

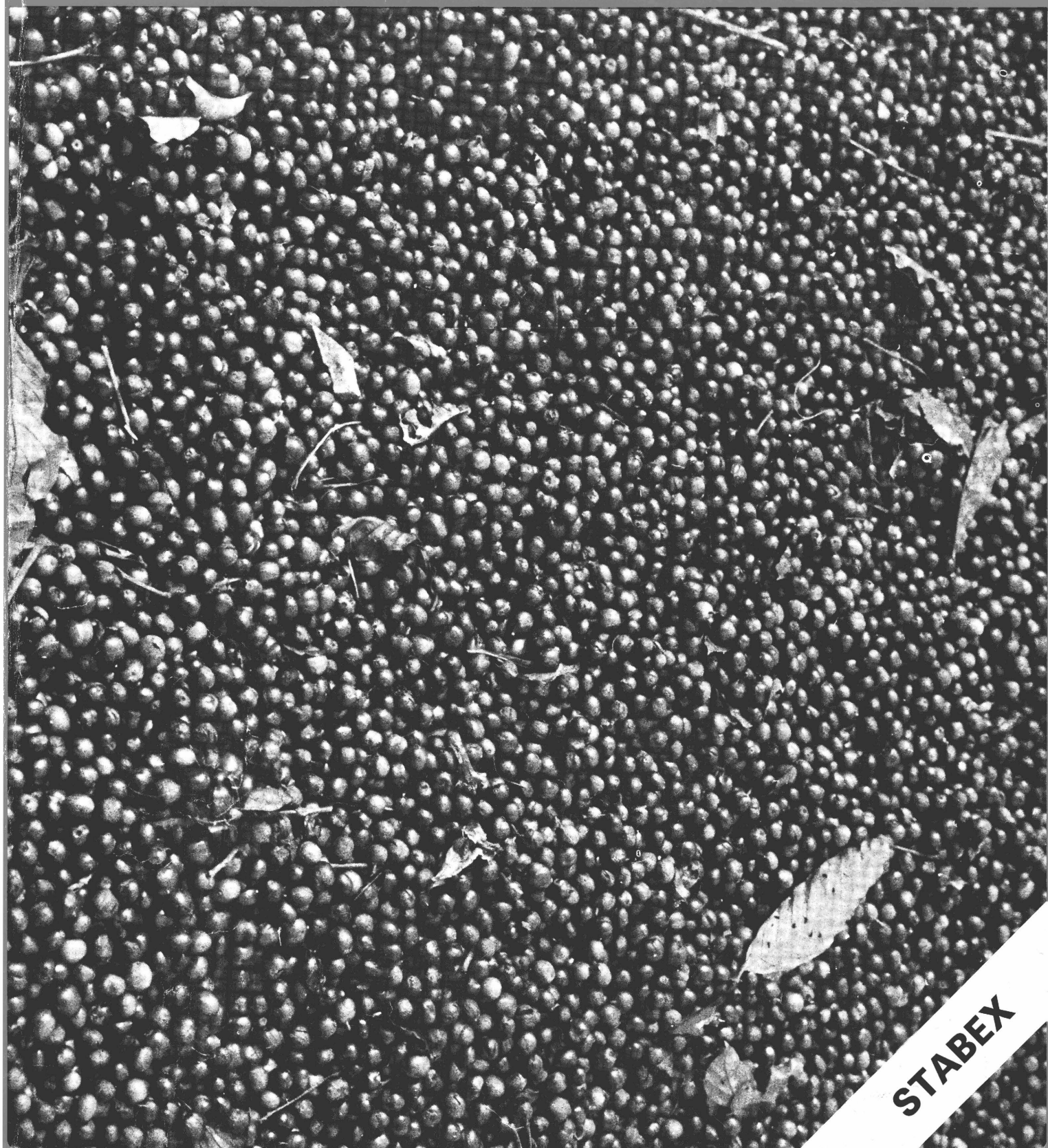


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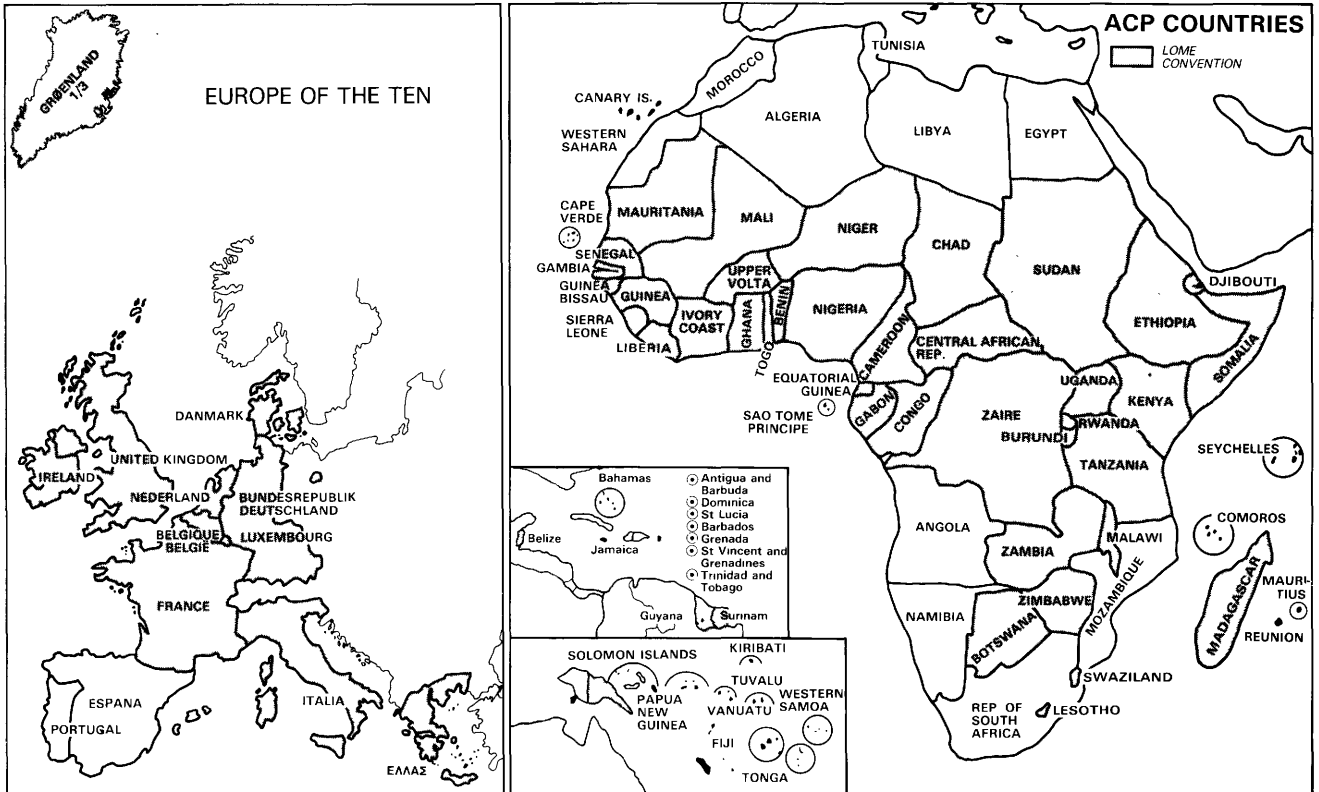
STABEX

THE EUROPEAN COMMUNITY

BELGIUM
DENMARK
FRANCE
GERMANY
(Federal Rep.)
GREECE
IRELAND
ITALY
LUXEMBOURG
NETHERLANDS
UNITED KINGDOM

THE ACP STATES

ANTIGUA AND BARBUDA	GRENADA	SENEGAL
BAHAMAS	GUINEA	SEYCHELLES
BARBADOS	GUINEA BISSAU	SIERRA LEONE
BELIZE	GUYANA	SOLOMON ISLANDS
BENIN	IVORY COAST	SOMALIA
BOTSWANA	JAMAICA	SUDAN
BURUNDI	KENYA	SURINAM
CAMEROON	KIRIBATI	SWAZILAND
CAPE VERDE	LESOTHO	TANZANIA
CENTRAL AFRICAN REPUBLIC	LIBERIA	TOGO
CHAD	MADAGASCAR	TONGA
COMOROS	MALAWI	TRINIDAD & TOBAGO
CONGO	MALI	TUVALU
DJIBOUTI	MAURITANIA	UGANDA
DOMINICA	MAURITIUS	UPPER VOLTA
EQUATORIAL GUINEA	NIGER	WESTERN SAMOA
ETHIOPIA	NIGERIA	VANUATU
FIJI	PAPUA NEW GUINEA	ZAIRE
GABON	RWANDA	ZAMBIA
GAMBIA	ST. LUCIA	ZIMBABWE
GHANA	ST. VINCENT & GRENADINES	
	SAO TOME PRINCIPE	



FRANCE

(Overseas departments)

Guadeloupe
Guiana
Martinique
Reunion
St Pierre and Miquelon

(Overseas territories)

Mayotte
New Caledonia and dependencies
French Polynesia
French Southern and Antarctic Territories
Wallis and Futuna Islands

NETHERLANDS

(Overseas countries)

Netherlands Antilles
(Aruba, Bonaire, Curaçao, St Martin, Saba,
St Eustatius)

UNITED KINGDOM

(Overseas countries and territories)

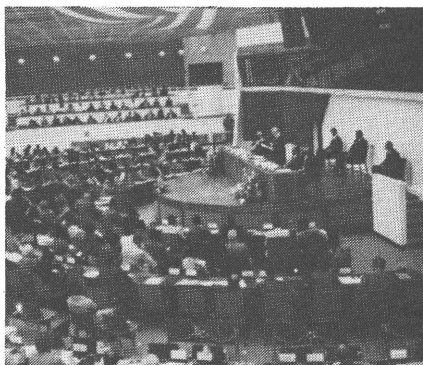
Anguilla
British Antarctic Territory
British Indian Ocean Territory
British Virgin Islands
Brunei
Cayman Islands
Falkland Islands and dependencies
Montserrat
Pitcairn Island
St Helena and dependencies
St Kitts & Nevis

This list does not prejudice the status of these countries and territories now or in the future.

The *Courier* uses maps from a variety of sources. Their use does not imply recognition of any particular boundaries nor prejudice the status of any state or territory.

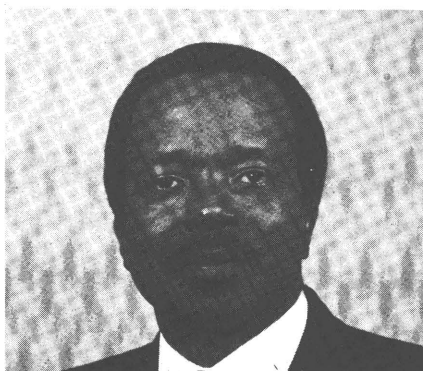
Cover: the price of coffee, one of the main ACP products covered by Stabex, is currently falling. ACP coffee also has to compete with the South American product (Photo: coffee, information department of the Ivory Coast)

ACP-EEC — The Joint Committee of the ACP-EEC Consultative Assembly met in Kingston, Jamaica, from 21-24 February, just seven months before negotiations start for the renewal of the second Lomé Convention. The committee examined two reports — the Cavalevu report on the implementation of the Lomé Convention and the Fuchs draft report on industrial cooperation. It adopted some 14 resolutions, notably on world hunger, human rights and the situation of ACP students and migrant workers in the Community. **Pages 3-6**



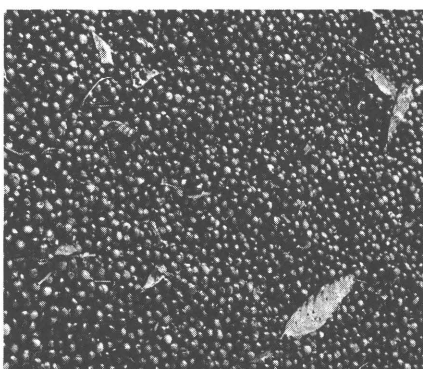
Commission — A few months ago the European Commission adopted what has become known as the "Pisani Memorandum" which set out guidelines for the Community's development policy and ACP-EEC cooperation. In the wake of that document the Commission has now adopted two proposals, which have been sent to the Council of Ministers, on the ACP-EEC negotiations which start in September this year, and on food aid. Comments on both and an interview with Edgard Pisani appear in this issue. **Pages 9-15**

Cameroon — One of Africa's bilingual countries, Cameroon appears to have started better than most the difficult task of economic and social development. Since independence it has also constantly sought to reinforce its national unity. On the economic front, this diverse country has based its policy on three main points — the development of agriculture, progressive industrialization directed to its own needs, and a balanced budget. The country is now under its second President, Paul Biya, who explained in an interview with the *Courier* how he intended to carry on after this good start. **Pages 16-46**



Mediterranean — With the addition of Greece in January 1981 and the negotiations on membership with Portugal and Spain, the Community is becoming more oriented towards the south, making a coherent and ambitious Mediterranean policy of great importance. The Mediterranean is a sensitive area, the cradle of one of the world's civilizations and a region where the European Community has decided to strengthen its ties with all the countries that surround it. **Pages 62-65**

Dossier — Having worked well under Lomé I, the Stabex scheme, which aims to stabilize the export earnings of ACP countries for a wide range of products, ran into financial difficulties under Lomé II. In view of the concern this caused in ACP countries and EEC member states, the Commission undertook a study of the way Stabex has operated. The results are published by the *Courier*, in view of the special ACP-EEC Council of Ministers meeting on Stabex in May, as is the recent ACP memorandum on Stabex. **Pages 68-84**



THE COURIER

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— EUROPEAN COMMUNITY

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A mountain of debt

Every country gets into debt, but the countries of the Third World do so proportionately more than others. A recent report published by the OECD suggests that the total medium- and long-term debt in the Third World went up by \$96 000 m in 1982 to reach \$626 000 m by the end of the year. It had trebled in six years. The debt of the non-oil producers is \$520 000 m of this, an increase of \$75 000 m in only one year. However, the OECD report stresses the fact that it is both normal and unavoidable for the developing countries to take out large loans, this being natural for countries in the throes of economic development which calls for greater investments than domestic savings can generate. But it cannot go too far and the heart of the problem may lie here.

Payments to service the debt of the developing countries as a whole increased fourfold in six years, reaching something like \$131 000 m in 1982 — \$71 000 m for reimbursement of the capital and \$60 000 m in interest. The servicing of the debt restricts growth in many developing countries and new debts may well be contracted to meet, partially at least, the payment of this interest. Countries that are unable to meet their debt obligations at the prescribed time are increasingly numerous and negotiations to reschedule them are becoming more and more of a problem. The countries of the Third World that have the biggest debts in absolute terms, Brazil, Mexico, South Korea and Argentina, between them owe \$249 000 m, more than a third of the total Third World debt. So it is easy to understand the activity generated by Mexico's insolvency in August last year, as there was a risk of chain reactions.

Large debts and a failure to pay them back are nothing new. The economist George Corm reminds us in his recent work *Debt and Development* that situations of this kind existed at the end of the 1870s and at the time of the banking crisis of 1931. But today there can be no question of not displaying solidarity with countries in difficulty, and the International Monetary Fund has a decisive role to play in granting large loans and rescheduling debts. If it is to last, the IMF obviously has to get its money back sooner or later and this is why it demands guarantees in the form of strict austerity measures which are causing some gnashing of teeth. At a meeting in February 1983 of the interim committee of the IMF, its resources were considerably increased.

Nevertheless, the latest GATT report is right to worry about the fact that the people involved in the economic scene are almost exclusively concerned with the short-term aspects of the developing countries' debt, while

virtually no long-term solutions have been sought for countries which, overall, had a growth rate of less than 1% in 1982 — the worst since 1945! Account should also be taken of the fact that, unlike in the 1970s, when the real burden of debt was lightened by relatively soft interest rates and somewhat eroded by inflation, things are more serious now that the economic crisis has followed the oil shocks. For the non-oil producers, recourse to the capital markets has become more difficult for various reasons, including competition from the oil-exporting countries, which are using them increasingly to make up for the recent drop in their oil export earnings.

This is why the non-aligned countries called for a "global, equitable and multilateral" framework to be established, at their summit in New Delhi in March 1983, so as to restructure the developing countries' debt. This suggestion, with others, could perhaps be used as a basis for discussion, a search for solutions, particularly if it is agreed that one of the essential ways of overcoming the economic crisis is in the hands of the developing countries. If the world economy is to get off the ground and stay off the ground again, there have to be new consumers. And where are these new consumers to be found if not in the developing countries, which are in so much need of capital goods and services? Certainly, they do not always have the means of obtaining them. But would it not be possible for the industrialized countries to grant new, long-term, interest-free loans and postpone part of the repayment of old debts — although, of course, in ways still to be discussed and defined? This provisional moratorium on a mountain of debt would enable the debtor countries to save sums of money that could be used, in particular, to buy capital goods and services from the industrialized countries, and to make much-needed adjustments in their economic structures.

