2 428	1 897	3 317	590	47	9 443
United States of America	3 239	1 999	1 371	210	209	-	7 028
C. Western Europe	17 391	10 258	5 107	25 582	21 441	1 761	91 540
Austria	505	75	688	7 201	2 212	143	10 824
Belgium	191	368	567	834	569	46	2 575
Denmark	-	953	81	459	519	3	2 015
Finland	-	-	-	69	850	166	1 085
France	174	735	4 685	2 172	2 078	20	9 864
Germany, Federal Republic of	3 170	2 565	943	509	2 034	192	9 413
Ireland	125	1	43	43	13	-	225
Italy	317	70	300	3 183	2 192	271	6 333
Luxembourg	2	6	-	8	-	-	16
Netherlands	6 531	541	2 076	3 545	2 858	249	15 800
Norway	16	356	87	91	3 053	62	3 665
Spain	-	-	-	1 335	1	-	1 336
Sweden	5 784	3 309	4 674	5 188	3 665	86	22 706
Switzerland	202	729	560	764	1 317	518	4 090
United Kingdom	374	550	403	181	80	5	1 593
D. Africa and Asia	2 193	63	50	-	-	-	2 306
Libyan Arab Jamahiriya	-	50	-	-	-	-	50
Japan	2 193	13	50	-	-	-	2 256

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Table 2 (continued)

Donor	1980	1981	1982	1983	1984	Up to 31 May 1985	Total
International organizations	<u>14 334</u>	<u>5 807</u>	<u>5 031</u>	<u>2 551</u>	<u>9 078</u>	<u>1 395</u>	<u>38 196</u>
European Economic Community	12 828	5 667	4 869	2 482	8 942	1 377	36 165
Organization of American States	1 506	140	162	69	136	18	2 031
Non-governmental organizations	<u>3 471</u>	<u>1 733</u>	<u>576</u>	-	-	-	<u>5 780</u>
CARE	1 492	1 262	255	-	-	-	3 009
Catholic Relief Service	977	124	16	-	-	-	1 117
World Council of Churches	997	347	305	-	-	-	1 649
International Universities Fund	5	-	-	-	-	-	5
Others	<u>65</u>	<u>778</u>	<u>250</u>	-	-	-	<u>1 093</u>
Total	<u>69 297</u>	<u>33 753</u>	<u>27 746</u>	<u>31 660</u>	<u>32 309</u>	<u>3 203</u>	<u>197 968</u>

B. Food assistance

6. The following table gives the details of the food assistance received, by commodity and donor, from January 1984 to July 1985:

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Table 3. Food assistance received, January 1984-July 1985
 (Tons)

Commodity	Donor	Quantity
Wheat		<u>118 914</u>
	France	10 000
	Greece	2 000
	Sweden	17 600
	Union of Soviet Socialist Republics	78 114
	World Food Programme	7 200
	European Economic Community	4 000
wheat flour		<u>10 029</u>
	World Food Programme	2 729
	France	7 300
Maize		<u>43 702</u>
	Argentina	19 500
	Netherlands	2 500
	Romania	3 000
	Union of Soviet Socialist Republics	14 562
	Yugoslavia	2 590
	World Food Programme	1 050
	European Economic Community	500
Rice		<u>15 853</u>
	Austria	1 765
	Federal Republic of Germany	405
	Union of Soviet Socialist Republics	13 683
Beans		<u>7 903</u>
	Netherlands	800
	European Economic Community	7 103
Powdered milk		<u>3 318</u>
	World Food Programme	1 133
	European Economic Community	2 185
Vegetable oil		<u>1 466</u>
	World Food Programme	466
	European Economic Community	1 000
Sugar		<u>102</u>
	World Food Programme	102
Canned meat		<u>234</u>
	World Food Programme	234
Soups		<u>50</u>
	World Food Programme	50
Butter oil		<u>300</u>
	European Economic Community	300

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III. REPLIES RECEIVED FROM STATES

7. In response to a request from the Secretary-General for information on assistance provided to Nicaragua, details of assistance made available to the country were received from Denmark, the German Democratic Republic, Ireland and Sweden. Further, the embassies in Managua of France, the Federal Republic of Germany, Italy, the Netherlands, Spain and Sweden conveyed details of their assistance to the Resident Co-ordinator of the United Nations system for Operational Activities for Development. The information is summarized below.

