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PART I

MARKETS IN TROPICAL PRODUCTS[1]

COCOA

Market trends

During the 1968/69 cocoa year, spot prices were as follows (monthly averages for Ghana cocoa):

	London (shillings/cwt)	New York (cents/lb)
1968		
October	374	39.4
November	440	46.0
December	468	48.7
1969		
January	436	44.7
February	425	44.3
March	424	44.3
April	421	44.6
May	420	44.7
June	418	46.1
July	432	47.8
August	418	45.8
September	411	45.3
October	427	47.0

The trend in 1968/69 was very similar to that in 1967/68, when there was an appreciable rise in prices in the first few months, that is the last quarter of 1967, followed by a period of relative stability in the first half of 1968.

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[1] December 1969.

The upward movement had set in again in August 1968, when New York prices rose by 10 cents/lb (from 29 to 39 cents) in a few months. In the final quarter of 1968 a new plateau was reached (48 cents); then, after falling off a little, prices settled down at 44-45 cents for a large part of 1969. In the final months of 1969 there were appreciable fluctuations.

To sum up, average prices in 1969 may be said to have been 10 cents/lb higher than in 1968, when they had been 10 cents/lb higher than in 1966:

1966	1967	1968	1969
25	29	35	45

After four years of harvests falling short of consumption requirements (despite a substantial decrease in world grindings), the initial production forecasts for 1969/70 suggest a modest increase in availabilities, which may help to restore equilibrium between supply and demand, for world consumption could continue, as in 1969, to fall below the level of preceding years. Stocks in the consumer countries were low at the end of 1969, but in the present economic situation it seems that consumers are not in a hurry to bring up their stocks at any price to the levels usual from 1962 to 1965, when they represented 5 to 6 months of annual grindings; it is true that this was a period of low cocoa prices and cheap money.

The year 1969 has not been a good one for international co-operation; the consultations arranged in Geneva by the UNCTAD Secretary-General in June, after some progress on various technical points connected with the working of the future international agreement, were marked mainly by last-minute fresh proposals from the Brazilians that raised once again various points regarding essential questions on which agreement had been arrived at with difficulty in preceding years: nature of the quota system, use of buffer stocks, level of support prices. The price range negotiated in 1967 (20-29 cents/lb) has, it is true, been far exceeded in the last two years, during which world prices have constantly been higher than the ceiling price of 29 cents/lb. There is, therefore, little hope of an international cocoa agreement being concluded in the near future.

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COFFEE

Market trends

1969 must have been the most disturbed year on the world coffee market since there has been an International Coffee Agreement.

To begin with, the price trends of the four main categories of coffee since October 1968, the beginning of the 1968/69 coffee year, were as follows:

1968	Colombian milds	Other mild arabicas	Unwashed arabicas	Robustas
October	43.30	38.76	37.49	33.59
November	42.06	38.49	37.55	32.88
December	41.32	37.50	37.50	32.19
1969				
January	41.31	37.58	37.58	32.00
February	41.34	38.18	37.78	32.15
March	40.63	37.62	37.78	31.24
April	39.70	36.90	37.23	29.92
May	39.77	36.70	37.18	29.48
June	40.28	36.06	37.16	30.70
July	40.37	35.27	37.28	31.14
August	41.51	36.78	38.86	32.84
September	44.76	40.94	43.38	34.58
October	52.51	47.18	47.82	38.25
November	55.34	46.48	49.48	37.24
15 December	54.75	46.25	49.00	36.63
Price range under the Agreement				
1968/69	39.25/43.25	37.25/41.25	35.25/39.25	30.50/34.50
1969/70	40.75/44.75	38.75/42.75	36.75/40.75	32.00/36.00

All categories went through a period of low prices, which persisted until May-June 1969 and was followed by a distinct recovery and, since the beginning of October (the first month of the 1969/70 coffee year), a veritable upsurge of world prices.