Some signs of economic revival, which measures of this kind might confirm, are now appearing, particularly in the USA. In the long and the medium terms, the technological revolution, particularly in micro-electronics, is providing fresh possibilities for the industrialized countries in view of the immense needs and the vast human potential of the Third World. If the 19th century was the century of the industrial revolution and of Europe, and the 20th is the century of the rising star of two continent-wide states, why should not the coming decades be a time of advanced technology and of the Third World, thus giving mankind a fresh start? ◊

ALAIN LACROIX

Meeting of the Joint Committee Towards a better partnership

Kingston, Jamaica, which had seen a number of Convention-related conferences before, was again the setting for the meeting of the Joint Committee of the ACP-EEC Consultative Assembly on 21-24 February 1983. This time, though, the committee had the bonus of being the first to use the government's impressive new conference centre.

Co-chaired as usual by Giovanni Bersani (EPP, Italy) and Francis Butagyira, speaker of Uganda's National Assembly, the meeting was opened by Talbert Forrest, speaker of the Jamaican House of Representatives, who urged the committee to "come up with new ideas on ways and means of solving problems". As the committee was meeting for the last time (*) before negotiations start in September for a successor Convention to Lomé II, Mr Forrest's call was particularly significant—a point that was not lost to the participants throughout the four-day conference—as the debates, which encompassed almost every aspect of ACP-EEC relations, were to prove.

An item proposed by some members of the European Democratic Group for inclusion on the heavily laden agenda, namely "the imbalance created in West Africa following migration of ACP nationals", engaged the attention of the committee for a considerable length of time, however, as it was by its nature a controversial issue—the ACP states, on the one hand, wanting to avoid prejudicing discussions that were and still are taking place in African fora, in ECOWAS and in the OAU, on the matter; and on the other hand, a large number of MEPs anxious to discuss values they hold dearly. The committee, however, rejected the inclusion of the item on the agenda. A motion for a "resolution on the situation in Nigeria", tabled by four party groups in the European Parliament, was withdrawn following a compromise arrangement between its sponsors and the ACP group.

(*) The Joint Committee and the Consultative Assembly will, in fact, meet in Berlin from 26 September to 1 October, three weeks after negotiations might have started. The committee has meanwhile accepted the invitation of the Congo to meet in Brazzaville in February 1984.

This included a statement from co-chairman Butagyira which said, among other things, that the ACP states understood the "concern demonstrated by members of our committee for human suffering that might have arisen from action, taken by Nigeria under its own sovereignty, concerning unauthorized aliens". The compromise also included a resolution on human rights presented by Mr Jan Penders (EPP, NL), which states, among other things, that a frank dialogue on mutual respect of

poorest of mankind maintain a privileged relationship with her. Whether she likes it or not her responsibility is committed". The ambassador wondered whether it would not be right to make hunger a central problem of the Convention. Mr Gerard Israel of the group of European Democrats for Progress was of the opinion that it would, as also was Mr Pannella, who urged the committee to take a firm stand on the issue at the end of its sitting. That the committee did by adopting a resolution co-sponsored by a number of ACP and EEC representatives, which says, principally, that the Joint Committee hopes that the "new Convention will be based on a prior undertaking by ACP states and the Community institutions to provide the appropriate means required to guarantee the right to life which ranks before the other rights—human, economic, social and cultural...".



The Joint Committee during the opening session

human rights can enrich relations between the partners of the Convention.

Hunger

An item on hunger in the world, proposed for inclusion on the agenda by Mr Marco Pannella (rad. Italy), was not contested. It was unanimously approved and introduced for debate by ambassador Seydina Sy (Senegal), who painted a sombre picture of the deteriorating food situation in the Third World. This, he said, was a phenomenon "which is neither conjunctural nor strictly localised, and this poses a grave problem for Europe since more than half of the

The Cavalevu report

Although treated before the item on hunger, the Cavalevu report evoked considerable interest not only because of its simple approach to the problems of development, but also because of its down-to-earth manner of dealing with them, focussing attention on the ordinary man as the object of development and pointing out that what the people of the ACP states want now are the basic things of life like food, shelter, clothing and good health. This fits in with the widespread concern for hunger in the world and for the shortcomings of the Lomé Conventions among the

parliamentarians. In consequence the report was a stimulus for debate not only on the report itself, but also on other related issues—industrial cooperation, the Commission's memorandum, fisheries, etc. Perhaps the fact that wide consultations took place while the report was being compiled contributed to its exceptional qualities, ambassador Josua Cavalevu, the rapporteur, having consulted the Commission, his fellow ambassadors and such eminent personalities as Mr Shridath Ramphal, secretary-general of the Commonwealth and Mr Edward Heath, former British Prime Minister and a member of the Brandt Commission. Ambassador Cavalevu's personal experience in Fiji, as he reveals in the report, was no doubt of tremendous help. Mr Cavalevu is the Fijian ambassador to the EEC.

The report acknowledges that "times are hard" and that as a result "vision, imagination and hard work are more than ever before needed" in addition to strong political will and a measure of good will, if any problem is to be solved.

It notes that the Lomé Conventions have not lived up to expectations, that "the reality of power is still very much in the hands of the Community, where there continues to be a strong resistance to change", a reluctance to negotiate and consult where required and a tendency to "impose its own solutions without recognizing the development aspirations of its partners". It calls on the Community to ensure that the Convention practices what it preaches. The report mainly identifies the implementation of the Convention's instruments (trade cooperation, Stabex, sugar, financial and industrial cooperation) and the functioning of the organs of the Convention, as areas of difficulty.

Looking to the future the Cavalevu report stresses the need for any future Convention to have as its "first and basic objective the fostering of self-reliant development, self-sufficiency in food and import substitution, as well as the encouragement of South-South cooperation".

Opening the debate on the report, ambassador Sy of Senegal praised its forthrightness, emphasizing particularly the problem of Stabex and

its financial shortcomings where, he said, in spite of the European Parliament's resolutions which could have resulted in solving the problem, the member states of the Community have sought refuge in the Convention. He invited delegates to give careful consideration to the report.

Self-help

For Mr Andrew Pearce (British Conservative) the problem of underdevelopment and of the Convention should be seen in a different light. For external contributions to be effective, the recipient country must make some contributions; and it is necessary, to begin with, to know what these contributions are. He rejects the notion that "all that has to be done is for the EEC and its member states to give more aid, relax the rules and be more generous without any commitment on the part of the recipient countries to do anything at all". Most policies have failed because of this attitude. For him, effective partnership must stress the contribution an ACP country wishes to

about the compatibility of national policies with aid and with food production. "It is pointless for Western donors to introduce money to Third World countries to aid food production if such things as price control policies in those countries defeat the aim of increasing food production, because it is not worthwhile to the farmer to produce food". Mr Pearce believes that private investment, if properly carried out, could "provide the springboard for self-help". This would not take place if certain rules are not observed, rules such as the repatriation of profit, a guarantee against nationalization and the provision of an adequate system of import permits for raw materials and spare parts.

Four dollars per head

While agreeing with most of this, ambassador Ghebray Berhane (Ethiopia) felt that Mr Pearce has missed the point about financial aid. He asked the Joint Committee to focus attention on the financial means put at the disposal of ACP states under



Arthur Smith

The speaker of Jamaica's House of Representatives, Talbert Forrest, addressing the Joint Committee

make. Perhaps this, he said, should determine where aid should go in the future. He would like to see the future Convention treat countries individually rather than together. Europe, he said, developed without outside help. A "do-it-yourself" policy should be encouraged in the ACP states. He deplored the waste of money on "grandiose" projects which should instead be spent on smaller capital investments, e.g. in teaching and technical institutions, to produce results. He is concerned

Lomé. This represents 10% of the total bilateral aid of the member states, which does not go only to ACP states. The entire fund allocated under Lomé II for five years is equal to less than half of the annual amount spent on tobacco or beer consumption in one member state. Quoting from a study which he said was conducted by Community researchers, the ambassador said that, with the population of the ACP states estimated at 300 million, the EDF represents less than four US

dollars per head per year. Furthermore, the bulk of the financial aid has so far been used for the execution of public works by EEC contractors, and for industrial and agricultural machinery equipment provided by Community suppliers, etc.

Mr Pannella, for his part, was surprised at the "demagoguery" with which the problem of quantity is treated without regard to quality. He spoke of the colossal sums being spent on arms to the detriment of development and food production. He told delegates that their differences were neither political nor between different nationalities, "but between the haves and have nots and in those that are being exterminated by the new nazism which each day we give form in the 1980s, in this third decade of development". At the rate at which things were going, Mr Pannella said, there was a possibility that Mr Cavalevu would come back some years hence with another report to say that things are deteriorating.

Industrial cooperation

A draft report on industrial cooperation was presented to the Joint Committee for examination by Gerard Fuchs (French socialist). Although there were many amendment proposals, the report was postponed to another session to enable the drafting committee to put finishing touches to it. Nonetheless, it did engage the attention of delegates.

The draft report, briefly, observes, among other things, that the results obtained under the Lomé Convention in terms of added value or balance of payments did not meet the aims pursued. It expresses disquiet over the fact that the EEC's imports of manufactured goods from the ACP states have dropped. Proposing strategies for industrialization, the report expresses support for the policy of self-reliant development preferred by a large number of ACP states and the fixing of prices at remunerative level for food crops and the creation of a network of small- and medium-sized undertakings, crafts associations and cooperatives, as a way of achieving internal purchasing power and added value for industrialization. It exhorts the EEC to accept the concept of international division of labour, considering unilateral protec-



Ambassador Josua Cavalevu

tionist measures as an offense to the spirit of ACP-EEC Conventions.

Industrialization does not mean just factories

Commenting on the report, EEC development commissioner Edgard Pisani agreed with its emphasis on self-reliance and with the suggestion of an international division of labour in so far as it implies, firstly, dynamism in the sense that Europe will be forced to restructure its industries with the most modern technology in order to compete effectively with other big international economic powers and, secondly, provide complementarity between ACP and EEC products. However, he warned against omni-directional industrialization, which he believes will result

more in disorder than in progress. The only imaginable way of industrialization is one in which priorities are outlined and defined and in which initiatives can find a place. Industrialization does not mean just factories, it also means everything around them: "all the elements of urban infrastructure, of general enterprises capable of supporting specialized ones, and other different channels like training, raw materials, roads, markets, etc.". These constitute the basis of industrialization. The commissioner called on Mr Fuchs and his committee to analyse profoundly those elements in order to give their report the effectiveness it deserves.

The basis of a new partnership

Mr Pisani, who was away in Saint Lucia attending the meeting of the 12 heads of state and government of the Caribbean Commonwealth countries and Canada when the Cavalevu report was presented, had the opportunity to comment on it and on the Commission's memorandum.

On the Cavalevu report, Mr Pisani expressed appreciation of its approach to the problems, its emphasis on self-reliance and its political dimension. And on the memorandum, which he had the opportunity of explaining to the Consultative Assembly in Rome last November, he told the Joint Committee to make a distinction between the document that the Commission would be submitting to the EEC Council of Ministers and the one that would come out of the



A moment of rest. (From left to right) Francis Butagyira, ambassador Oliver Jackman of Barbados and M.N. Miller and Adriano Craziosi, president and director respectively of the external relations section of the Social and Economic Committee (SEC)

meeting at the end of March. The memorandum was a report on which the Council would base its mandate to the Commission for negotiation. It contained the Commission's analysis of what can and should be the Community development policy in every part of the world where Europe had to intervene. The next document will limit its ambition to the partners of the Lomé Convention.

Mr Pisani called on the ACP states to join the Commission, before negotiations start, in a "common re-



Ambassador Seydina Sy of Senegal

search allowing a political debate on the reasons and objectives of ACP-EEC cooperation, in order to express with clarity a common will to pursue and consolidate what has already been undertaken, and in order that the normal game of negotiation does not lead each side to harden its position". The Commission, he said, is proposing a new system of cooperation based more on support to policies which goes beyond the usual approach by project. This will not mean interference in the global economic policy of each country, but a desire to enter with that country into an "adjustment" debate between such and such priority sector, recognised by her, and foreign assistance.

The commissioner pointed out that the Community has neither the power of a state nor a strategic ambition. It is the only entity that has established its relation with the Third World on negotiations and contract without discrimination and without regard to the ideological complexion of the regimes of its partners. In this regard, he compared the characteristics of Community aid to the United States Caribbean basin initiative,

"We are perhaps not better, but we are different".

Mr Pisani, as usual, answered questions from delegates, most of whom expressed scepticism on certain aspects of the Commission's memorandum. And for the first time, the presidency of the Council of Ministers was also subject to the questioning. As Germany currently holds the presidency, Dr Alois Mertes, Germany's minister of state for foreign affairs, answered in the absence of foreign minister Hans-Dietrich Genscher.

Resolutions

About 14 resolutions were voted by the Joint Committee. Along with those on human rights and hunger in the world mentioned earlier, there were notable ones on the situation in southern Africa, the situation of ACP students and migrant workers in the Community, cultural cooperation, the development of fisheries in the ACP states, sugar and tourism.

About the human rights resolution, it is important to point out that although, for the first time, the ACP states accepted the principle of human rights in a resolution which states that it is desirable to study how the issue can be treated within the framework of the negotiations for the next Convention, it would be wrong to conclude that the ACP states have taken a definitive position on the matter. The group is divided on it. In fact, during the group's meeting, a number of delegates, while agreeing with those who support the principle, especially in view of the fact that the Organization of African Unity has deemed it fit to inscribe human rights into its own charter (1), felt that the issue could be a potential weapon for diverting attention from urgent development matters. This fear still has to be allayed.

The resolution on the situation in southern Africa reconfirmed the previous ones adopted by the Consultative Assembly, notably, the resolu-

(1) It is interesting to note in this regard Nigeria's ratification of the OAU charter two weeks after the conference. Signing the ratification, President Shehu Shagari said the action was aimed at showing Africa and the rest of the world that Nigeria's democratic system accords its citizens individual liberties and rights and that this reinforces Nigeria's demand for similar respect of the rights of blacks in South Africa.

tion taken in Rome in November last year. It calls for the implementation, as soon as possible, of the measures called for in that resolution namely "economic and humanitarian support for the so-called Front Line States, concrete measures putting pressure on the South African regime". It reaffirms the urgent need to complete the second part of the fact-finding mission to the countries of southern Africa, particularly following South Africa's attacks on Lesotho.



Commissioner Edgard Pisani during his speech (on his right, Bernard Rye-landt of the Commission)

The resolution on ACP students and migrants says principally that their situation in the Community is "an integral part of the sphere" of ACP/EEC cooperation. The one on fisheries calls mainly, for a review of the legal framework so as to facilitate the drawing up of joint ventures between ACP states and EEC member states, that the Committee feels strongly that the European Community should provide assistance for fishery protection of the ACP states. It should be noted that this resolution is an interim one pending a full report, for which ambassadors Ahmed Cheik Sidya of Mauritania and Mohammed Malingur of Somalia are the rapporteurs.

The resolution on sugar calls essentially for the amount of beet sugar sold by the Community on the world market to be reduced so as to improve the situation of ACP cane sugar. The one on tourism, which was tabled by Seychelles, requests the ACP and the EEC to study the possibility of including tourism in the Stabex system or "any other system to be established in order to safeguard the interests of the countries concerned". o AUGUSTINE OYOWE

Sysmin⁽¹⁾

Once the ACP agricultural produce exporters got the support of the Stabex system, the question arose of possible EEC support for those ACP countries whose economies depend largely on mineral products.

It was feared that the very existence of mining production in these countries could be threatened by particularly unfavourable circumstances, such as those that have already been seen in Zaire and Zambia.

It also appeared that Stabex was ill-suited to mineral production, the economics of which is very different from that of agricultural production. Take iron ore, for example, which was covered by Stabex under Lomé I — it might be asked if the results were not, in fact, counter-productive.

This is why the second Lomé Convention contains a new title (title III) on minerals, in which an intervention system for minerals, Sysmin, has a central part to play.

The characteristics of the new system

These depend on the specific way mineral products differ from commodities.

The key element of the system is production capacity, and the maintenance of it is the central aim of Sysmin. The world mineral market is affected by cyclic variations of considerable magnitude and they have to do with the structure of world supply and the great sensitivity of this sector to the industrial changes.

So the idea is not to maintain volumes of production at all costs, in a field where overproduction is nothing rare, as this would only increase the imbalance and keep prices low. What has to be done, on the contrary, is to keep the production or export capacity (the latter, practically

speaking, meaning the transport networks) as intact as possible, so that the countries concerned can take greater advantage of recovery when the balance of the market is restored.