A. Denmark

8. Within the framework of the previously assessed indicative plan for bilateral grants to Nicaragua, a project for the production of vegetables, amounting to 15 million Danish kroner, was approved in 1985. Moreover, in 1985, Denmark made a contribution of 4.5 million Danish kroner through "Danchurchaid" for the continuation of a health campaign.

9. In accordance with the readjustment of the Danish development assistance to Nicaragua, negotiations are currently taking place concerning a development loan for construction of silos and procurement of equipment for the poultry sector and for the transportation sector, totalling 50 to 70 million Danish kroner.

10. Denmark continues to provide expert assistance to Nicaragua and at present three Danish financial experts are serving in the country. In addition, a limited number of scholarships are being granted.

11. Denmark also granted 3 million Danish kroner in 1985 to the World University Service for the assignment of 10 volunteers for a period of two years to assist in the development of poor rural areas in Nicaragua.

B. France

12. France has provided long-term 15-to-20 year soft loans at a 3 to 4 per cent annual interest rate with a 5-to-10 year grace period, as follows:

1980	F 50 million
1981	F 50 million
1982	F 100 million
1983	F 120 million
1984	F 135 million
1985	F 130 million

C. German Democratic Republic

13. During the period 1979-1984, 80 million marks were made available from donations made by the people of the German Democratic Republic to assist in the reconstruction and development of Nicaragua. The aid included, among other things, the supply of school equipment (books and exercise books), high-quality foodstuffs (children's food, powdered milk) and urgently needed medicines. In addition, the German Democratic Republic has under construction, from solidarity funds, an emergency hospital with 180 beds for improving the medical care for Managua's nearly 300,000 inhabitants.

14. A total of 1.7 million marks were made available in 1984 for the training of Nicaraguan specialists in the German Democratic Republic.

15. Between 1979 and 1984, 230 seriously wounded persons were provided with medical treatment in the German Democratic Republic. About 2.5 million marks for their medical care and nursing were made available from donations of the people of the German Democratic Republic.

D. Germany, Federal Republic of

16. During the period 1979-1984, the Federal Republic of Germany provided 200 million deutsch marks, as follows:

Financial co-operation (soft loans)	DM 150.0 million
Technical co-operation	DM 44.0 million
Food assistance	DM 5.5 million
Technical assistance in storage of agricultural products, cartography and geodesy, training of intermediate technicians, printing and reproduction of educational material, and biogas.	

E. Ireland

17. Ireland has approved two grants of assistance to Nicaragua, financed from Ireland's bilateral aid programme, to be channelled through the scheme of the Department of Foreign Affairs for co-financing development projects with Irish non-governmental organizations. These are as follows:

(a) 7,322 Irish pounds to Gorta (the Freedom from Hunger Council of Ireland) towards the establishment of a rotating fund to provide credit for cattle co-operatives;

(b) 10,000 Irish pounds to Trocaire (the Irish Catholic Agency for World Development) towards an extension programme in the area of adult education.

18. A further request has recently been submitted by Trocaire for a grant of 14,000 Irish pounds towards a training scheme for agricultural mechanization and credit co-operatives. This request is under consideration.

F. Italy

19. In 1984, 100 tonnes of noodles for the World Food Programme (WFP) in Nicaragua, as well as machinery, office equipment, medicines and hospital equipment, with a total value of \$1.5 million, was provided by Italian non-governmental organizations. In 1985, \$1.75 million for the storage and marketing of basic grains has been made available.