The extent of these variations, however, was different from category to category: mild arabicas suffered the widest fluctuations, with the margin between the lowest and highest monthly prices 15.5 cents for Colombian milds and 12 cents for other milds. Brazilian arabicas were not touched much by the downward movement, but their rise was spectacular - 12 cents (33%) in four months. Robustas varied less sharply (biggest variation under 9 cents). It is interesting to note that as regards the price ranges under the Agreement only robustas and mild arabicas other than Colombian fell below their minimum in the summer of 1969.

At the end of 1969 all categories of coffee were above their ceilings - despite the fact that they had been raised on 1 October - but robustas and mild arabicas other than Colombian were not very far above them. In short, the present abnormally high price levels are mainly for Colombian and Brazilian coffees.

The situation is radically different, then, from 1968, when prices, thanks to the Agreement, were very stable (see Bulletin No. 8). Does this mean that the Agreement, originally designed mainly to combat low prices, cannot stem undue price rises? The question can be asked, of course, but it seems premature.

News of the damage done to Brazilian plantations by bad weather conditions (drought and frost) was a decisive factor in the reversal of the trend, although the current crop has not been hit. Brazil still disposes, furthermore, of large stocks -

though it is true that they are shrinking appreciably - part of which must certainly be made up of exportable coffee. Consequently, the market is not likely to experience any shortage in 1969/70, especially if we recall the large quota increases which, in accordance with the International Coffee Council's decisions of August 1969, are warranted by the present high prices.

It may also be noted that very large purchases were made as early as August and September 1969 - in anticipation of the rise which was already visible on the horizon - at distinctly lower prices than those obtaining at present.

In 1970 it will be seen how the anxieties caused in the closing months of 1969 by the undue increase in the price of certain types of coffee may be allayed by recourse to the relevant provisions of the Agreement.

The longer-term trend of the market is even more difficult to fathom. It is undeniable that the problem of chronic overproduction has been less acute for some time now, but that of adapting supply to demand has not been resolved none the less.

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OILS AND FATS

Trend of world prices

(cif European ports, US$/ton)

	1967 1st	1967 2nd	1967 3rd	1967 4th	1968 1st	1968 2nd	1968 3rd	1968 4th	1969 1st	1969 2nd	1969 3rd	1969 4th
		quarters				quarters				quarters		
Groundnuts, shelled (Nigeria)	189	183	183	159	158	167	161	178	210	215	219	196
Groundnut oil, 3.5% acidity, in bulk (Nigeria)	301	292	287	250	254	270	268	290	337	341	345	340
Palm kernels, 49% oil, in bags (Nigeria)	148	150	162	182	203	208	155	160	.	.	.	177
Copra, in bulk (Philippines)	184	186	197	241	265	267	201	196	200	194	181	254
Coconut oil, 1% acidity, in bulk (Ceylon)	301	299	309	366	403	414	366	361	379	356	334	390
Palm oil, 5% acidity, in bulk (Malaysia)	.	226	227	210	191	184	152	146	169	170	165	265
Soya beans, No. 2, in bulk (USA)	116	117	113	111	114	113	104	108	111	110	113	105
Soya bean oil (all sources)	229	226	209	199	193	186	160	173	182	167	171	245

Movements in the price of products containing lauric acid (copra, palm kernels and their oils) were still mainly dependent on copra availabilities in Southeast Asia; at the end of 1969 they were not completely back to the admittedly high levels they had reached during the first half of 1968.

Because of the abundance of soya and sunflower availabilities in particular, the prices of the main soft oils were especially low from mid-1968 to the autumn of 1969. In this sector groundnut prices were the exception, however: in 1968/69 they improved very appreciably by comparison with the preceding year. This development was due in the main to the relative decline of available quantities in all the leading exporting countries, and it led to a price gap in relation to other soft oils - a gap which is not in line with recent developments or the foreseeable trend.

Since autumn 1969 groundnut prices have not fluctuated much, but those of other soft oils have picked up very distinctly, and this has re-established a more normal price relationship.

This rise in soft-oil prices other than groundnut seems due chiefly to the news of smaller exportable availabilities of sunflower seed, but it is as yet difficult to assess the exact importance of this factor.