Production capacity may be affected by events (accidents, internal and external political upheaval) and by temporary but profound economic depression. Sysmin can intervene in all these cases. But although rapid technical reports can be made in the case of accidents, the effect of economic circumstances (drops in export earnings, for example) on the production capacity requires a thorough analysis of the whole sector. This is essential to see how far the Sysmin can contribute to re-establishing economic viability where it is temporarily compromised by circumstances outside the control of the ACP country concerned.

A non-automatic approach

It is impossible, without being inefficient, to apply too automatic a system to cases which differ considerably from one product and from one year to the next.

But the system does have special devices to avoid both too much spread and geographical over-concentration of aid. So the only products covered are those which regularly account for more than 15% of an ACP country's total exports (10% in the case of landlocked, island and



Final stage of the extraction of copper from tailings using electrolysis at the Nchanga mine, Zambia

John and Penny Hubley

least developed countries). And each intervention has to involve no more than 50% of each of the five annual allocations.

There are further provisions that mean Sysmin is reserved for serious cases, when the drop in capacity has to be 10%. And there are others restricting the field of application of the system, in particular the list of products covered and the procedure for including new products where need be. When the Convention took effect, the products covered were:

- copper and associated cobalt;
- phosphates;
- tin;
- manganese;
- bauxite and aluminum;
- iron ore.

With experience, all these provisions form a coherent framework for the allocation of Sysmin funds — which total ECU 282 million for the period of the Convention. However, it is worth noting that, if this amount were larger, there would be no need to exclude products (nickel, chrome and so on) which play a significant role in the development of the ACP countries, in spite of the fact that they do not reach the thresholds laid down for the system.

All in all, it is impossible for this regulatory framework to be automatic because of the great danger that it would be misused for the benefit of the big mining companies. It is realized that a certain number of multinationals, with the technical and commercial knowhow that make them important on the world mining scene, would be quite capable of turning any system to their own advantage if it went into action without any thorough case-by-case examination of the sector in question. This is not the aim of the Lomé Convention.

In fact neither the evaluation of the damage inflicted to the export production capacity of an ACP country nor the analysis of the programmes and projects aimed at recovery in the mining sector are automatic procedures. Even the use of funds, which are loaned out on extremely soft terms (special loans at 1% over 40 years with a 10-year grace period), may take on many different forms. The conditions may be passed on as they stand if the monies are allo-

(1) Paper presented by Bernard Grand, EEC Commission official, at the international colloquium on the ACP-EEC Convention held in Lomé on 15-20 November 1982.

cated to, say, a training scheme, or they may be transformed, via the two-stage loan method, so as to obtain a multiplying effect by allocating some of the grant component of the special loans to social programmes (housing, health and so on), mining investments proper being on some occasions able to support conditions that are nearer to those obtaining on the market.

And lastly, it is possible to resort to advances if a preliminary analysis suggests that conservatory measures are called for.

Sysmin's role in mining sector cooperation

Effective cooperation in the mining sector is cooperation that is in the mutual interest of all the people involved and mining is an extremely suitable sector for application of this principle. If mineral resources are exploited carefully, they will be a source of foreign exchange and provide financial means for development and opportunities for industrialization in the ACP countries. Cooperation in these countries' mining sectors can improve European supplies — where the share coming from other industrialized or industrializing countries has expanded out of all proportion over the past 10 years. The dual interest means that this cooperation does not need to support projects in which Europe is not involved, so Sysmin, which applies to products exported to the Community, is not called on to intervene in projects aimed towards Japan or the USA.

Conversely, the Community must vigorously refute the argument that Sysmin is only a means of supplying the EEC. At a time when investors, particularly those in Europe, are being encouraged by the market situation (poor demand, wide range of opportunities for investment in other parts of the world) to look elsewhere than in the ACP group, Sysmin is seeking to help mineral-producing members not to disappear from the world mining scene. This may be in Europe's interests in the long term, but it is certainly in the ACP group's interest in the short, medium and long terms.

Central position

Sysmin, which works at the level of existing production capacity,



Zambia information

A Zambian open cast mine

comes further down the cooperation chain than prospection and further up than the development of ACP potential.

But it is what happens to existing capacity that determines the top and bottom ends of the chain. At the top (prospection), it is clear that the ACP countries have been under-explored or explored too long ago, (which amounts to the same thing given that major changes have been made in exploration techniques and things like remote sensing have been introduced). The real brake on prospection, however, particularly at a time when there is a world surplus, is uncertainty about the conditions of exploitation if deposits are discovered. At the bottom end (development of ACP potential), the decision to launch new projects even if the market will bear them, is not taken without a proper examination of the exploitation currently being carried out in the country concerned.

Sysmin, a focus for the efforts of the various partners

Sysmin, as has already happened, is of genuine use when its intervention goes hand in hand with a big effort on the part of the ACP country to rationalize its mining sector.

Cooperation means each partner making an effort. The Community can provide technical assistance and risk capital and the ACP country may allocate part of its indicative programme (the total amount of EEC aid any one country gets) or its mining, and perhaps oil income. Similarly, with new projects, the Community may give aid for peripheral investments (transport, housing, energy etc), risk capital, and funds the EIB or another Community institution obtains on the money market (article 59).

It is a pity that the particularly unfavourable conditions of the international market have resulted in both countries and operators giving absolute priority to the short term and overlooking things which would ensure greater continuity and stability of their relations. This is why very few long-term sales contracts have been signed and why the possibility of the Lomé Convention (II annex VIII) offers of concluding specific investment agreements in the mining and energy sectors has not been used. This latter instrument, the best answer as things stand to the all too often dramatized question of non-economic risk, could no doubt be used when we emerge from the present slump in the mining industry. It would be a good idea to make the main lines of this policy a little stronger, while maintaining its considerable flexibility. ◦

Sysmin

Title III, chapter I of the Lomé Convention

1. Sysmin, which has funds of ECU 282 million, was set up by Lomé II. It enables a contribution to be made to ACP efforts at coping with serious circumstances that affect their mineral production capacity.

2. Part of the double annual allocation for 1980-81 went to Zaire (ECU 40 million) and Zambia (ECU 55 million), whose copper-cobalt sector had been affected by a combination of events.

3. A number of interventions are to be expected for 1982, which was a very bad year in many sectors of the mining industry. These should be decided, after analysis of the dossiers, during 1983.

Food aid for development

A resumption of growth in the industrialised countries of the North will be linked to the progress of development in the countries of the South. But the developing countries cannot "take off" unless they can solve the problem of feeding themselves between now and the year 2000. On the strength of this analysis, the Community is calling, in a communication to the Council of Ministers from the Commission, for a radical, consistent and comprehensive attack on world hunger, with food aid from Europe as one weapon in the arsenal.

Despite their own efforts and the aid they have received, most developing countries are unable to meet domestic demand for food and have to resort to imports, which can place a further strain on their balance of payments and increase their external indebtedness. The FAO estimates that by the turn of the century the developing countries' commercial cereal imports will have reached 200 m tonnes a year (compared to 42 m tonnes in 1970/71 and 100 m tonnes in 1980/81); UNICEF predicts a rise in the number of seriously malnourished children from 400 m to 600 m in the next ten to twenty years. These figures clearly show both the continuing need for food aid and the crucial importance of encouraging and helping the developing countries to put in hand real food and agriculture strategies.

Food aid must be seen as a means not an end

The evaluation undertaken in 1982 showed the Community food aid system to be inflexible and outmoded, based on a concept thought up thirty years ago as a means of disposing of the industrialised countries' grain surpluses. The rules laid down at that time by the FAO, which have scarcely changed in the intervening years, state that food aid can only be used to top up normal commercial imports (1). The Community has subscribed both to those rules and to the 1967 Food Aid Convention.

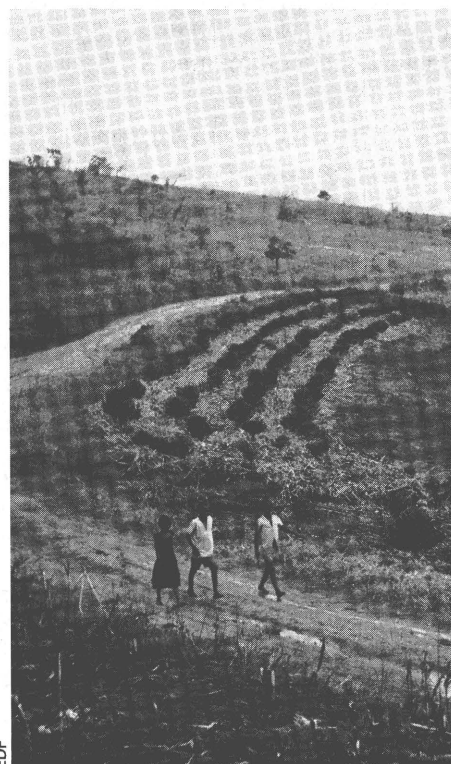
Since then, the Community, like other donors, has of course "bent" the food aid rules in the interests of development proper, but the process has not gone far enough.

(1) The "committee on surplus disposal" still monitors the application of these rules.

Except for emergencies, when immediate relief will always be needed, the Commission feels that Community food aid should cease to be an end in itself, and be integrated into comprehensive food and agriculture strategies, which offer the only hope of ending the endemic malnutrition in the developing countries. The idea is that the new food aid policy should be both wider, to take more account of the diversity of the developing countries' needs, and more flexible as regards the way in which the aid can be used.

This will call for a policy dialogue between the Community and recipient countries going beyond negotiations on particular projects, with a view to deciding jointly on the nature, amount, utilization and scope of the aid on the basis of each recipient country's freely chosen food policy.

Coordinating the aid in this way would also make it possible to see



A traditional rural scene in Rwanda, one of the first four countries where the EEC is supporting a food strategy

that local dietary habits were not upset.

Such food aid arrangements, tailored to meet the particular country's requirements, would be integrated with other internal or external development measures in such a way as to promote sustained, lasting development of agriculture and food pro-

Background

October 1979: the first major European Parliament debate on world hunger.

November 1981: the Commission launches a "plan of action to combat world hunger", with the emphasis on support for structural measures — food strategies, and long-term operations to safeguard the rural environment.

June 1982: the Commission presents proposals for a special programme to combat world hunger, covering both immediate additional relief for refugees and structural measures (the Council allowed only ECU 115 m of the proposed ECU 184 m budget for the programme)

the European Parliament holds a second major debate.

1982: the policy of supporting food strategies is tried out for the first time in four countries — Kenya, Mali, Rwanda and Zambia.

1981/1982: the Commission orders a full-scale evaluation of Community food aid programmes.

September 1982: in a memorandum on Community development policy, the Commission reiterates the need to reform food aid policy.

March 1983: the Commission proposes specific new guidelines to the Council.

duction. However, this coordinated approach will hardly appear credible or reliable to developing countries unless the Community enters into multiannual commitments.

Priority to structural development aid

The different forms of food aid

Food aid operations should be designed to serve specific ends. While regarding structural aid for food and agricultural development as a priority, the Commission is aware of the importance of aid provided for other purposes:

- i. emergency food aid to provide humanitarian relief in crises and disasters;
- ii. nutritional aid for refugees;
- iii. indirect balance of payments aid: food aid can be used to reduce a country's food import bill;
- iv. aid for the setting up of production chains: an example is Operation Flood, in India, where aid in the form of milk products is given as start-up assistance for an integrated project aimed at setting up local production, processing and distribution facilities.

Integrating food aid into the development drive

Food aid has to be one among a number of instruments serving food strategies designed to harness the energies of peasant farmers and increase local food production. Accordingly:

- it should not have the effect of depressing market prices or giving people dietary habits which can never be catered for by local food production;
- it should be integrated into a wider programme.

There are a number of ways of achieving these ends:

Counterpart funds: i.e. money generated by the sale on the local market of products supplied as food aid, which can be used to:

- finance the local costs of agricultural development projects;
- constitute working capital for an intervention fund to stabilize domestic market prices;
- set up an equalization fund so that the impact on consumer prices of an increase in producer prices can be spread over a period of time;



EDF - Drachousoff

The EEC has financed rice projects in Mali for over 20 years but is now supporting a food strategy to try and overcome continuing food deficits

- promote the processing and packaging of local products;
- contribute to the budget costs of implementing a food policy.

Direct use of food aid products

- to constitute national or regional security stocks;
- to start up and support the development of agricultural processing units.

Triangular operations

Food is bought in one developing country, which has an exportable availability, to be sent as food aid to a country with a shortfall.

Contractual programming

While for one-off aid operations current practice can continue more or less unchanged, the system will have to be radically revised if it is to cope with aid intended as a back-up for the development of agriculture and food production.

Instead of the present yearly allocations, granted on the basis of essentially quantitative criteria without any real attempt being made to coordinate the way in which the aid will be used, the Commission is proposing:

A preliminary dialogue with the recipient country

While the quantitative criteria (structural food shortfall, extent of unmet nutritional requirements etc.) will continue to be taken into account in allocating aid, two equally important qualitative criteria must also be considered:

- whether the food aid will contribute to efforts to develop a country's own food production or marketing arrangements;
- whether the recipient country is able or willing to undertake such efforts within a coherent policy framework.

This means that before a decision is taken there will have to be detailed discussions with the recipient country aimed at integrating the planned food aid operation with its general development policy and reaching agreement on how the aid should be used.

Concluding a food aid contract

The outcome of the dialogue should be the conclusion of a food aid contract setting out the rights and obligations of the two sides over a period of several years.

As well as establishing the general framework within which food aid will

be integrated, the contract will specify:

- the quantity and type of products to be supplied each year, and the delivery arrangements;
- how the aid is to be used and for what purpose;
- how any counterpart funds are to be used.

Such a planned, contractual approach should make for better coordination between Community and member state aid operations.

Suiting the products to the needs

In order to meet people's needs in the most appropriate way and avoid creating dietary habits which local production will never be able to satisfy, food aid will need to be less tied to the existence of disposable surpluses.

However, the problem differs depending on the product concerned.

Cereals: avoiding disincentives to local farmers

Food aid in the form of cereals will continue to be essential, as wheat, maize, rice etc. account for over half of the people's calorie and protein intake in the Third World. But it is important to see that the aid supports local growers' efforts rather than discouraging them.

In the case of wheat, which is mainly used to satisfy urban demand, it will be best to sell the product on the local market in order to generate counterpart funds which can then be used either to procure local produce, to stabilize the market or to finance food production projects.

Maize (of which the Community itself has a shortfall) should whenever possible be procured locally, i.e. in countries in the same part of the world as the recipient country itself.

Milk products: a cautious approach

In order to avoid the widely-criticized drawbacks of aid in the form of milk products, these should only be provided where conditions of hygiene and the economic situation permit.

In countries which themselves have a dairy sector, such aid can be

used to support fledgling production or processing systems or to make up a temporary shortfall.

Elsewhere milk products should as far as possible be supplied only as part of specific nutritional programmes implemented by specialist bodies.



Maize being supplied as food aid in two other countries where the EEC is supporting food strategies — Zambia (above) and Kenya



As a way of providing extra proteins and calories without creating "imported" dietary habits, there should be an increasing move towards back-up schemes in the form of local purchasing of food legumes, use of fishery products (dried fish or meal) and the use of local produced oil or other types of Community-produced oils to replace butteroil. ○

Food aid: some figures

- **The Community is one of the main food aid donors**

The Community's 1982 food aid programme provided for the allocation of:

- 1 100 000 tonnes of cereals
- 150 000 tonnes of milk powder
- 45 000 tonnes of butteroil

representing two-thirds of world milk-product food aid and an eighth of cereal food aid (or 22%, counting the member states' contributions).

Community cereal aid, incidentally, accounts for only just over 1% of the developing countries' import requirements.

- **Food aid represents about 25% of Community development aid**

In 1982, the Community food aid programmes were worth a total of about ECU 700 m (at internal prices, i.e. including export refunds), approximately a quarter of total Community development aid spending.

Milk products accounted for about two-thirds of the ECU 700 m.

- **The recipients**

Over sixty developing countries and numerous bodies such as the World Food Programme, non-governmental organization, etc. receive food aid from the Community.

The main recipients are Bangladesh (cereals and butteroil), Egypt (cereals and milk products), and India (milk products), but a substantial amount also goes to ACP countries (36% of the 1982 programme).

The importance of the forthcoming EEC-ACP negotiations

The second Lomé Convention governing cooperation between the European Community and 63 African, Caribbean and Pacific countries, which came into force on 1 January 1981, is due to expire on 28 February 1985. For EEC-ACP cooperation to continue beyond that date, negotiations for a new convention have to be opened in July and get under way in September this year. The Commission recently adopted a communication to the Council which should enable the Community to work out its approach to the negotiations in good time.