G. Netherlands

20. The Netherlands has provided the following assistance to Nicaragua in 1984-1985:

Pharmaceutical industry	f. 10.0 million
Agro-industries	f. 5.0 million
Health	f. 1.0 million
Potatoes: growth, storage and marketing	f. 3.5 million
Rehabilitation and improvement of seaports	f. 10.0 million
Miscellaneous	f. 3.0 million
	<hr/>
Total	f. 32.5 million

H. Spain

21. All co-operation with Nicaragua is handled by the Iberoamerican Co-operation Institute (ICI) and, for 1984 and 1985, ICI is providing the following:

- (a) Agriculture and livestock: training centre in Juigalpa, six experts;
- (b) Health: regional hospital in Juigalpa, four physicians, and equipment, books and an ambulance;
- (c) Township management in Juigalpa: three technicians for land distribution, water treatment, markets, slaughterhouses etc.;
- (d) Co-operatives in Juigalpa: two experts for the structuring of industrial co-operatives;
- (e) Technical school for Granada: four experts in chemistry, electricians, metal mechanics and automotive mechanics as well as equipment valued at \$80,000;
- (f) Historical Centre of León: three experts in architecture and one sociologist;
- (g) International economic relations, Managua: courses and seminars, two experts;

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(h) Data storage and processing in Civil Registry, Managua: four experts in data processing;

(i) In addition, fellowships have also been made available in the above-mentioned fields.

I. Sweden

22. Swedish development assistance to Nicaragua was initiated in 1979 as emergency assistance primarily within the health care sector. Since 1982 it has been provided in accordance with the principles governing disbursement to the main recipients of Swedish bilateral assistance, the programme countries of the Swedish International Development Authority.

23. During the years 1979 to 1984, Swedish official development assistance extended to Nicaragua totalled over 400 million Swedish kronor.

24. In May 1984, a two-year agreement on development assistance valued at SKr 150 million was signed with Nicaragua. On 17 April 1985, the Swedish Parliament decided to raise the amount for the second year (fiscal year 1985/86) from SKr 75 million to 90 million, equal to over \$US 10 million.

25. In the long-term planning of Swedish assistance to Nicaragua, priority is given to productive sectors such as mineral production and forestry, whereas support to social sectors such as health care has been phased out. Thus the thrust of the assistance has been directed to the overriding goals of economic growth and independence.

26. Assistance in mineral production has led to a consolidation of the mining and management of gold ore. Support to the forestry sector includes the elaboration of a national plan for the development of forestry and wood industry, inauguration of wood technical laboratory planting, rehabilitation of wood industries and contributions to an institute of forestry technique and training. Within the energy field, support is given to the development of small power generators in remote rural areas not covered by the main power-grid. Swedish assistance in public administration has been extended in the field of taxation. Within the special agreement on research co-operation, support is given to research in geology and mineralogy, energy, health care and agriculture.

27. A soft credit of about SKr 35 million, extended to Nicaragua in 1982, has been used for various industrial investments.

28. In response to recent representations from Nicaragua for short-term relief needed because of the worsening economic situation and the lack of foreign currencies, some room for import support has been created in the current agreement period. During fiscal year 1985/86, reallocations will release about SKr 20 million for import support. Other measures prompted by the difficult economic situation in Nicaragua include emergency relief in the form of deliveries of wheat and a commercial credit of SKr 40 million. A request for emergency assistance in the amount of SKr 10 million to assist rural inhabitants suffering from the armed activities will be granted shortly.

29. In connection with the general elections in Nicaragua in November 1984, technical assistance and a donation of paper worth SKr 3 million were extended by Sweden.
30. More than 15 non-governmental organizations and a growing number of volunteers from Sweden are engaged in the development assistance work in Nicaragua.
31. Within the framework of Swedish humanitarian aid to Central America, SKr 4 million have been directed to Nicaragua to aid Central American and internal refugees in the country.