Palm-oil prices, which have been moving down distinctly since the beginning of 1968, reached a particularly low level at the end of that year because of abundant supplies from Malaysia and elsewhere and very large fish-oil availabilities. Since early 1969 they have picked up somewhat; this recovery accelerated very sharply from autumn 1969 on in connection with the rise in soft-oil prices and the appreciable reduction in the quantities of available fish oil.

The upward movement since September 1969 has in general surprised the experts. The statistical situation of world medium-term supply and demand suggests that this rise cannot be very permanent; it seems to be due essentially to short-term economic factors.

The FAO recently published interesting data covering relatively long periods. The most significant are the following:

1. Prices

FAO price indices

Base: 1952-54 (average) = 100

	1955-57 (average)	1963-65 (average)	1966	1967	1968
All oils and fats (excluding butter)	99	96	96	90	89
Soft oils	96	81	83	77	69
Lauric oils	87	102	103	106	128

2. Relative value

Share of the different groups of countries in international trade (all oils and fats, including animal fats)

(%)

	1955-57 (average)	1963-65 (average)	1966-68 (average)
Developed market-economy countries	48.78	53.26	52.38
Countries with centrally planned economies	7.38	7.86	13.17
Developing countries	40.48	37.50	34.09

3. Relative volume

Share of certain groups of products in international trade
(oils for food and soap)

(%)

	1957	1967
Soya and sunflower	20.5	44
Groundnut, palm and lauric	64.5	43.9

4. Export revenue

Value of world imports in US$m.
(all oils and fats, including animal fats)

	1953-57 (average)	1966-68 (average)	% increase
Developing countries	1 014	1 033	1.87
Other	1 491	1 587	6.45

On the international plane, a special session of the FAO Study Group on Oils and Oilseeds was held in London in co-operation with UNCTAD from 26 January onwards.

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BANANAS

The main feature of the banana market in 1969 was a tendency towards an imbalance between production and consumption, the main cause of which is the progressive saturation of consumer markets. The consequence of this imbalance was, and still is, a low level of world prices. Two abundant fruit harvests in Europe also helped to curb demand.

This trend was the subject of concern at the third meeting of the FAO Study Group on Bananas held in Panama in April 1969. For the banana-growing countries, especially those in Latin America, several of which have sharply increased their exportable production, the problem is not overproduction but underconsumption. They want the importing countries to increase their consumption of bananas appreciably because they are not convinced that the annual rate of 8-10 kg per person means that saturation point has already been reached. The consumer countries for their part consider that it would not be realistic to expect a notable increase in rates of consumption on traditional markets. Instead, they suggested that the producer countries should study the opportunities for opening new markets and for diversifying their agriculture in order to ease pressure exerted on the market by excessive supply.

The meeting of the Group's statistical committee, which preceded that of the Group itself, noted a definite improvement in the statistics, in particular for production and consumption. As a result of this progress it was possible to make certain valid forecasts for 1969 showing an approximately 15% surplus of programmed production over consumption. These forecasts did not fail to impress the producer countries, the majority of which will be stabilizing their production at the present level.

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TEA

In 1969 there were several international meetings, under the aegis of FAO, on this commodity, the world tea market situation having become sufficiently worrying for the producer and consumer countries to be contemplating various steps to improve it. Since 1968 the slow erosion of world tea prices has accelerated - to the detriment of the exporting countries, which in most cases have not been able to offset the decline in their export revenue by an increase in quantities sold.[1] The short-term imbalance between an expanding production, after the levelling-off in 1967, and slow-growing consumption, and also the discouraging long-term prospects for the world tea trade, were the reasons for the intense international activity in connection with this tropical product in 1969 - FAO's third tea conference held in Kampala in January, the meeting of the Ad Hoc Working Party on International Arrangements for Stabilization of Tea Prices in Rome in May, the meeting of the producer countries in Mauritius in July and in Rome in November, and lastly the first session of the FAO Advisory Committee (set up following the recommendations of the Kampala conference) in Rome in December.

The most important and tangible result is the decision of the majority of leading tea-exporting countries to establish an export quota system for 1970 in order to halt the downward trend of prices and bring them up again as near as possible to the 1968 level, which itself is considered relatively low compared with average prices over the last fifteen years. The quotas will amount to £1 300 million (approximately 600 000 tons); this will mean a cutback of £90 million (approximately 40 000 tons).