The Commission's proposals, the policy guidelines of which are set out below, are largely based on the views put forward by the Commission in September last year in its memorandum on the Community's development policy (1), which were generally well received by the Council.

The forthcoming attempt to work out the terms on which cooperation between the Community and the ACP states will be continued and consolidated represents the first, and undoubtedly the most important, real opportunity to put into effect a policy aimed systematically at adjusting the instruments and practice of cooperation to the realities and requirements of development, rather than approaching development in terms of the available instruments. This is the philosophy underlying the Commission's proposals for the future of EEC-ACP cooperation and the reform of food aid policy alike.

Crucial negotiations at a difficult time

The Convention linking the European Economic Community with the African, Caribbean and Pacific states is not the whole of Community development policy: it is simply the most fully articulated and most lasting part of that policy. It is a touchstone and in some respects a model. It is a unique example of a group of

ten developed countries establishing ties with 63 developing countries which negotiate and administer their undertakings also as a group. There is no doubt in anybody's mind that it will be renewed. But not regardless of the terms, and everyone knows the negotiations will be hard. We will be negotiating with the group of ACP states; the group itself will decide how it is to be constituted. In all likelihood it will consist of the countries which have acceded to Lomé II, and probably Angola and Mozambique as well. The Community made up its mind right from Lomé I to acknowledge the ACP countries' intention to stand united and it decided to refrain from any bilateral or regional approach which would undermine this stand in practice.

The Community wishes to stick to this position throughout the preparations for and conduct of the forthcoming negotiations, since it is the approach most in accordance with both its own nature and its views regarding international economic relations between industrialized and developing countries.

The negotiations will open in September in circumstances very different from those of five years ago. The facts of international life have changed, and East-West confrontation has come to replace North-South dialogue as the issue of central concern. The second development decade has shown us, in retrospect, that aid has been inadequate or inappropriate, and that many Third World countries have been unable to derive any real benefit from what they did get. The poorest countries' debts are eating their substance away and stand in the way of fresh investment. Regarding the Lomé Convention itself, not all the schemes it has financed have proved to be worthwhile instruments of development.

Food aid, which does not come under the Convention but goes to a number of ACP countries, is strongly criticized, both as conceived and as practised, by certain member states, by public opinion and by the Euro-

pean Parliament, which is calling for its complete reform.

While a recession-hit, economy-conscious Europe is not yet calling development aid itself into question, there is a general insistence that aid money should be spent to better purpose and do more to help the very poorest.

What the Commission is proposing

In September 1981 the Community published a plan to combat world hunger, a year later the Commission presented its "memorandum on the Community's development policy", and it has very recently sent the Council a communication on "food aid for development" (see page 9).

Those three papers outline or begin to amplify the ideas to be sanctioned in the Convention, the essential elements of which are as follows:

- Priority should go to developing rather than equipping, and in particular to developing agriculture and self-sufficiency in food: the "food strategy" will come into its own; rural development is recognized as being the key to growth.
- There will be a series of "thematic" campaigns — long-term operations carried out over a wide area aimed at (re-) establishing the biological, ecological, scientific and human foundations for development.
- The emphasis will be on self-determined, self-sustaining, self-reliant development, as independent as possible of imported models and based on a broad understanding of the culturally, historically and geographically conditioned and creative nature of all social advancement.
- The Community will establish a list of priorities for its own development operations, which it will commend to its prospective partners in development cooperation.
- It is no longer enough merely to discuss particular projects with developing countries; what is needed now is negotiations, a dialogue, on actual policies.
- All instruments and all operations must be coordinated to prevent inconsistency and waste; food aid should be integrated with the other instruments of development; member states' operations should be coordinated with those of the Community.

(1) See full text of memorandum in *Courier* no. 76.

- Aid needs to be made both more predictable and more flexible.
- Some instruments have to be re-viewed and the trade arrangements established under the convention made more specific.

Building and foundations

The document represents an attempt to achieve a creative synthesis between the sound heritage of Yaoundé/Lomé and the new guidelines.

It will not be an easy undertaking. It merits a degree of effort and open-mindedness from all parties which, one is aware, is scarcely compatible with the state of the international economy or the economies of the Community and the ACP states. The leap will have to be made if the enterprise is to succeed, as succeed it must.

Europe needs the enterprise to succeed because development policy helps shape its own identity; because a part of its strength in international affairs comes from its special relations with the Third World; because it depends on the African, Caribbean and Pacific states for an important share of its economic activity and raw material supplies. The ACP countries need it to succeed because if they cannot count on the Community they will have difficulty in finding a new partner willing to come up with a negotiated, contractually-based, lasting and politically neutral system of development cooperation. While the (modest) funds made available have their importance, the way they are administered has a political value which is greater than the value of the sums involved.

There will be a new convention, for in the last analysis no one will take the risk of aborting the whole enterprise for the sake of short-term self-interest, however legitimate. The political argument will prevail, which can mean either a cheap compromise or the strengthening of existing links in a new vision of the way ahead.

The Commission cannot accept the cheap compromise; it is in no one's interest. Yet it would be the inevitable outcome of negotiations which simply aimed at juggling with the balance of advantage on either side by extensive tinkering with the text of Lomé II.

Fostering economic emancipation

The Commission is calling for a convention of indefinite duration, a genuine treaty between the Community and the ACP states, as a means of underlining both the importance of the political gesture and the faith of all concerned in the durability of the cooperation system.

Before we get down to negotiations on ways and means there must be a political debate and political consensus on objectives. In the interests not only of clarity but also of efficiency a contract of unlimited duration will be concluded whereby the Community, moving beyond the concept and practice of the "aid donor", undertakes to provide support for a comprehensive development process. The Commission document contains an appeal for a new deal aimed at giving an economic, social and cultural dimension to political independence. It is a matter of the greatest urgency, for thanks to food shortfalls and debt the majority of ACP states are more economically dependent today than they were in colonial times.

The alternative can be starkly expressed: either we launch a new cooperation policy with self-sufficiency as its goal, or most African and some Caribbean and Pacific countries will sink back into the paralysis of increasing dependency, malnutrition, under-investment and uncontrolled urbanization. The Community can ill evade the political strategic and economic consequences of that situation.

But unless our talk of self-reliant development and the relief of hunger is backed by more money over a longer period, a firmer attitude on trade and more determined and better-supported commitment to the stabilization of commodity markets and export earnings, it will be no more than skilfully masked self-interest.

Of course such commitments are hard to make. Negotiating in the depths of recession, we may be tempted to think very small, but we should not forget that the convention is concerned with the medium and longer term. By that time, we may hope to have pulled out of recession; but that is precisely what the Western economies cannot do unless the Third World, LLDCs as well as NICs, "takes off".

A challenge for the Community and ACP alike

So the Commission has no desire to gloss over the difficulties which lie ahead.

It is going to be difficult to decide on the aims and ground rules of an approach to cooperation which must prove durable if it is to continue to set an example.

It is going to be difficult, in the depths of recession, to think ahead into the distant future.

It is going to be difficult to pay enough attention to Third World development now that East-West affairs have eclipsed North-South relations.

It is going to be difficult to come to terms with the fact that for the countries of the Third World, development does not mean copying us; and that food aid is not primarily a way of disposing of surpluses.

It is going to be difficult to get it across that a million fuel-efficient stoves are worth more than one monster dam and that improving the yields of 100 000 bush farmers is more important than setting up a modern farm.

It is going to be difficult to see that tools serve man rather than vice versa.

It is going to be difficult to explain to certain governments that the fault lies in their methods or the priorities they have adopted.

It is going to be difficult to turn the welfare cases into productive economies and foster their growth step by step.

It is going to be difficult to get people to treat Lomé not as a tract, produced at the end of a weary negotiating process and then more or less left to apply itself, but as a way of life, with day-to-day cooperation, reciprocal undertakings, projects fashioned together, shared work failures acknowledged and achievements recognized.

Can the Community validate Lomé by inviting the ACP states to move beyond the stage of cooperation, between disparate entities, towards a common commitment to development in the common interest, but one designed to benefit the very poorest of all? That is what the Commission is proposing. ○

“Everything for development”

Edgard Pisani on Lomé III

In this interview, EEC development commissioner Edgard Pisani looks at the main lines of the proposals the European Commission has recently made on negotiations for a further ACP-EEC agreement and on the new approach to food aid.

► *Mr Pisani, do these new guidelines point to a basic reorganization of cooperation between Europe and the Third World, particularly the ACP countries? If so, does Europe have the will and the means to do this in a recession and is the ACP group ready for it?*

— I would say that this change—if indeed that is what it is—is vital, as the results obtained over the first two development decades are not such that we can stop now. For the past 20 years, we have been supplying the developing countries with the instruments of development, with roads, hospitals, factories and so on. Some countries have benefited, those which were best prepared, that is to say, and some have not because their people were not willing to use the tools, not having been prepared to do so. So there *has* to be a change. Is Europe ready for it? Yes — if the Commission has produced memoranda along these lines and if the EEC Council of Ministers has said it is open to these new policies, then we have the proof that Europe is ready. But does Europe have the right means? Clearly, we are going through a difficult period and it looks a little strange to be discussing an increase in our support when we are at the height of our own problems. But I would say this. First, it is clear that in this crisis the developing countries are not unimportant customers for EEC trade. Second, we have to consider that the crisis is worse for the developing countries than it is for us in Europe. We complain, but what should they do? If we are to recover from recession, it is vital not only for the Western world to be the driving force of recovery but also for the Third World immediately to capitalize on any recovery, otherwise it will just peter out. So the need is there, the will is there and the interest is there, even if

the negotiations sometimes look difficult. Any useful negotiations are difficult.

► *What basically is at stake?*

— Lomé has a special place in the thinking, the behaviour and the aspirations of the countries of Africa, the Caribbean and the Pacific. Why? There, I think, we have a real problem, and a political one. This is the only case in the world of a convention covering a long period and allowing for forward planning — and predictability of resources is almost as important as their quantity. Secondly, this is a negotiated convention, that is to say the people it benefits are involved in arranging the terms and organization of the agreement. And it is a convention which is politically neutral, which means that whatever political events take place in the developing countries, the Lomé Convention is there and goes on. So it is political. What is at stake? Europe needs Africa, the Caribbean and the Pacific, and Africa, the Caribbean and the Pacific need Europe. So we have to succeed. Suppose that, tomorrow, Africa became even poorer and had even worse malnutrition. It is Europe that would be responsible historically speaking. And it is Europe that would be strategically and economically weakened.

► *The economic and financial situation of the ACP countries is cause for even greater concern than that of Europe. How can the Community be of more than symbolic help in improving their situation? Does it need more financial means?*

— I think first of all that, before wondering about more means, we have to decide whether we are making proper use of the means we already have. I shall take food aid first, which is something that is not cov-

ered by the Lomé Convention. Food aid is a material contribution to countries where there is malnutrition, but if it is merely handed out then it will get the local people used to eating as we eat; it will get the local governments used to not taking proper care over self-sufficiency in food; and it will encourage the peasants, who do not get decent prices, to produce enough food for themselves and nothing for the people in the towns. But the document we have produced is aimed at making food aid an instrument of development. The allocation of food aid is tied to its value being ploughed into development investments that will prevent these countries from needing food aid. So we can do something different with the same means — provided we have the firm political will to do so.

Now, as to Lomé itself, I believe we need to go into its instruments in detail. First we have financial and technical cooperations, the financing of projects. Then we have instruments like Stabex. On the first point, when you look at things as they actually are, it emerges that a certain number of investments that have been made are not being used to the full. There are dams that are only used to 15 % of capacity. Why is this? Because the dam was put there for all the world as though it could trigger off development all by itself. In the next convention, we shall tackle the problem further up the line and see that the people actually want such a dam and understand what it will bring and prepare each individual and each community to use it. Then we shall provide degressive technical assistance, withdrawing fairly fast so that the local communities can themselves take over responsibility for the dam, which will become their instrument.

So, if we really take the problems of the population into account, we should manage to make the instruments much more beneficial. But we should do more than this. We want more money; at least, that is what the Commission thinks and it has said so several times. In much the same way, Stabex has to be geared to changing or increasing productivity in those export sectors that are in difficulty. So it all ties up — everything for development. The job doesn't count. What counts is the result, development.

► *Aren't certain problems, such as commodities and national debt, more than Europe can cope with alone?*

— And so perhaps is the aim of the Lomé Convention. Because we are in the Lomé Convention, we commit ourselves outside it to a difficult fight, an endless fight, one we shall wage to the end at international level to see that the stabilization of raw materials prices is accepted as a vital target, that the problem of debt is considered as a burden, an unjust one almost, on the developing countries — and if it is not an unjust one, then a paralyzing one. If the debt burden stayed unchanged, the developing countries could not go on borrowing; that is to say they could not go on investing, and the whole system would grind to a halt. So within the Lomé Convention we have very precise aims in view, but the Convention itself, for political reasons, forces us to fight in the international community to get a change in the general conditions of the world economy so they are less unfavourable to the Third World.

► *One of the new aspects of the development policy is proposing an outline convention of unlimited duration to the ACP group. What would be the point of these countries accepting what might look to other developing countries like a sort of allegiance to Europe?*

— First of all, is it possible that there will not be a convention after this one and does anyone seriously imagine that there will not be a Lomé III? If this is so, why not admit it? Second, once we leave this system of simply financing projects and embark on a policy of preparing the people, of implementing the projects and getting the local communities to take over responsibility for them, we are involved in a very long time span. Permanency and predictable support become absolutely vital. But there is more to it than that. Africa's deserts are spreading by almost 2 million hectares per year. Nature is destroying more wealth and more goods than all mankind united creates. And unless we can stop this desertification we know that, through lack of power, lack of imagination, lack of solidarity and lack of will, we shall have condemned Africa. But fighting desertification is a job that will take

50 or 100 years or more. How do you imagine we can commit ourselves as far as just the countries of Africa are concerned to a long-term operation if we are unable to found the promise of permanent assistance in the fight against a permanent evil on a lasting convention? And desertification isn't the only thing.

Come what may, it is agreed that all the protocols in the implementing agreements will be negotiated and signed at the same time. It has been agreed that they will be signed by all the ACP and EEC countries at the same time. So there will be no attempt at division. It is clear that the diversity of the Lomé Convention is such that all the ACP countries cannot be interested in all of it, and a system of work organization should enable everyone to take an interest in the things they understand best and enable us all to take an interest in the overall agreement, the Convention itself. There is a search for effectiveness, I think, but in the unity of the ACP group; the ACP countries are attached to it and we accept that unity as a fundamental political aspect of our agreement with them.

► *Will it be possible to maintain political neutrality once a convention has been signed for an unlimited period of time?*

— Yes, of course. A convention that is signed for an unlimited period of time is indifferent to political variations in the ACP countries. The duration is a guarantee of political neutrality. We accept our partners and we keep them as they are and whatever they become and that, I believe, is one of the great strengths of the Community in its relations with the Third World.

► *The Commission is also proposing two major innovations in the very conception of cooperation. It suggests that development priorities be decided and that, within the framework of these priorities, the EEC not only finances projects but commits itself to a dialogue with the recipient countries, to negotiations on the policies it hopes to support. How do you see this new approach in practice? Do you think it is acceptable to the ACP countries?*

— First of all, did we have the right to propose aims for our devel-

opment policy? My answer is that maybe we didn't — although we surely had the duty to do so. Our understanding of the world, of trends and of developments is a considerable element of information and we proposed our aims on the basis of that information. Furthermore, no one has contested these aims in any talks I have had and they are so close to those of the Lagos Declaration that there is almost no difference. As to the discussion of policies with the governments — I would point out that no one has ever raised the problem in any discussion I have had. On the contrary, people have thought that this joint quest for the best way of providing support for development is perfectly legitimate. Third, and this is very important, suppose we go to an ACP country, suggest a debate on its policies and, within the framework of this debate, we suggest priorities and the direction to take — which we would be tempted to do. And suppose the government of the country says no, that isn't what we want, what we want is a dam or a road or something else — then it would not lose out because of it. It would keep its cash quota in the programming.

► *Will the ACP countries remain Europe's priority partners in the Third World? Isn't there a risk of the Community being gradually tempted to turn away from them and look to regions that are less poor and more promising as far as European interests are concerned?*

— My answer to that is no. The priority Europe has placed on the ACP group is a genuine priority and no one has ever denied it. The only question that has come up is whether we should just concern ourselves with the ACP countries or have relations with other countries too. The ACP group has priority, but it is Europe's duty to have relations — and of quite another order — with a certain number of other countries in the Third World. We step in, on a one-off basis, with operations that have been defined in advance and with very restricted programmes. So we will be active on other continents, but Lomé will be the centre, the pivot and the model for our cooperation with the Third World. ◊

Interview by
A.O. and I.P.