IV. ASSISTANCE PROVIDED BY THE UNITED NATIONS SYSTEM

A. Total assistance

32. The assistance approved by the organs, organizations and agencies of the United Nations system to Nicaragua, during the period 19 July 1979 to 1 April 1984, amounted to \$258,529,280, of which \$149,600,000 was financial assistance and \$108,929,280 was technical assistance (see A/39/391, sect. IV).
33. According to information provided by the Office of the Resident Co-ordinator of the United Nations system for Operational Activities for Development at Managua, co-operation and technical assistance approved by the organizations and agencies of the United Nations system to Nicaragua, during the period 1 April 1984 to 1 May 1985, amounted to \$23,588,157. Details of co-operation and technical assistance approved, by sector and by source of funding, are given in tables 4 and 5, respectively.

Table 4. Co-operation and technical assistance approved,
 by sector, 1 April 1984-1 May 1985

	<u>Value</u> (US dollars)	<u>Percentage</u>
Development policy and planning	473 514	2.0
Natural resources	4 024	-
Agriculture, forestry and fisheries	3 195 249	13.5
Industry	317 110	1.3
Transport and communications	416 633	1.8
International trade and development	158 685	0.7
Population	488 774	2.0
Health	5 658 103	24.0
Education	724 631	3.0
Employment	40 000	0.1
Humanitarian assistance	7 020 475	30.0
Security and social justice	4 310 132	18.3
Science and technology	777 827	3.3
Total	<u>23 588 157</u>	<u>100.0</u>

Table 5. Co-operation and technical assistance approved,
by source of funding, 1 April 1984-1 May 1985

	<u>Value</u> (US dollars)
United Nations Industrial Development Organization	103 018
United Nations Children's Fund	2 156 000
United Nations Development Programme	2 002 198
United Nations Capital Development Fund	1 498 000
World Food Programme	7 776 755
Office of the United Nations High Commissioner for Refugees	3 806 800
United Nations Fund for Population Activities	488 774
Food and Agriculture Organization of the United Nations	1 599 900
World Health Organization/Pan American Health Organization	3 523 000
Universal Postal Union	7 450
World Meteorological Organization	329 020
International Maritime Organization	253 000
International Atomic Energy Agency	13 242
Voluntary Fund for the United Nations Decade for Women	31 000
Total	<u>23 588 157</u>

B. Information received from United Nations bodies

34. The Department of Technical Co-operation for Development of the United Nations Secretariat is providing technical assistance in the fields of economic planning, national investments, water management, demography and computerization. Four technical co-operation projects in these fields are providing training, specialized equipment and international expertise appropriate to the objectives of the programme. The budget for these projects is nearly \$500,000 in 1985. In 1984, the amount of assistance provided by the United Nations Development Programme (UNDP) and the United Nations Fund for Population Activities (UNFPA) amounted to almost \$500,000.
35. With respect to the oil tank fire of October 1983, total contributions reported to the Office of the United Nations Disaster Relief Co-ordinator (UNDRO) as of mid-1985 were \$155,783. UNDRO itself provided an emergency grant of \$30,000.
36. The World Food Council (WFC) reported that Nicaragua had drafted a food strategy and commenced the implementation process. Sources of funding for the strategy include the Governments of Mexico and Canada and the International Fund for Agricultural Development.
37. The United Nations Conference on Trade and Development (UNCTAD) is currently implementing a project entitled "Export Promotion" at a total cost of \$294,000 for the period 1984-1985, funded by UNDP (\$210,000) and cost-sharing (\$84,000).
38. The United Nations Industrial Development Organization (UNIDO) is implementing the following industrial development projects approved in 1984: (a) development of prefabricated wooden bridges (\$66,700); (b) development of the pharmaceutical industry (\$380,000); (c) establishment of a repair and maintenance centre for the metal mechanic industry (\$103,815); (d) assistance to small-scale industry (\$47,000); and (e) demand for agricultural machinery up to the year 2000 (\$22,300).
39. A project of the United Nations Centre for Human Settlements (Habitat) with a budget of \$520,000 has been prepared to provide technical assistance to the Ministry of Housing and Human Settlements for strengthening the capability of the Government to formulate and implement programmes for housing low-income groups in urban areas and for direct support for specific programmes. An indication from UNDP and the Government regarding the availability of funds for this project is awaited.
40. UNDP has under implementation two projects: (a) "Flood control of river basins south of Lake Managua" (\$314,009); and (b) "Technified beans production in co-operatives in fourth region affected by drought" (\$200,000).
41. As at 31 December 1984, WFP had approved 14 development projects at a total cost of \$49,088,119 and 12 emergency operations projects at a total cost of \$15,977,841.
42. UNFPA support to population projects in Nicaragua continued to be provided within the framework of the comprehensive population programme approved for Nicaragua at the 1980 Governing Council session.