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[1] Average London auction price (pence/lb at current prices)

1962	1964	1966	1967	1968	1969 (November)
53	51	49	50	47	44

This unofficial arrangement concerns black tea only; the exporting countries also recommended the setting up of a subcommittee of exporters under the FAO Advisory Committee. The importing countries expressed their interest in the measures taken by the exporting countries and hoped they would be able to examine the initial results at a meeting of the FAO Advisory Committee in mid-1970.

In the sphere of long-term action, the work started in the Ad Hoc Working Party on International Arrangements will be continued in 1970, mainly on the basis of the draft of an international export-quota type of agreement.

The studies on the production situation and the long-term outlook of the tea market will be pursued or, where necessary, updated.

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COTTON

Trend of world cotton prices in the last ten years

Cotton years (1 August-31 July)	US cents/lb cif Liverpool US cotton Memphis Territory SM 1-1/16
1958/59	32.70
1959/60	29.75
1960/61	31.08
1961/62	31.22
1962/63	30.55
1963/64	29.52
1964/65	29.88
1965/66	29.27
1966/67	28.72
1967/68	33.76
1968/69:	
August 1968	34.55
September 1968	34.10
October 1968	32.49
November 1968	30.73
December 1968	29.80
January 1969	29.47
February 1969	29.14
March 1969	28.95
April 1969	28.95
May 1969	28.95
June 1969	28.69
July 1969	28.38
August 1969	28.25

From 1958/59 to 1966/67 the world cotton market was marked by a slow erosion of prices, which was mainly a reflection of the imbalance between production and world consumption potential.

This surplus situation became more serious in the 1965/66 marketing year, because world production reached a record level and stocks held by the cotton-growing countries, especially the United States, grew even bigger. As the figures above show, cotton prices underwent a more marked decline during this period; this was due in part to the heavy surpluses on hand and to the fears raised by the news of the adoption of new cotton legislation by the US Congress, in the framework of a more general

Agricultural Act, to be implemented from 1966/67 on. At the end of 1966, however, cotton prices had reached the trough of the curve, and 1967 opened with better prospects: contrary to the fears expressed by the cotton-growing countries and despite a certain psychosis which had taken hold of the market, the aims of the US law, namely to cut back on production and to run down the large stocks held by the Commodity Credit Corporation (CCC),[1] were to be achieved in the course of the crop year, exceeding even the most optimistic hopes. The US crop went down from 14.9 million bales in 1965/66 to 9.9 million bales in 1966/67, a reduction of some 36%.

The stock held by the CCC in the United States was thus down to 12.5 million bales at 1 August 1967, a 26% reduction on the 16.9 million bales held at 1 August 1966. In a single crop year total world production had gone down by some 10%.

The effects of an improved general market equilibrium did not fail to make themselves felt on cotton prices, which went up in 1967, especially those of the more sought-after better-quality medium and long staples.

The 1967/68 cotton year ended in the United States with output down again, so that world production was for the second time smaller than the forecasts for total consumption. World stocks at 1 August 1968 totalled 21.6 million bales - another large reduction of nearly 20% in comparison with world stocks at 1 August 1967. As a result, therefore, of two years without a surplus, a better statistical balance of

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[1] The Commodity Credit Corporation is the support agency guaranteeing minimum prices for US growers.

the market was established and prices were maintained at a fairly high level in 1967/68. In 1968/69, on the other hand, cotton prices were unsteady and fell to a distinctly lower level. Although world production was nearly equal to consumption forecasts and stocks in August 1969 - 21.6 million bales - did not account for more than about five months of consumption, which is considered quite low, exporters had to sell on a hesitant market in which purchasers were covering only their immediate needs.

The corollary of the total consumption forecasts, which barely exceeded the level already reached in 1967/68, was a stagnation of demand which was bound to have a bad effect on the market.

We must also stress that an examination covering a longer period shows that while in the most recent years cotton prices have been marked by quite considerable ups and downs, the general trend on the world market has been clearly stationary at levels which are often considered hardly worth while by the cotton-exporting developing countries.