CAMEROON**Balanced development
in a miniature version of Africa**

A country in Africa that stretches across 1500 km, from equatorial forest in the south to savanna in the north, with a range of different climates, scenery, products and people is a microcosm of the continent. Such is the Cameroon.

The variety of crops it produces, those of both tropical and more temperate climates, explains the country's ambition to become the food supplier of central Africa. In 1983, agriculture is still the priority sector and the aim of the 5th five-year plan, launched in 1981, is to achieve genuine self-sufficiency in food, a target that has more or less been reached. The agricultural sector has been providing about 70% of the country's foreign exchange earnings and an annual 30-40% of budget resources, and employing almost 73% of the working population—whose income can often be higher than that of other Africans.

This diversified agriculture accounts for 32% of GDP, as against industry's 22%. The main products, in addition to cocoa, of which Cameroon is the world's fourth or fifth largest producer, are coffee, bananas, cotton, palm oil and cane sugar, plus a considerable amount of livestock and forestry resources. Only some 40% of the latter are being exploited.

The wide-ranging agricultural sector has naturally given rise to an agro-food industry. This, too, is diversified; there are breweries, sugar plants, tobacco factories, cotton spinning and weaving mills and more, all assets in a country which has a stable political life and a newly expanding oil industry to help finance its development.

Yet the country's leaders are measured in their optimism. They do not want to take the easy way out and give in to what may only be the mirage of 'black gold', which is a non-replaceable product, and they are aware that, at the present rate of demographic growth, Cameroon's population of about 8.5 million will have swollen to 16 million by the year 2000 and, some forecasts suggest, to 40 million by the year 2020. In the government's

view, the present has to be managed with realism so as to prepare for the future.

o A.L.

Profile

Area: 475 000 km² (33% farming and stock-raising)

Recent history: Cameroon, an ex-German colony placed under a League of Nations mandate after World War I, became a United Nations trust territory in 1946 and independent in 1960. In 1961, the western part of the country, which had been a British trust territory, joined the eastern part, the ex-French trust territory, in a federation which became the United Republic of Cameroon in 1972.

Milestones:

1 January 1960 — independence of the old French trust territory proclaimed

5 May 1960 — Ahmadou Ahidjo elected President of the Republic

20 May 1972 — Creation of the United Republic of Cameroon

6 November 1982 — Paul Biya becomes President of the Republic



*Yaoundé town hall, one of the finest buildings in the capital.
The new presidency is in the background*

Population: 8 400 000 (1980), roughly 35% in the towns and 52% in the under-15 age group.

Capital: Yaoundé (pop. 500 000).

Main towns: Douala (principal economic centre and port, estimated population in early 1983 1 000 000), Garoua (85 000), Nkong Samba (80 000), Bafoussam (75 000), Maroua (70 000) and Limbé (ex-Victoria).

Average population growth rate: 2.2% ; urban population 7.5% (1970-1980).

Density: 18 inhabitants per km² with considerable spread, ranging from 1 per km² in the south-east to more than 200 per km² in the Bamiléké area. Working population: 54%.

Ethnology: More than 180 different groups including the Bamiléké, Fulani, Dualas, Makas, Kanuri, Bali, Bamun.

Main religions: Animism, Christianity, Islam (particularly in the north).

Languages: There are two official languages—French and English—and a large number of local languages.

Political system: presidential.

Head of state: Paul Biya.

Sole party: Union Nationale Camérounaise (UNC), which also includes a UNC women's organization (OFUNC) and a UNC youth movement (JUNC).

Member of: UDEAC, OAU, the Lake Chad Basin Commission, the Niger River Commission and the ACP group.

Currency: Cameroon is in the franc zone. CFAF 1 = FF 0.02, ECU 1 = CFAF 324, UK£1 = CFAF 523, US\$1 = CFAF 344 (March 1983).

GDP: CFAF 1 1625 000 million in 1980-81 (primary sector 32%, secondary sector 22%, tertiary sector 46%) 1981-82 CFAF 1 935 000 million (estimate).

Economic resources: Oil (1981 - 4.3 million t, estimate for 1982 - 6.7 million t); aluminium (production capacity in 1982 - 84 000 t p.a.). 1981-82: cocoa (120 000 t sold), coffee (113 000 t), tropical wood (810 000 m²), cotton (32 000 t cotton fibre), bananas (60 000 t exported in 1982), sugar (60 000 t refined in 1982), palm oil, groundnuts, tea, livestock, tourism.

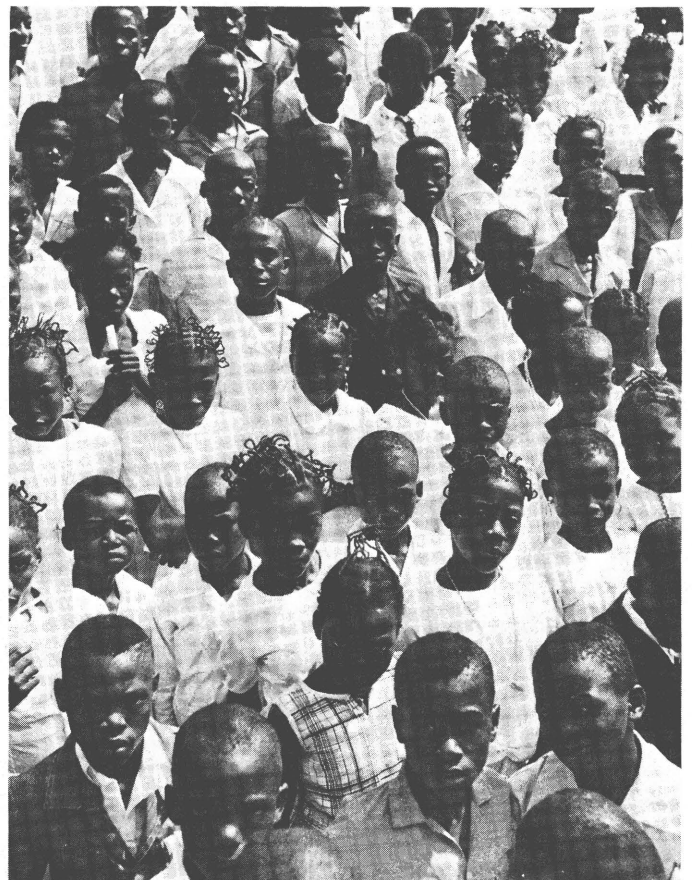
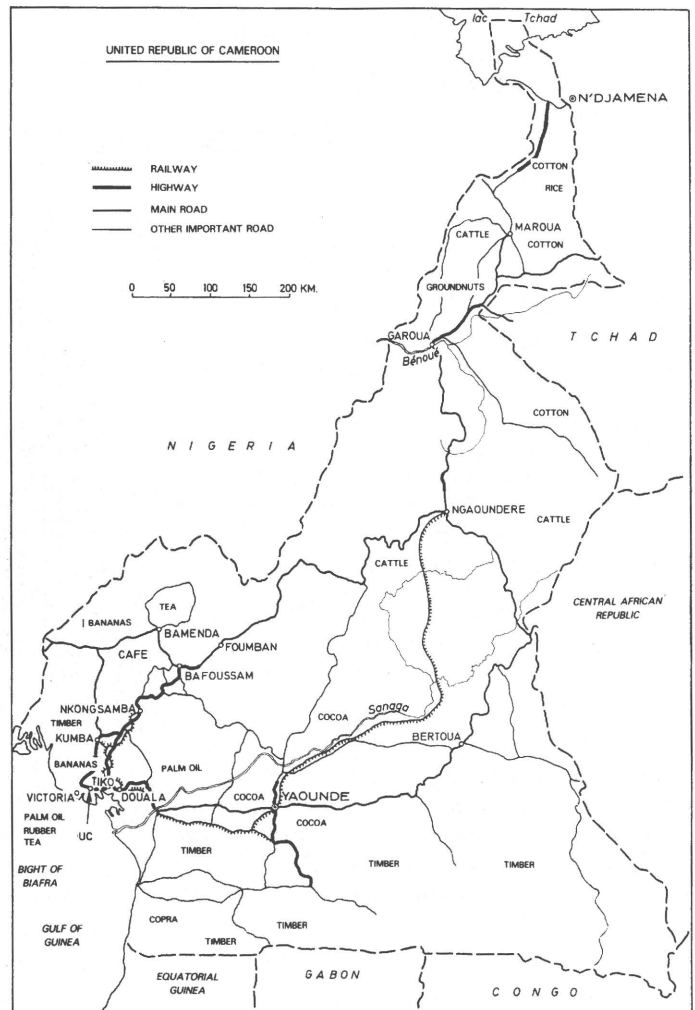
External trade: Main export products in 1982: oil (41.8% of total sales), cocoa, rough timber, cotton and bananas.

Exports in 1981-82: CFAF 306 300 million. Imports in 1981-82: CFAF 401 800 million. EEC supplies 63.2% of imports and takes 49.4% of exports.

Main trading partners in the EEC - France (43.5% of imports, 23% of exports), Netherlands, Germany, Italy, United Kingdom.

External debt: Estimated at about US\$ 2 billion in 1980-81.

Young Cameroonians. The country's population has been expanding for the past 20 years; in 1980, an estimated 52% were under 15



The men who forged national unity

When he abandoned 22 years of what had become uncontested power on 6 November 1982, President Ahmadou Ahidjo followed in the footsteps of Léopold Sédar Senghor, another of Africa's wise men, who chose to leave the Senegalese political scene in 1981.

So the fathers of independence in black Africa in the 1960s who are still in power can now be counted on the fingers of two hands.

For more than 20 years, Cameroon's history was closely linked to the life of Ahmadou Ahidjo, who came to power in 1958.

The former President, from the north of the country and a fervent Moslem, was born in Garoua in 1924. In 1941, he graduated from Yaoundé's Ecole Primaire Supérieure, the cradle of Cameroon's first generation of politicians, and, from 1947 onwards, was elected

to the various territorial assemblies under French administration.



President Paul Biya

"Our strength and our future will depend on our ability to unite and make a success of national development"

In 1953 he was voted in as adviser to the French Union assembly in Versailles, where he was with the group of overseas independents. He then (in January 1957) became President of Cameroon's territorial assembly and deputy prime minister for the interior (May 1977).

He became PM on 18 February 1958, during the period of internal autonomy and after independence (on 1 January 1960) of the part of the country under French administration, he was elected President of the Republic and head of government. He was re-elected in 1965, 1970, 1975 and 1980.

Ahmadou Ahidjo, a symbol of the unity of his country, has always felt political stability to be the *sine qua non* of development in all fields. He also believed that the executive had to be strong because it has to be a driving force.

His economic and social policy, always designed with a view to the long term, had the following main principles: planned liberalism, prior-

"Before oil we had agriculture, and after oil we will still have agriculture"

● The quote above is something Cameroon's leaders have never tired of repeating since the country began producing oil in 1978. Prudence, wisdom, a refusal to accept all things easy, regional development and neighbourhood problems, plus a fear that the farmers will leave the land and the unemployed will crowd out the suburbs—there is something of all this in the comment-cum-slogan on that non-replaceable product, oil.

Yet Cameroon could become black Africa's third largest oil-producer before the end of the decade, say the experts. Prospection began way back in 1951, but it was not until 1977 that the first field was discovered at Kolé.

Oil production was 800 000 t in 1978, went up to 1.5 m t in 1979

and reached 2.8 m t in 1980. The figures for oil from the sedimentary basins of the continental shelf and the shore were 4.3 m t and the estimates for 1982 are 6.7 m t, although no official figures have yet been released.

The oil refinery at Victoria (which became Limbé in April 1982), in the English-speaking part of Cameroon, was opened in May 1981 by Sonara (the national refinery company) and it can meet the national requirements of around 1 000 000 t p.a. Reserves currently stand at an estimated 85 m t.

"Le Cameroun a fait tontine" ⁽¹⁾

Sonara, in which the state has a 66% holding and a dozen or so for-

eign companies (mainly Elf-Aquitaine, Total, Mobil and Shell) share the rest, prospects for oil and ensures the coordination of production. The fields are not far from Nigerian waters off Limbé, at the foot of Mount Cameroon, and there are also derricks off Kribi.

The state takes its share of the crude oil and collects a tax of 57.7% on profits. So oil is now much more than an extra in the Cameroonian budget, in spite of the recent drop in prices. In 1978, moreover, the speaker for the National Assembly's legal committee put production at 1 000 000 t p.a.—which would mean an income of CFAF 20 000 m.

Lastly, gas is tapped at Kribi, in southern Cameroon on the Atlantic coast. Mobil Oil discovered a large-off-shore gas deposit, the estimated size of which varies, off Loup rock in 1979.

(1) The phrase means that the country has saved its oil income and used it for the purposes of development. This is a traditional practice among Bamiléké peasants, who put part of their income into a common pool.

ity for agriculture, self-centred development, social justice and regional balance. His aim of doubling the real per capita income in 20 years was more or less achieved.

On 30 June 1975, President Ahidjo appointed a prime minister who, under his direction, coordinated and controlled the government's activity. This first prime minister was Paul Biya. He was the third most important person in the country after the president of the National Assembly until the change in the constitution made by the National Assembly on 9 June 1979, whereby he was to take over the functions of President of the Republic if the post ever fell vacant—which is in fact what happened when President Ahidjo resigned on 4 November 1982.

Paul Biya, the new President, was born in Mvoméoka, in southern Cameroon, in 1933. He is a member of the minority Bulu tribe. He became President of the United Republic of Cameroon at an investiture ceremony in Yaoundé on 6

November 1982 and, under the terms of the constitution, he should remain in office until the next presidential elections, scheduled for 1985.

President Biya was an outstanding university student in France, where he gained a degree and a higher diploma in law. He was at the Institut des Hautes Etudes d'Outre-Mer and graduated from the Institut d'Etudes Politiques in Paris (class of 1961). He is a practising Catholic and often goes to the Benedictine monastery on Mount Fébé. And he is a music-lover, with tastes ranging from Mozart and Beethoven to Gregorian plain-song, and a keen player of the harmonium.

Almost every time he has had the opportunity to speak in public since he took office—on his working visit to France and on his trips in Cameroon, to Douala, for example—President Biya has stressed that his prime concern is the maintenance of national unity. ○ A.L.

The fifth national plan includes a project to install a liquefaction plant in the harbour, to set up an industrial zone and to build a pipeline and a railway. The port-industrial complex should be able to cater for oil and methane tankers. On his recent trip to France, President Biya said the liquefaction plant project at Kribi in-

volved an investment of more than \$4 000 m and this meant that the country would have to have aid from friendly countries.

The importance of oil and gas for the development of Cameroon is now publicly recognized. ○ A.L.

External trade

The trend in external trade over the past few years has been marked by a quasi stagnation of exports and a substantial increase in imports.

Exports reached CFAF 296 000 m in 1979/80, CFAF 290 800 m in 1980/81 and CFAF 306 300 m in 1981/82.

Imports were worth CFAF 311 900 m in 1979/80, CFAF 364 200 m in 1980/81 and CFAF 401 800 m in 1981/82.

The trade deficit over this period was CFAF 14 900 m in 1979/80, CFAF 73 300 m in 1980/81 and CFAF 95 500 m in 1981/82.

This is damaging to the economy. It is the result of the slump in the prices of the main commodities on the international market and the stagnation of the tonnages exported. The huge increase in imports can be largely put down to the efforts made to improve the economic development of the nation.

Cameroon sells—mainly abroad—basic agricultural products such as cocoa, coffee, timber, cotton and bananas, the world rates of which have dropped badly.

However, it is important to remember the increasingly decisive

role of crude oil in the export charts.

Important role of oil

Without oil, the trade deficit of the country would have been CFAF 233 400 m, as 1.9 m t of crude oil brought in CFAF 127 900 m (or 41.8% of total sales).

The preponderant position occupied by capital goods and finished and semi-finished products for firms (63.2% of imports in 1981/82) of course reflects Cameroon's drive to develop the productive sector.

The geographical distribution of trade is as follows. The EEC is still the main trading partner, supplying 63.2% of imports and taking 49.4% of sales. The main partners within the EEC are France, the Netherlands, Germany, Italy and the United Kingdom.

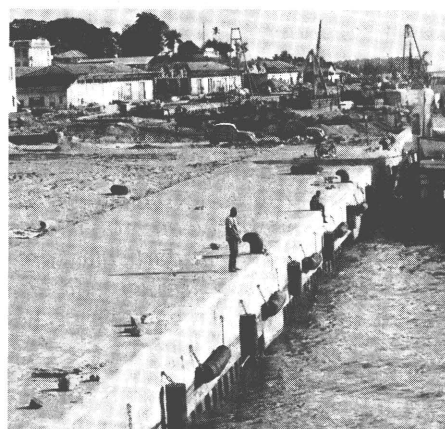
Regional trade

Most of Cameroon's African trade is done with the countries of UDEAC, which absorb 50.1% of sales in Africa and supply 20.9% of imports, although Cameroon also trades with the Ivory Coast, Chad and Guinea.