43. In 1984, UNFPA supported the following projects with a total value of \$1,312,018: (a) expansion and improvement of maternal and child health and family planning programme, with \$319,035 funded by UNFPA, \$205,826 funded by the Government of Finland, \$278,646 funded by the Government of Italy and \$346,522 funded by the Government of Norway; (b) population and housing census, with \$750 funded by the Government of Finland and \$46,906 funded by UNFPA; (c) population education and information for the in-school and out-of-school population, \$57,337 funded by UNFPA; (d) national sex education seminars, \$4,145 funded by UNFPA; (e) national demography survey, \$48,299 funded by UNFPA; and (f) support to the national planning agencies in the area of population and development, \$4,552 funded by UNFPA.

44. As regards 1985, UNFPA is continuing to provide support to the projects relating to population education, national sex education seminars, the national demography survey and support to the national planning agencies in the area of population and development. Moreover, a new phase of the maternal and child health and family planning project, totalling \$6 million over the period 1985-1988, has begun. This programme is being funded with multi-bilateral resources from the Governments of Finland and Norway and regular UNFPA resources.

C. Information received from specialized agencies

45. The International Labour Organisation (ILO) has two projects, financed by the multi-bilateral donors, under implementation:

(a) Strengthening of the national system of manpower planning (Netherlands, \$435,540);

(b) Assistance to vocational training (Denmark, \$546,000).

46. Other ILO activities include the following: (a) seminars, consultancy/ advisory services and publications in the fields of rural development, working conditions and the environment, vocational rehabilitation and vocational training, \$33,000 from the ILO regular budget for technical co-operation; (b) a co-operative development project, with UNDP funding of \$26,000; and (c) assistance to the national planning system in the area of population and development, with UNFPA funding of \$282,400 for the period of 1984-1986.

47. The Food and Agriculture Organization of the United Nations (FAO) is currently operating two UNDP-financed projects (\$926,713) in agro-industrial development and rural development. The FAO Technical Co-operation Programme is financing 11 projects (\$611,250) in forestry, livestock, seeds, and development of natural resources. Trust funds are financing 10 projects (\$5,477,398) in forestry, rural development, agricultural planning, grain storage and crops. The total of these projects is \$7,015,361.

48. FAO/WFP emergency food aid was approved for displaced persons (\$3 million). A project of the Technical Co-operation Programme was also approved for an amount of \$250,000 which, through the provision of 170 tons of seed, assisted the Government in the implementation of the programme for the production of basic grains.

49. In 1985, the Universal Postal Union is funding one fellowship valued at \$2,000 and one consultancy mission valued at \$6,700.

50. The International Telecommunication Union (ITU) has provided expert services and fellowships to Nicaragua under a UNDP/ITU assisted project called "Human Resources".

51. The World Meteorological Organization is undertaking projects on the strengthening of the national meteorological service and reactivation and completion of the meteorological basic network in Nicaragua, funded, respectively, by UNDP (\$474,682) and the Voluntary Co-operation Programme of the USSR (\$80,000).

52. The International Maritime Organization is implementing a project on marine safety administration financed by Norway, at a total cost of \$250,000. The project is for a period of two years and also provides for two six-month fellowships in maritime legislation. In 1985, one fellowship was provided for training at the World Maritime University for a two-year period, at a total cost of \$24,000. Another fellowship was also provided for a one-year course, at a total cost of \$12,000.