World market prospects

In the short term the situation of the world natural fibres market does not seem likely to undergo appreciable changes. Hardly any change is expected in 1969/70: the forecasts suggest that world production (at 53.9 million bales) will not be much higher than in 1968/69 (53.4 million bales), while consumption is likely to be the same or slightly lower. In these circumstances prices should remain at the lower level obtaining in 1968/69.

In the longer term, the world cotton market continues, even more than in the past, to be influenced by the growing consumption of substitute fibres. The general trend towards substituting man-made for natural fibres is reflected in the decline of cotton's relative share in world consumption of textile fibres; it dropped from 66% in 1957 to 54% in 1967. Nevertheless, increased industrial capacity in developing countries and the growing demand for textiles should mean that, on the whole, cotton consumption will remain at a relatively high level.

Whether natural fibres will benefit from increased world consumption of textile fibres will still depend in the future - and perhaps even more than before - on the capacity of producer countries to improve the quality of the natural product to satisfy the needs[1] of users and on their unremitting efforts to meet price competition from substitute products.

On the international plane, we must recall that at the 28th plenary meeting of the International Cotton Advisory Committee, which took place in Kampala in June 1969, it was recognized that the most serious problem for the future of natural fibres is competition from man-made fibres - an industry which is controlled by a small number of extremely well-organized firms. The need to achieve some stability of prices at a level which protects cotton's competitive position was therefore recognized by the Committee. Efforts should be made to avoid surpluses, while sufficient stocks are maintained to supply spinning mills with fibres of the various types and qualities required.

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[1] One example is that the growing speed of machinery used in the textile industry makes a long, highly resistant fibre necessary.

It must also be mentioned that an international cotton agreement was not thought desirable by many producer countries (one of their fears being the introduction of production quotas); it was recommended that there should be more effective co-operation on all planes - bilateral between sellers and purchasers and multilateral between exporting and importing countries - and that research and promotion should be intensified at the various levels.

PART II

TRADE ASPECTS OF THE NEW YAOUNDE CONVENTION

The new Association Convention between the EEC and its African associates was signed in Yaoundé on 29 July 1969. In the sphere of trade, the objective is the same as that of the first Convention: maintenance of the free-trade areas embracing the EEC and the eighteen Associated States. Provision has been made, however, for an exception to the general free-trade arrangements in respect of products which are similar to and in competition with European products and of processed agricultural products originating in the associated countries. For these products the Community has devised import arrangements which are more favourable than those applied to like products from non-member countries.

Exceptionally, however, the Community has discretion to refrain from making special arrangements for a product from the associated countries if the Community's economic situation warrants such a step.

The new Convention, while continuing to promote the development of trade between the Community and the Yaoundé countries, nevertheless takes into account the desire of the contracting parties to encourage the development of trade between African countries and international co-operation. Firstly, the Associated States may maintain or establish customs unions or free-trade areas and conclude economic co-operation agreements, either between themselves or with African countries at a comparable level of development, or with other countries. Secondly, the new Convention has taken into account, in a protocol on general preferences, the trends which have been taking shape at world level, in particular at the New Delhi Conference in 1968.

Lastly, the concept of "development needs", allowing the Yaoundé countries to introduce customs duties and quantitative restrictions in respect of products originating in the Member States, has been extended and spelled out in detail. It has even been recognized that the Associated States have the right to impose a total ban on specific imports for a limited period.

Attention must be drawn to an important innovation in the matter of trade: provision has been made in the new Convention for marketing and sales promotion aids in order to widen the range of measures aimed at increasing the sales of products from the associated countries on the Community market.

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TRADE ASPECTS OF THE ARUSHA AGREEMENT

The new Association Agreement with the East African Community (Kenya, Uganda, Tanzania) was signed in Arusha on 24 September 1969. The new Agreement takes over in the main the provisions of the first Arusha Agreement, which had not come into force by 31 May 1969. It contains, however, adjustments to take into account the economic situation of the three East African States and the principles adopted by the Community in the negotiations with the Yaoundé countries.