America is the second biggest trading partner after Europe, having taken 36.1% of all sales and supplied 10.5% of imports. The USA is the main partner in this part of the world, buying mainly oil and coffee (CFAF 110 100 m in 1981/82).

In Asia, the main trading partners are Japan, Formosa, the People's Republic of China and Pakistan. In 1981/82, Cameroon imported CFAF 46 300 m worth of goods from countries in Asia and exported CFAF 79 000 m worth to them. ○

(Official Cameroon sources)



Past extension work to the port of Douala

President Paul Biya

“Putting the accent on the rational and maximum exploitation of our renewable resources”

► *Mr President, Cameroon has known remarkable stability over the past 25 years. What is the main reason for this?*

The stability of our country is, first and foremost, the fruit of the people's desire for unity, peace and national harmony and it has been stimulated over the years by the encouragement of the Union Nationale Camérounaise, our great national party, propelled by the perseverance and enlightenment of my predecessor, President Ahmadou Ahidjo.

It is also the result of the political and economic choices the Cameroonian people have made. By making national unity and development our first priorities, our country is anxious to make an efficient job of building up the nation.

And lastly, stability is the consequence of our firm policy of social justice, which aims at gradually bridging social gaps and overcoming individual inequality, and the regional disparities that nature or history have brought about.

These are the main factors conditioning our stability. But there is also the maturity of the Cameroonian people, who have understood that there can be no development without a will to develop and without national solidarity.

► *Cameroon has a population problem. The nation is expanding fast and the people are unevenly spread. On top of this you have galloping urbanization, leading to growing inequality between town and country areas and, in particular, problems of manpower training and employment. What measures have been taken to cope with this?*

— The relatively high rate of demographic growth in Cameroon and the unbalanced structure of the population—particularly its high propor-

tion of young people—are posing many problems to us and all the other developing countries experiencing the same phenomenon, including the rural exodus and the inadequacy of training for employment.

These problems have never escaped the notice of the government and we in fact, embarked upon a series of schemes to handle this situation a few years ago now.

So the twofold task that our edu-



President Paul Biya

“No nation will be viable without unity and peace. No development will be achieved without national solidarity and the will to develop”

cation system has been given, is to provide the sort of training that will ensure the fulfilment of the individual and prepare him to hold down a job that will contribute to the development of the nation. With this in mind, Cameroon has undertaken a thoroughgoing reform of its education system which favours scientific, technical and vocational training at all levels, so as to make education and employment coincide. This should take account of the real needs of the country and make progress in science and technology.

The bringing back of manual work

to the schools and the policy of promoting and revitalizing village communities, putting particular emphasis on improving living conditions in rural areas, are proof of our desire to halt the move to the towns, to push up production and productivity in farming and herding and to ensure the development and harmonious balance of both town and country areas.

Agriculture, the first priority

► *For many years now, Cameroon has been concentrating on developing its agriculture and for the past few years, this has involved, in particular, strengthening the village communities within the framework of integrated rural development. Do you intend continuing with this?*

— Since we became independent, agriculture has indeed had the top priority in Cameroon's development strategy, because it is the country's fundamental economic activity, occupies the major part of the population and makes us self-sufficient in food. It also makes an important contribution to GDP, supplies the bulk of the raw materials our young industrial sector needs and constitutes the principal outlet for our labour force.

The results we have had from this agriculture-based development strategy have been largely positive.

We are determined not just to continue the policy, but to strengthen it—as can be seen from the choice I just said we had made to revitalize our village communities and from the steps we have taken to relaunch our green revolution.

The five schemes planned here should make it possible to achieve five main objectives. They are to promote integrated rural development via projects that cover all aspects of rural life, to modernize carefully Cameroon's countryside by providing a range of socio-economic infrastructure that will ensure a proper balance between town and country, to go on improving production and productivity in farming and herding, to fight the rural exodus and to improve the living conditions of the rural population.

► *The Cameroonian economy has been hit by two damaging external phenomena over the past few years—the substantial drop in the world prices for your main agricultural exports and the rise in the cost of capital goods and equipment that have to be imported during a period of world inflation. However, your expanding national production of oil is beneficial. What are the prospects in this sector?*

— In these times of stagnation, recession even, of the world economy, the effects of which hit the developing countries particularly hard, oil production is certainly relatively a important factor when it comes to stabilizing and expanding Cameroon's national economy. In particular, it helps keep the budget balanced, boosts the economy and brings in foreign exchange. But oil is only an extra to be used to promote other sectors of production.

Bearing in mind the ephemeral nature of this resource, of the modest size of our reserves and the ups and downs of the international oil market, we shall go on being careful and realistic, putting the accent on the rational and maximum exploitation of our renewable resources—the first of which, as I said, is the farming and herding sector.

► *A circular of 14 December 1982 outlined your 1983-84 budget, then on the drawing-board. It mentioned balancing the budget, a strict*

control of expenditure and speeding up investments. These were the main points. Does this mean that the investment budget has to be the main instrument for execution of the development plan, even more so than in the past?



The school population in the towns is expanding fast... "We must improve the living conditions in rural areas so as to reduce the rural exodus"

— The directives in the circular you mention reflect the government's desire to go on managing our public finances in a healthy, stringent and methodical manner, so as to consolidate what has already been achieved and to improve the quality and the speed of our development.

The Vth plan : a decisive role for public investment

This is the case because, in our system of planned liberalism, the state plays a most important part in execution of the development plan because of the volume and the size of our public investments.

The public investment budget, the main instrument of the plan, will therefore continue to play a decisive part in the execution of that plan, on the understanding that, alongside this, encouragement will be given to participation by the public sector which remains, in our eyes, one of the essential driving forces of development.

► *Does the present situation bode well for achievement of the Vth plan?*

It is true that the present economic situation, with the slump in world commodity prices, monetary fluctuation and the recession in production and trade, weighs heavy on the fragile economies of the developing countries, Cameroon included.

But I still think that sound, stringent management of our public finances, our credit in international financial circles and, most important, the stability of our institutions and the dynamism of the Cameroonian people are equally important assets which suggest we should do a satisfactory job of achieving the objectives of the Vth plan.

After the first 18 months of that plan, the real growth rate of GDP is already 6.4%. It had been 6% over the past few years, and this suggests that the 7% target should be reached.

"Cameroon believes in hospitality and solidarity"

► *Cameroon has a large number of foreign workers and it has welcomed an impressive number of refugees from neighbouring countries, some of whom have stayed. Is this a problem?*

Cameroon believes in hospitality and solidarity and often welcomes peoples from abroad, particularly refugees from the neighbouring countries to whom it provides such humanitarian aid as it can.

Most of the foreign workers are self-employed and what we expect from them is respect for our institutions, our laws and our regulations, for our public order and security and for the choices we make. And we also expect them to be honest in their dealings.

Over and above any one-off costs due to the massive influx of Chadian refugees—most of whom have gone back home—we have no special problems with our foreign residents at the present time.

► *Your country has been a member of UDEAC, the Central African Customs and Economic Union, ever since it was set up in Brazzaville in 1964. Has UDEAC achieved its objectives? How does Cameroon stand on the reintegration of Chad, the accession of Equatorial Guinea and the future extension of UDEAC to include other countries of central Africa?*

In the first 18 years of UDEAC, the achievements and the results have been positive.

— In an unfavourable international environment marked by economic recession, a resurgence of protectionism, political tension and threats to peace and stability in Africa and the rest of the world, UDEAC has confirmed that it is a primary instrument of development.

It has contributed to the unity and fulfilment of the peoples of central Africa. It has given us peaceful relations, entente, good neighbourliness and realistic and effective cooperation between the member countries.

However, these positive achievements do not mask the fact that there is still a long way to go—particularly when it comes to greater economic integration in our sub-region through a pooling of resources, which are limited, and the rational exploitation of our complementary economic assets.

As to enlargement of the union, UDEAC is, as the Monrovia Declaration and the Lagos Plan of Action show, an open-minded organization that looks to the future. Enlargement is one of the provisions of its charter.

This is why we were pleased at the recent accession of Equatorial Guinea and this is why we give our

support to any initiatives that will lead to the accession of other members too.

However, we have always felt that, if it is to be viable, enlargement has to be a gradual thing, built on realistic foundations which can be used to promote projects that have been studied and can be implemented in the best possible conditions.



“The government has undertaken a thorough reform of the education system which favours scientific, technical and vocational training at all levels”

Continuity in foreign policy

► *Cameroon is non-aligned and it has always based its foreign policy on national independence, African unity and international cooperation. Do these principles hold good for the future, do you think?*

— Non-alignment, national independence, African unity and international cooperation indeed are the basic—and complementary—principles of our foreign policy.

In an international context marked by rivalry and tensions between all kinds of powers, these principles certainly can be difficult to apply. But for young nations like ours, they are the principles that enable us to assert ourselves.

For the international community, they are the safest way to a more stable, just and peaceful international order.

So we are determined to maintain this policy, as it enables Cameroon to keep out of the conflicts of the great powers, to exercise its free will in the examination of international issues, to help strengthen African uni-

ty and to have fruitful cooperation with all nations of good will, with mutual respect for equality, independence, sovereignty and personal choice.

► *Cameroon, which had always attended the OAU summits, was one of the countries that declined to go to the latest meeting in Tripoli—which did not ultimately take place. Why did you refuse?*

— Cameroon has always supported and will continue to support any schemes and initiatives that will consolidate the OAU—which we consider to be a vital instrument of unity, liberation and development in Africa.

We said we would only attend the Tripoli summit if the controversial topic of Western Sahara's entry, which we felt was not being done legally, was settled first.

But having said that, we have not spared and will not spare any effort to help find an acceptable solution to the present OAU crisis.

EEC-ACP: further progress needed

► *Cameroon has had special relations with the European Community ever since the first Yaoundé Convention. What do you think about cooperation in general between your country and the EEC over the past 20 years?*

— From the very first, Cameroon has taken an active part in the combined efforts of the countries of the European Economic Community and of Africa, the Caribbean and the Pacific to organize and strengthen their economic relations.

This cooperation has developed in geographical area and in scope, both of which have been considerably extended, and in technical means, which have been improved.

Cameroon, in conjunction with the other countries of the ACP group, feels, however, that further progress is needed to meet the legitimate aspirations of the ACP countries. In particular, we need an increase in the volume of aid, both EDF resources and the Stabex fund, and we need greater liberalization to allow entry of our products to the Community market. ○

Interview by A.L.

“Farming is the activity with the most stimulating effect on other sectors”

Agriculture minister Samuel Eboua

► Last September, when the present Prime Minister was still in charge of the Ministry for the Economy and Planning, he said that the government had been aware of the dominant role of the agricultural sector over the past 22 years and had made it the priority sector of its development strategy. Can you tell us how agriculture fits into the Cameroonian economy?

— Agriculture was and still is the priority sector of our development strategy.

It gives us self-sufficiency in food and, in the present international climate of insecurity, particularly about food, this makes it a strategy that is worthy of our full attention. It provides the vast majority of jobs and the bulk of foreign exchange and farming is the activity with the most stimulating effect on other sectors (transport, industry and so on).

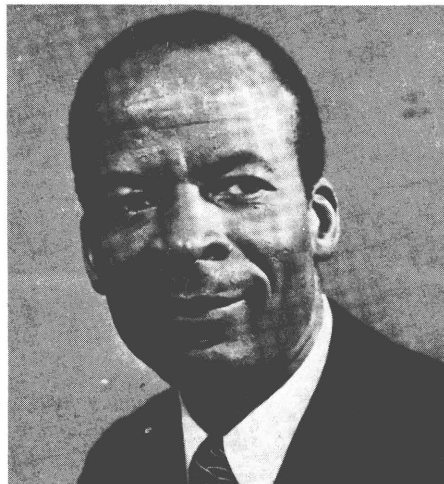
About 70% of our working population is employed in farming and agricultural exports always accounted for between 70% and 75% of our total export trade in the 1959-1980 period. The agricultural sector contributes about 30% to the national economy.

Agriculture gets 23.7% of all financing in the 5th plan

The 5th economic and social development plan gives CFAF 545 billion (1), or 23.7% of the estimated CFAF 2 300 billion total, to supporting and further developing the rural sector.

► In spite of all the problems of the climate, your agriculture seems to feed your constantly growing population today. This relative reliability of food supplies is already a remarkable achievement, particularly if it is

(1) One billion (bn) = one thousand million.



Samuel Eboua
Agriculture minister

compared to what happens in other countries. But isn't this the fruit of a serious food crop drive that you pursued, in particular after 1975, in your capacity as secretary-general to the President?

— Cameroon has more than 8 million inhabitants today and, as President Paul Biya said on the occasion of the 5th national council of the Union Nationale Camérounaise, “in Cameroon, people don't starve. They have enough to eat and supplies are increasing and improving all the time”. This is the result of a sustained food crop policy involving, in particular, improving the agricultural back-up services, setting up specific food production projects and developing the activities of Mideviv (the state body responsible for the development of food crops, fruit and vegetables).

Over the past few years, the traditional agricultural support structures have seen a substantial increase in the means put at their disposal. The number of agricultural posts and the number of staff have increased, equipment budgets have expanded and better training has been provided.

In many regions, much more flexible integrated development projects have been set up with greater means of intervention and operation. The zones for priority, integrated action in the east (eastern province), the north-central project (northern province), the rural development mission in the north-west province and the higher western plateaux project (western province) are worth particular mention.

Alongside this strengthening of the agricultural sector, the government has introduced or developed specific food crop projects. The most important of these are:

- the Semry projects, which produced 54 000 t paddy rice from a developed area of 9 000 ha in 1981-82;
- Socusam and Camsuco, which produced 65 740 t sugar from 17 000 ha in 1981-82;
- Socapalm and CDC, which produced 49 000 t palm oil from a 40 150 ha plantation over the same period, although, a large part of the Socapalm land has not yet started producing. The planters, backed up by the OCB, produced 47 500 t bananas from a 2 300 ha plantation over the same period.

Feeding 14 million people in the year 2000

Lastly, Mideviv, the intervention body formed in 1973, has constantly developed its activities in the fields of seed production and supplies for the big urban centres.

All these schemes to promote self-sufficiency in food have to be vigorously developed over the coming years, as recent projections suggest that Cameroon will have a 14 000 000-strong population in the early years of the next century. This sort of increase means that more will have to be ploughed into farming if the self-sufficiency target is to be maintained, so as to increase production and productivity and develop employment in the agricultural sector if need be. This is why the rural sector is well placed as regards the financing of the 5th plan, as we have just said.

A large part of this financing will be used to consolidate schemes set

up under previous plans and to run projects defined in the sector plans drawn up as part of the groundwork for the 5th plan. These will be concerned with food crops, seed and fruit and vegetables.

► *Wasn't cereal production in the north harmed by drought in 1981-82?*

— The 1981-82 year was indeed hard-hit by drought, particularly the grain-growing areas in the north, and the shortfall is an estimated 75 000 t. The measures the government has taken to handle this situa-

tion include providing exceptional financial means, via the cereal board, to subsidize the purchase of grain in the areas worst affected, intensifying the development of the rice plots in the various Semry projects, intensifying food crops in the north-central project and getting the Benoué Valley Commission to develop areas with suitable rainfall for settlers.



A Cameroonian market, proof that agriculture is expanding

tion include providing exceptional financial means, via the cereal board, to subsidize the purchase of grain in the areas worst affected, intensifying the development of the rice plots in the various Semry projects, intensifying food crops in the north-central project and getting the Benoué Valley Commission to develop areas with suitable rainfall for settlers.

► *Did you reach your production targets for cocoa, coffee and cotton in 1981-82?*

— That was a period of particularly unfavourable climatic conditions. There was wide-spread drought in the cotton-growing zone and a major water shortage in the coffee-growing zone in January and February, so the overall production levels of our main products was just maintained or dropped slightly.

Cocoa production was 118 000 t in 1981-82, as against 117 000 t the previous year, a slight increase of

1 000 t. This is still a poor rate of increase if you look at what we hope to do and it should improve as the plantations created under the cocoa revival programme come into use.

Lastly, cotton production was around the 80 000 t mark in 1981-82, as against the 84 000 t we

achieved the year before. This is a drop of 4 000 t—or 5% in relative terms.

► *Is it true that the increase in the agricultural allocation in the 1982-83 budget is second only to the increase for social affairs?*

— 1982-83 is the second year of the plan. This provides considerable means for development of the rural sector, which is why the agricultural ministry's operating budget for the year is CFAF 7 865 265 000, whereas it was only CFA 5 780 498 000 the year before. This is an increase of 40.94%, a far higher one than that of the country's total operating budget for that period, and it is second only to that of the social affairs ministry's budget, which is up 43.99% over the last year's figure.

Above all, this increase reflects the government's desire to provide the requisite means to facilitate the implementation of investment pro-

jects—which got CFAF 10 bn for 1982-83, a 150% increase over the CFAF 4 bn of 1981-82.

These amounts do not include either the government's extra-budgetary grants (amounting to CFAF 28 bn in 1982-83 and CFAF 27 bn in 1981-82) or any external financing. Overall, the 1982-83 budget saw a substantial increase in the logistical means put at the disposal of our departments, which means we can have more and better basic monitoring in the agricultural sector.

► *How important is the agro-industrial sector to the Cameroonian economy?*

— By agro-industrial projects, we mean those projects which depend on the wage-earning agricultural work force rather than on peasant labour to achieve their production targets. This is the case with such projects as Socapalm, CDC, Pamol, Safacam, Hévécam, Camsuco, SPGS, Sodéblé and more.

The contribution this sector makes to national production is still small compared to the peasant labour sector, but it is bound to develop as the young crops become productive.

In addition to making its contribution to national production, this sector should also be a focus for regional development, in particular through the establishment of village plantations. And it should also be involved in the national food crop production programme via the development of a food plan with the priority aim of feeding the wage-earners' families—which would enable the labour force to be stabilized.

The prospects for industry

► *Doesn't the 5th development plan, in which the agricultural sector takes 23.7% of total financing, reflect the idea of the complementarity of agriculture and industry?*

— The 5th plan provides CFAF 377.2 billion worth of financing for the secondary sector, which combines industry proper and mining and energy. A large number of industrial projects in the plan are concerned with the processing of agricultural products—the maize complex, for example, the manioc agro-industrial project, the rum project, the palm oil processing scheme, the babyfood



Guy Maurette

Millet threshing at Kapsiki in the north. All the regions of Cameroon should be developing the most suitable crops

manufacturing operation, the tomato concentrate production project, the pineapple canning scheme, the quinine production operation, the timber complex, the furniture project and the second textile project.

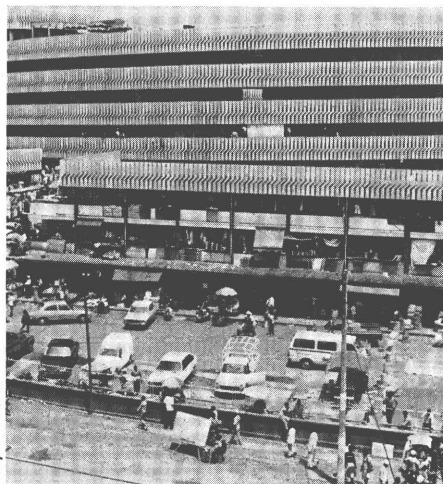
Other industrial projects in the 5th plan are concerned with turning out the input needed for the development of agriculture. Take the fertilizer production scheme, the plant health product manufacture operation and the tractor assembly scheme, for example.

► *Cameroon has a large forestry sector. Forests cover a third of the country, but they don't seem to be sufficiently exploited as yet. Are transport problems the reason for this?*

— Cameroon's forests cover about a third of the total territory and the exploitable areas cover a total of 17 400 000 ha at the present time. Forestry concerns now have concessions for 8 300 000 ha and production is up around the 1 800 000 t mark. These figures show that our forest still has its full potential.

The measures we shall take to develop forestry exploitation include the creation and improvement of our transport infrastructure.

CFAF 281 bn has been provided for road transport in the 5th plan and it will be for route studies and for the construction and strengthening of around 10 564 km of roads.



Guy Maurette

The central market in Yaoundé, the sign of a thriving economy

About CFAF 63 bn has been provided to finance the realignment of the last two sections of the Douala-Yaoundé railway, the attendant infrastructure and various railway studies.

The importance of external financing

► *What role does external aid play in the development of your agriculture and what do you think of EDF aid in this field?*

— When the 5th five-year plan was presented to the national assembly in 1981, President Ahidjo paid sincere homage and expressed our profound gratitude to all the friendly countries and international organizations which have always provided aid and assistance and thereby contributed largely to the development of our country.

That shows just how important external aid is in achieving the aims of

Cameroon's various development plans.

So I am pleased to say here today that the agricultural sector has always been one of the greatest recipients of this aid. At the end of the 3rd plan, for example, external aid for agricultural development provided CFAF 18.2 bn of the total financing of CFAF 42.76 billion.

And external aid contributed CFAF 31 bn under the 4th plan of a total financing of CFAF 70 bn.

Cameroon is counting on external aid worth an estimated CFAF 172 bn to achieve the agricultural aims of the 5th plan now in progress.

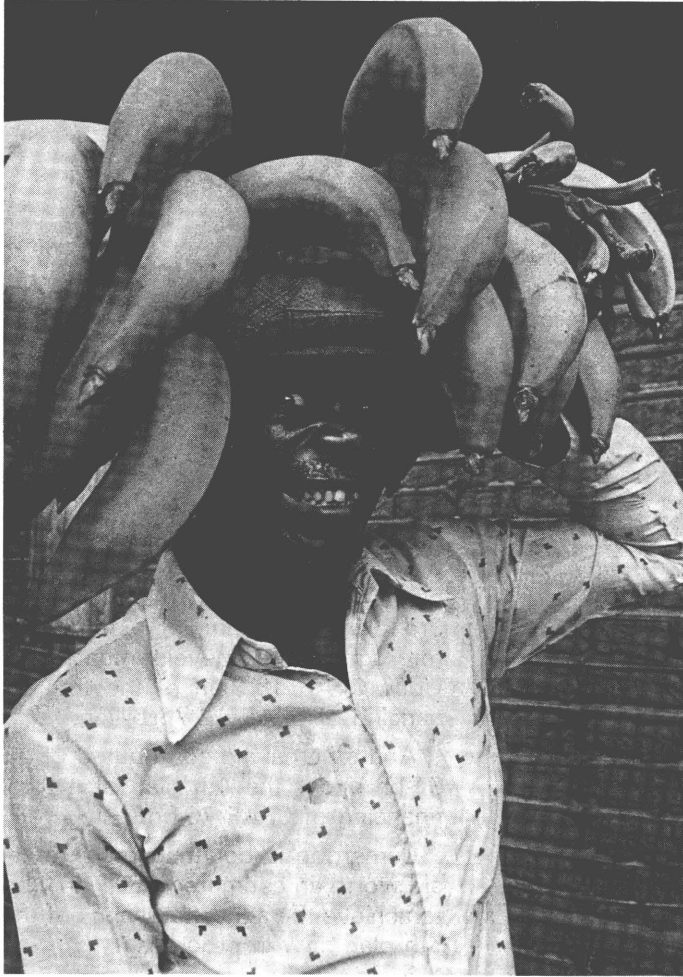
So it is reasonable to say that the positive results in agriculture, particularly our self-sufficiency in food, have been achieved not just by a properly planned development policy but with the valuable help of external aid as well.

The EDF is well-placed amongst the other big donors. Under the 4th Fund, for example, it provided ECU 26 m worth of financing for the development of the rural sector and the figure for the 5th Fund is ECU 30 m.

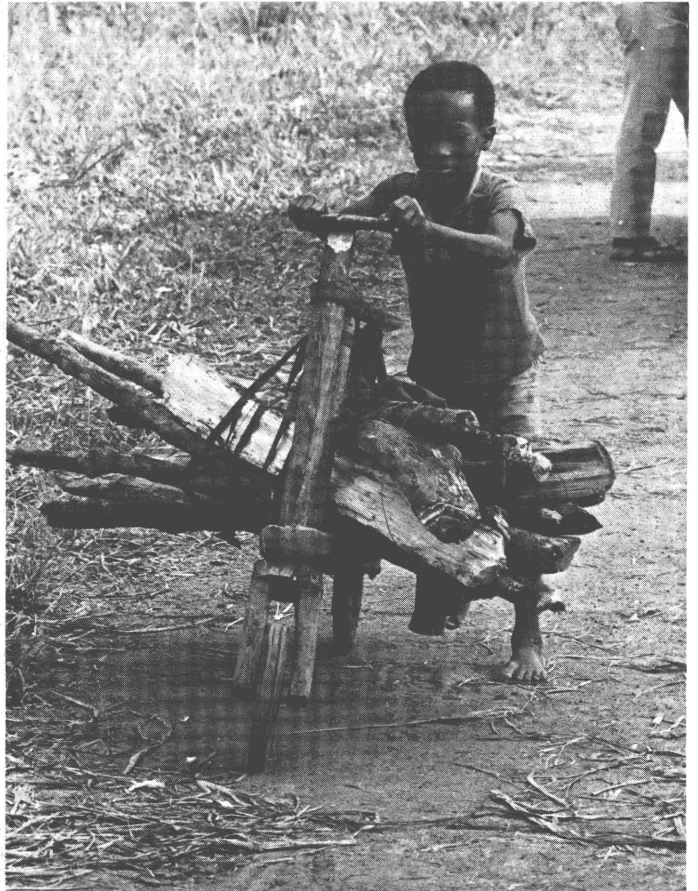
Of the EDF-financed projects, the Socapalm village plantations in Dibombari and the Djuttitsa tea project are worthy of particular mention, as are the Logone and Chari project, the integrated rural project for the north west province, the north east Bénoué project, the study for an integrated rural development project in the Mbaw Plain and a food crop marketing study. ○

Interview by A.L.

Daily life: four means of transport...



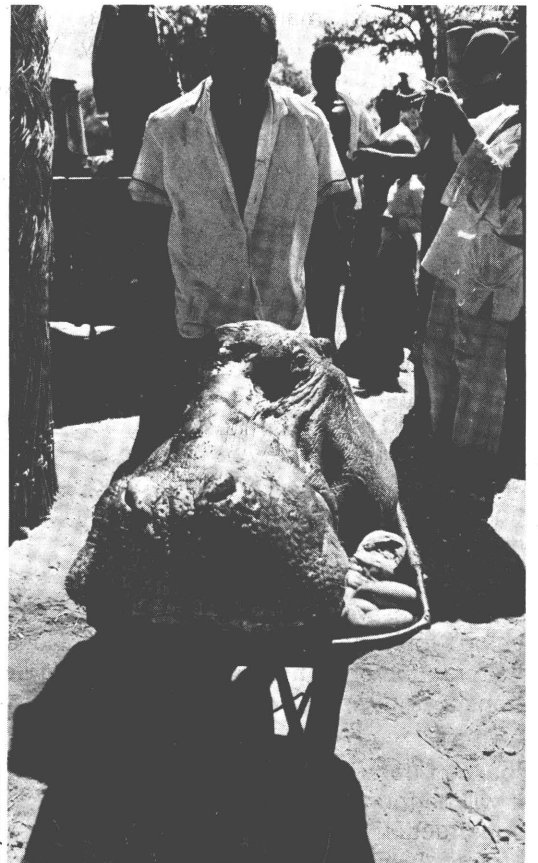
Guy Maurette



Guy Maurette



Guy Maurette

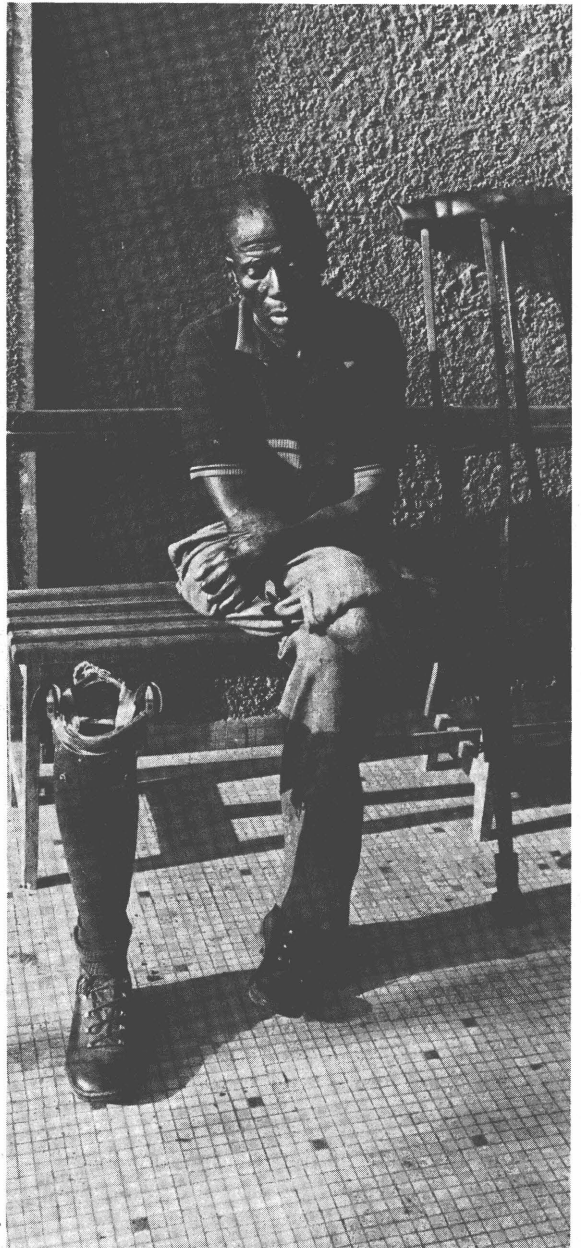


Guy Maurette

...going shopping... and the disabled



Guy Maurette



Guy Maurette



Guy Maurette

“The growth rate achieved under the 4th plan will be maintained and even bettered under the 5th plan”

An interview with economy and planning minister Pierre Désiré Engo

Cameroon is now implementing its 5th plan (1981-86). The idea is to use the results of the 4th plan as a basis for preparing Cameroon for the future, since the 5th plan looks ahead to the year 2000. Growth rate, demography, self-sufficiency in food, agro-industry, energy and external financing are the key topics which the *Courier* discussed with Pierre Désiré Engo, economy and planning minister (1).

► *The 5th five-year plan (1981-86) is part of a vast forward-looking enterprise. What are the main policies that will be shaping the Cameroon of the year 2000? Isn't one of the fundamental problems the fact that you will have something like 15 million people inhabitants, most of them living in the towns, come the year 2000?*

— In the light of the major study compiled between October 1979 and June 1980, the government, rather than opt for a global target as had been done previously, decided to shape Cameroonian society of the year 2000 on the basis of on one or two fundamental aims that would guide its path. These aims are:

- health for everyone in the year 2000;
- water and electricity supplies for everyone in the year 2000;
- free, compulsory primary education for all under-14s;
- a proper balance between town and country;
- diversification of production;
- and self-sufficiency in food.

From these aims, which reflect the

(1) Mr Engo has recently been appointed director of the Caisse Nationale de Prévoyance Sociale, Cameroon's sickners benefit scheme.



Pierre Désiré Engo
Minister for the economy and planning

government's humanitarian approach, there emerges a considerable concern with striking a balance between the towns and the country areas of Cameroon.

The studies I have mentioned showed that, if the rate of urbanization stayed at the current 7%, then almost 80% of the Cameroonian population could well be living in towns by the year 2000 and only 20% in the country.

This is a cause of constant concern for the overall balance of society for, over and above any problems of housing, schooling and health coverage this change may generate, it means that each farmer would have to produce enough food for himself and three or four other people as well.

When you realize just what a slow business improving productivity in the rural world is and when you also realize that urbanization is almost always accompanied by a loss of the

best dynamic elements, the young people, from the country areas, then it is easy to see the dangers that such developments would entail.

A voluntarist policy

The government is aware of this situation and has therefore decided to implement a voluntarist policy geared to striking a balance between town and country, so as to put a stop to the drift away from rural areas. This policy, which should give us an urban population of 38-50% in the year 2000, is based on the following ideas:

- making village communities more dynamic by providing basic infrastructure such as water supply and electricity networks;
- stabilizing the rural areas by creating an integrated development structure in each of the major ecological zones;
- a judicious and encouraging agricultural price policy, that takes account both of the purchasing power of the city-dweller and of the need for a proper incomes policy for the peasant farmer;
- improvement of agricultural productivity, not just via the control and improvement of the means of production, but by a marketing policy in which the rural producer is fully involved;
- industrial decentralization based on a policy of processing local raw materials on the spot;
- lastly, a policy of administrative decentralization aimed at bringing the rural areas as close as possible both to the administration and to social facilities.

It is clear that breakneck urbanization brings a number of dangers with it. But the government has taken steps to control it and to cut the phenomenon down to manageable proportions.

► *The 5th plan not only stresses the need to maintain self-sufficiency in food but also underlines the need to generate a surplus for export. How do you intend to do this, bearing in mind your expanding population?*

- The launching of our green revolution in 1973 reflected the gov-

ernment's concern to ensure that Cameroon was self-sufficient in food by developing food production. Now, 10 years on, it can be seen that we have achieved this target. Our local production now covers almost 96% of our food requirements and our food production has expanded at an annual rate of 3.2% — which is ahead of the rate of population increase of only 2.5%. However, we do not intend stopping there.