The general rule for trade is that intra-Community arrangements will apply to exports from the East African States to the Community. For coffee, cloves and tinned pineapple, however, only specified amounts will be allowed into the Community duty-free in any given year (56 000 tons of coffee, 120 tons of cloves, 860 tons of pineapple). In excess of these amounts, the Community will be entitled to take steps to prevent serious disturbance of its traditional trade flows.

For agricultural products similar to and competing with European products and for processed agricultural products, the Community will take into consideration the interests of the East African countries in the framework of its common agricultural policy; it will decide, case by case, after consultation in the Association Council and notwithstanding the general treatment accorded non-member countries, what treatment to accord products the East African States have an economic interest in exporting. The Agreement also contains, in the relevant fields, provisions similar to those in the new Yaoundé Convention to promote regional co-operation in Africa and to take account of certain international developments in the matter of development aid and in particular trade.

In their turn the East African countries will remove all customs duties and quantitative restrictions not needed to meet their development needs or intended to contribute to their budgets. In this way the EEC will enjoy tariff concessions on some sixty products at rates ranging from 2% to 9%. The East African States will be able to make changes in these concessions on condition that other concessions are made to maintain the general balance of the Agreement.

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GENERAL TREND OF THE EEC'S TRADE WITH THE YAOUNDE COUNTRIES IN 1967 AND 1968

Imports into the Community

In 1968 imports from the Yaoundé countries were 12% in value up on 1967. This very satisfactory rate of growth is higher than that of imports from the western industrialized countries (10%) and was exceeded only by that of intra-Community trade (17%). It is considerably higher than the average growth rate of imports coming from the developing countries as a whole (8%).

Despite this very clear growth in value, the Yaoundé countries' share of imports into the Community increased only very slightly - from 4.2% in 1967 to 4.3% in 1968. The proportion of imports coming into the Community from non-associated African countries and from Asia increased from 9% to 9.9% and from 13.1% to 13.4% respectively. This favourable trend is due in part to the increase in sales of crude oil to the Community.

It will be easier to assess the implications of these trends if we consider the respective shares of the Member States in the Community's imports from the African associates.

Among the Member States, France is still by far the best customer of the Yaoundé countries as a whole, taking over two fifths of their exports to the Community (some 46% in 1967 and 42% in 1968). In terms of value, the level of France's imports has remained virtually stationary ($610 million in 1967 and $614 million in 1968).

The role of the French market as the leading outlet continues to diminish, however. In 1968 the markets of the other Member States, with the exception of Italy, grew faster than the French market in relative importance.

Imports into the Netherlands from the African associates increased at the fastest rate (from $62 million in 1967 to $98.5 million in 1968). This growth in value is due for the most part to an increase in purchases of cocoa. The associated countries' share of Dutch imports from outside the Community remained stationary, however, in 1967 and 1968 (2%). The most important suppliers of the Netherlands in the developing part of the world are still from Asia, Latin America and non-associated Africa, in that order.

The Belgo-Luxembourg Economic Union, whose imports from outside the EEC in 1968 were 12% up on 1967, also registered a remarkable advance in imports from the Yaoundé countries (from $292 million in 1967 to $374.5 million in 1968). This was chiefly due to the growth of purchases of copper (20% by volume and 30% in value).

Germany, which is the Member State that enjoyed the most remarkable economic expansion in 1968, increased its purchases from the Yaoundé associates appreciably (from $180 million in 1967 to $218 million in 1968). The increase is accounted for mainly by purchases of wood and coffee; quantities purchased of the latter product virtually doubled.

By way of contrast, Italy's purchases from the Yaoundé countries, which had expanded in spectacular fashion in the preceding years, declined slightly (from $164.5 million in 1967 to $162 million in 1968). This development, however, was not confined to trade with the Yaoundé countries: Italy's imports from outside the Community increased by only 2% in 1968, which was the smallest growth rate for a Member State for that year.

Exports from the Community

The Community's exports to the Yaoundé countries, like its imports from them, showed a distinct rise from 1967 to 1968; the growth rate in terms of value, however, which was only 9%, was lower than that of imports. The equivalent growth rate was 12% for the developing countries as a whole, 30% for the United States, 37% for the USSR, 13% for Latin America and 14% for Asia.

The Yaoundé countries' relative share in total Community exports fell slightly from 2.9% in 1967 to 2.8% in 1968. Similarly, the share of Community exports going to the non-associated African States went down from 5.7% in 1967 to 5.6% in 1968. Latin America's share, on the other hand, remained stationary at 6.3%, and Asia's increased slightly from 9% in 1967 to 9.2% in 1968.

The growth rate of exports to the Yaoundé countries in 1968 was 3% for France, 27% for the Belgo-Luxembourg Economic Union, 31% for the Netherlands, 28% for Germany and 11% for Italy.

Extra-Community trade, 1967-68

($m.)

	1967				1968			
	Imports		Exports		Imports		Exports	
	Total	AASM	Total	AASM	Total	AASM	Total	AASM
EEC	30 895	1 308	31 629	926	33 542	1 466	35 290	1 019
France	7 004	610	6 676	627	7 310	614	7 220	649
BLEU	3 190	292	2 603	82	3 751	374	2 912	104
Netherlands	3 791	63	3 285	51	4 146	98	3 551	66
Germany	10 483	179	13 733	93	11 792	218	15 503	119
Italy	6 427	164	5 332	73	6 543	162	6 104	81

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THE EEC'S TRADE WITH THE YAOUNDE COUNTRIES IN THE FIRST HALF OF 1969

The figures available for the first half of 1969 show a distinct expansion of trade in comparison with the first half of 1968 - 18% for imports and 22% for exports. The growth of imports was particularly high in the Netherlands (30%) and Germany (20%); there was also a notable increase in exports from these two countries - 53% and 40% respectively. Italy's trade with the Yaoundé countries, which had grown in spectacular fashion up to 1967, registered some progress, but the increase was distinctly smaller than that of the other member countries (13% for imports and 5% for exports).

There was, however, hardly any change in each member country's relative share of the Community's total trade with the Yaoundé countries; the percentage of imports going to the Netherlands increased, while the figure for Italy's imports showed a corresponding fall.

France's share, still distinctly the largest, of exports to the Yaoundé countries fell off slightly (63% to 61%), as did Italy's (8% to 7%); the percentage of exports by the Netherlands and Germany increased proportionately.

Extra-Community trade, first half of 1968 and of 1969

($m.)

	1968		1969	
	Imports	Exports	Imports	Exports
EEC	743.4	467.4	879.9	573.5
France	306.5	294.2	362.6	349.7
BLEU	195.2	50.9	228.0	61.9
Netherlands	49.9	31.5	65.2	48.2
Germany	108.3	50.7	129.6	71.4
Italy	83.6	40.1	94.4	42.3

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PROGRAMME OF YAOUNDE COUNTRIES' PARTICIPATION IN TRADE FAIRS AND EXHIBITIONS IN THE MEMBER STATES OF THE EUROPEAN COMMUNITIES

The Community programme of participation by the Yaoundé countries in trade fairs and exhibitions, which made a very satisfactory start in 1968, was extended for a year from June 1969 to June 1970.

So far there have been 91 entries from these countries for 12 fairs and exhibitions: the international fairs in Brussels (1968 and 1969), Marseilles (1969), Milan (1968 and 1969) and Paris (1968 and 1969); the "Partners in Progress" imports exhibition in Berlin (1968 and 1969); and the international food exhibitions in Munich (1968) and Paris (1968).

The number of entries has been increasing regularly: from 21 in the first half of 1968, it went up to 26 in the first half of 1969, and there are to be 32 entries at least in the first half of 1970.

Two years' successful experience suggests that efforts to promote the Associated States' trade through this programme must be pursued, extended and deepened.

And so more and more is being done, by devising new advertising and public relations methods and by encouraging concrete action on the part of the associated countries, to consolidate the results already achieved while at the same time surveying new areas of potential business.

In the first half of 1970 the programme will be pursued in this spirit with the participation of Yaoundé countries in the international fairs in Utrecht, Milan, Brussels, Paris and Trieste.

The renewal of the programme for a longer period is being studied, and at the same time other forms of action are being worked out in the wider context of the marketing aid for which provision is made in the new Convention.