The storehouse of central Africa

So the food production target in the 5th plan is not just to meet national requirements, but also—and this is the most important thing—to export our surpluses to the markets of the countries around us. The immediate objective is make Cameroon the storehouse of central Africa.

In order to achieve this objective, we took the variable of demography into account and our 5th five-year plan was designed in the light of realistic data, gathered in diagnostic surveys of the different sectors and in the study of our development prospects until the year 2000. All the aspects of demography—structure, growth, migration, eating habits and so on—have been analysed.

The relevant food production development programmes have been devised with a view to the anticipated development of all these parameters. The idea is to:

- improve conditions in rural areas so as to put a brake on the move to the towns;
- train and utilize our young farmers in rural areas;
- improve productivity in agriculture and herding via the development of agronomy and animal research and the mechanization of agriculture;
- improve our food storage and conservation infrastructure and make for better organization of the marketing circuits.

All these programmes, which are based on genuine, recognized potential, are included in a realistic and coherent plan for the food production sector. They should enable us to reach a 5% p.a. rate of growth in the primary sector (as against the 2.5% rate of population growth I mentioned just now) during the course of

the 5th plan — which is only one of the phases of operation.

As you can see, we are convinced that the government's efforts, combined with the dynamism of our population, will enable us to exploit our agricultural development possibilities in a more intensive manner and thereby ensure that we are self-sufficient in food and have enough left over for export.

▶ *The agricultural wealth of your country has already enabled a food and agricultural industry to be developed. Do you intend to pursue industrial development mainly along these lines?*



Guy Maurette

Cameroon has a sugar industry, but it cannot yet meet the needs of the domestic and regional market. Some 27 109 t of refined sugar was produced in 1981-82

— The government's economic policy so far has put the accent on agriculture as the basis for our development. This is the framework in which we ran our major agro-industrial projects—Semry and Sodecoton in the north, the two sugar companies in the centre and the vast agro-industrial rubber, oil palm and tea plantations along the coast. And other projects are being studied and implemented in this sector. But because such projects often call for heavy investment, because profitability is not always immediate and because there is always a problem of climate and natural conditions, the government has always been aware of the limits of agro-industry.

So, although it is still paying spe-

cial attention to this sector, the government has not overlooked the other possibilities of industrialization—which has always been considered as the driving force of development. Our policy here has been in two distinct phases.

Phase one, which covered the first 10 years of our independence, was primarily aimed at two things — promoting small businesses so as to encourage nationals to move into the so-called modern sectors of activity and developing the sort of industries that will provide products for import substitution. This was the framework for a number of large-scale projects, such as:

- the Chococam and Sic Cacao breweries and the flour mill in the food sector;
- an enamel works, a strip mill in Douala and our tropical forge in the metal sector;
- Alucam, Socratral and Alubassa in aluminum processing;
- Cicam, Synthecam and Solicam in the textiles sector;
- Cellucam, Cocam and Sofibel in the timber sector;
- and Cimencam in the building sector.

Phase two of this policy begins with implementation of the master plan for industrialization that is now on the drawing-board. The idea of this plan is to give the country an integrated, self-sustaining, well-

structured and fully nationally run industrial network that meets the following aims:

- safeguarding and consolidating self-sufficiency in food, which means that priority has to be given to industries connected with agriculture, herding and fishing;
- achieving genuine self-reliance via the creation of a self-sustaining industrial network;
- processing raw materials locally.

developing countries, is particularly vulnerable at the present time.

But although we very much hope to see an end to this period of general gloom, we are more or less convinced that it will not affect the provisions of our 5th development plan to any great extent. There are three fundamental reasons for this.

First, this crisis is nothing new. Remember that the first oil shock came

cerns of the economic operators. So the leitmotif of our planning is realism and it is this realism that guarantees success during the period of implementation. It is also reflected in such things as financing forecasts for the 5th plan, whereby 60% of the monies are earmarked for public financing, including 43.5% for local resources, and 40% for the private sector.

And the third reason has to do with the fact that Cameroon is in a particularly favourable position, both domestically and internationally.

On the domestic front, in fact, the country has kept its production potential intact and this in spite of the crisis, particularly in the agricultural sector. It provides almost all the food and energy it needs and it is developing further production potential with the sole aim of providing surpluses that can be used for equipment. It is generating domestic savings, very substantial ones, to finance development and, lastly, it has the sort of political and social stability that people notice.

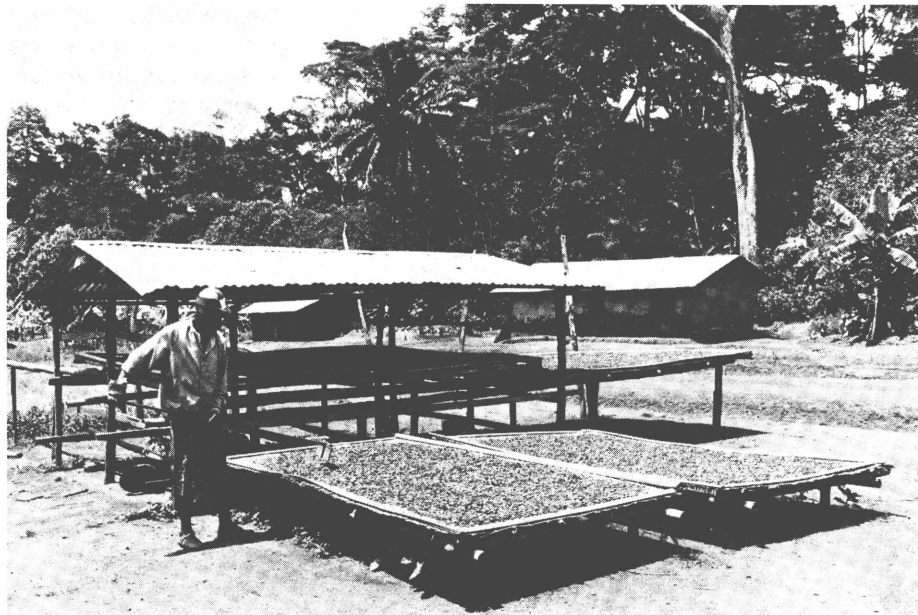
On the external front, all I need to say is that Cameroon has an excellent reputation with funding organizations at the present time.

All this is good reason to think that the growth rate achieved under the 4th plan will be maintained and even improved under the 5th plan.

► *Industrial expansion has been favoured by the 1960 investment code — but it also has to have energy supplies. Cameroon is French-speaking Africa's biggest supplier of energy, with the dam over the Sanaga. The site of this dam explains why most of the country's industry is in the south, in the Douala-Edéa-Yaoundé area. Doesn't this present a problem as far as the development of your other regions is concerned?*

— Cameroon does indeed have enormous HEP potential. Some has been put to use. The Sanaga Falls, for example, have been exploited for some time and the Song Loulou dam, in the Edéa region again, is a recent undertaking.

It is true, as you rightly point out, that our industrial network is most strongly concentrated around Yaoundé-Edéa-Douala, i.e. around the present HEP production area.



Guy Maurette

Cameroon's cocoa production is increasing constantly once again (120 000 t were sold in 1981-82 after a drop due to ageing of the trees). The industry only used 9 339 t of beans, giving 2 265 t of cocoa butter

These aims are to be met in four key sectors: iron and steel; bauxite and aluminum; timber and forestry; and hydrocarbons and petrochemicals.

The attendant sectors of energy, training and economic infrastructure will be developed alongside.

As you can see, Cameroon's industrial policy is aimed at creating an integrated, well-structured and self-sustaining economy.

► *You achieved a growth rate of 6.8% during the 4th plan. Do you think you can manage anything comparable under the 5th plan, given the international economic situation?*

— The serious economic crisis in the world today is a source of constant concern, given all the evils— inflation, recession, unemployment, deterioration of the terms of trade and so on—which it brings in its wake. No country is spared, obviously, and Cameroon, like all the

in 1973 and that our 4th development plan, which covered 1975/6 to 1980/1, was therefore implemented during a period of crisis. But in spite of this Cameroon's economy expanded at the rate of 6.8% p.a., as you said. So it is reasonable to expect this performance to be consolidated, improved upon even, during the 5th plan.

The second reason is directly connected with the methods we use in devising our various development plans. As you know, our approach is a simple, pragmatic one, based on an objective critical analysis of the economic situation of the country in the present or foreseeable international environment. This is then used to make projections to show how we should proceed during the next five years.

In other words, our five-year plans are devised on what is essentially a democratic basis reflecting the aspirations of our people and the con-



Large agro-industrial palm plantations have been established, in particular at Dibombari near Douala, with help from the EDF. Palm oil production was 70 000 t in 1981-82, leaving a surplus of more than 16 000 t for export

It is because of the risks that such a concentration of industries might involve that, since it came out, the investment code has provided genuine advantages for any firms setting up outside the area you have mentioned. These advantages, we feel, should, with a view to the balanced development which is one of the fundamental aims of the government's economic policy, make up for the high costs which industrial units have to cover if they set up elsewhere in the country.

And then in the 5th development plan we are now implementing a vast energy programme intended to provide more or less complete nationwide cover, in the long term, by supplying energy from the production areas to more distant parts.

And lastly I should mention that, with the coming into service of the Lagdo dam near Garoua and the interconnexion of two (northern and southern) networks, the last barriers to complete energy cover before implementation of the master industrialization plan will have been raised.

► *How much foreign financing do you get and what role does it play in*



The Socatral plant at Edéa
The aluminum industry is one of the country's oldest industrial enterprises. In 1981-82, Alucam's production capacity was increased from 45 000 t to 80 000 t

the implementation of your 5th plan?

— Studies run while the 5th plan was being drafted showed that financing of the plan could be more or less covered by national resources. The trends in savings which these studies revealed showed that there would be enough to cover all the financing required for the investments to be made during the 5th plan. These investments have been assessed at CFAF 2 045 billion (1) and the rest of the CFAF 2 300 billion total is intervention expenditure.

But in order to take account of the open nature of the Cameroonian economy, and in accordance with our choice of planned liberalism, provisions have been made for a contribution from external capital — which should cover part of the public financing (16.5% of the total amount) and also be of considerable help with the private financing which represents 40% of all the amounts required.

So all in all, the government is confident and feels that there will be no major problems attached to obtaining all the monies required in the 5th plan.

► *The possibility of finding investors and fresh cash may be enhanced by the fact that Cameroon has only a very small debt compared to many other countries.*

— In any event, we are genuinely optimistic about obtaining the financing we need.

► *Are you counting on the European Community here?*

— The European Community as a whole and the member states, individually, give a substantial amount of aid to Cameroon and we are counting on the Community to continue giving us its support.

I should like to end by saying that I hope this contact can be maintained. I should also like to say—and this is a good opportunity, I think—that I hope the Convention will be renewed in the sort of conditions that are right for Europe and right for us in the ACP group. ◦

Interview by A.L.

(1) A billion here indicates a thousand million.

Economic infrastructure: the big projects

The big economic infrastructure projects of the 5th plan are all those connected with the two major regional development operations for south Cameroon and the upper Bénoué valley, plus those involving communications, telecommunications and energy.

Major regional development projects

The development of southern Cameroon

The prospects of developing the economic potential of southern Cameroon, now being investigated, are to be realized in two projects that should generate other activities — the deep-water port and the gas liquefaction plant.

The port, which warrants particular attention, meets two requirements:

- catering for very large vessels, which Douala cannot do;
- developing the traffic in heavy goods (timber, iron and steel, clinker, etc.), which is limited at Douala.

As the studies now stand, the average figures proposed are:

- capacity = 5 000 000 t;
- depth = 15-20 m;
- estimated costs = CFAF 120 billion in three phases.

The site will be at either Grand Batanga, which is 9 km from Kribi, or at Mboro Mbode, near the iron deposits.

Development of the Bénoué valley

This is connected with the Lagdo dam which was built by the Chinese and came into service last year.

The valley has a potential irrigable area of 80 000 ha and an arable area of 30 000 ha.

The crops to be developed are rice, grain and sugar.

The operation is expected to cost CFAF 150-200 billion between now and the year 2000.

Energy projects

In this sector, the projects to be implemented (over and above the Lagdo dam, which has already been completed) are:

- extensions to the Song-Loulou project (CFAF 45 billion). Funders are being approached now and the



Sawmill at Mouloundou, eastern Cameroon

The timber processing industry used 1 180 000 m³ of round wood in 1981-82. At the moment, the slump in the building trade in Europe in particular is having repercussions on the wood sector

work should begin towards the end of this year;

- construction of the Mapé reservoir-dam (CFAF 13 billion);
- extensions to the electricity supply network (CFAF 20 billion approx.).

Communications

Ports

In addition to the deep-water port at Kribi, there are major plans to develop a UDEAC zone at the

port of Douala and build a fruit terminal at the port of Douala.

Airports

- The 5th plan projects are to:
- complete the international airport at Garoua (CFAF 65 billion);
 - complete the work on the international airport at Douala (CFAF 15 billion);
 - run studies on and construct the international airport of Yaoundé (CFAF 50 billion during the 5th plan);
 - study and build secondary aerodromes.

Railways

The main project to be run here is the one to complete the realignment of the Douala-Yaoundé line (CFAF 45 billion).

Roads

There are a number of road projects in the 5th plan. The main ones currently being implemented are:

- the Douala-Yaoundé road;
- the Yaoundé-Bafoussam road;
- the Maroua-Mokolo road;
- improvements to the Garoua-Ngaoundere road;
- the Guider-Bidzar-Doumbeye road.

The programme of economic infrastructure projects in the 5th plan is, obviously, a vast and ambitious one. In communications alone, the projects that are planned will call for financing of something like CFAF 486 billion over the whole period of the plan. This is equal to 21.1 % of all the financing required. Add to this the financing earmarked for the transport sector (i.e. CFAF 110 billion), and the result is a total sum of more than CFAF 596 billion, the lion's share (25.9 %) of investments programmed under the 5th plan.

A programme of this magnitude means that the projects have to be properly designed, implementation programming has to be better and the procedure for signing contracts has to be speeded up. It also means that public works firms have to be more flexible in adapting to the needs generated by these contracts. ○

Communications, the key to development

In a country as vast as Cameroon, there is a constant need to improve communications as on these depend all the development campaigns; and the infrastructure certainly has developed a great deal over the past 20 years.

Traffic through the ports has trebled. Douala, which caters for 90% of it, saw an increase in goods handled from 767 000 tonnes in 1960 to 2.5 million t in 1977. At that stage, the port of Douala was already one of the focal points of African freight, but it was operating at full stretch. After major development and extension work, it now has a capacity of 7 million t, which could be increased to 15 m t. Studies are also being run on deep-water ports at Limbé (ex-Victoria) and Kribi. The state has formed its own, expanding shipping company, Cameroon Shipping Lines, which bought two more vessels in 1982, bringing its total fleet up to eight.

The railways have been considerably modernized and extended over the past 20 years. The Transcameroon is a 662 km lifeline between Yaoundé and Ngaoundéré, inaugurated in December 1974. Work on the line began in 1964 and cost slightly more than CFAF 26 000 m, this being provided by Cameroon itself, the EEC, the USA, France and Germany. This magnificent achievement is both a symbol of the unity of the country and a means of developing the areas it crosses. It has been instrumental in encouraging the creation of a sugar complex at Mbandjock, it has helped forestry around the Bélabo area, improved the profitability of herdsman in Ngaoundéré and encouraged such crops as cotton, rice and groundnuts in the northern regions of Cameroon. It should also be an incentive when it comes to capitalizing on the country's mining potential.

But the Transcameroon can never fulfil its potential until the 262-km stretch between Douala and Yaoundé, which dates back to German colonial times, has been realigned.

As soon as the financing for the first Yaoundé-Bélabo stretch had been collected, it became clear that the existing line between Douala and Yaoundé would be a bottleneck, both because it was so old and, most importantly, because of the very difficult terrain it covered. This particular section, of which the Germans built the Douala-Eséka part in 1909-14 and the French the Eséka-Yaoundé part in 1916-26, is no more than a series of short (150-200 m) curves covering the escarpment of the edge of the continental plateau, with steep inclines. Because their earth-moving equipment was poor, the builders had to stick to the natural contours as far as they could, following the hillsides with no valleys or passes through what is often chaotic terrain, consisting of a series of large steps between Eséka and Grande Maloumé, rising 340 m over a distance of 19 km.

The work involved is considerable as there are many bridges and tunnels, embankments of as much as 20 m, and forests and marshland to be crossed. The cost of this project is such that implementation has had to be in stages—which added to the delays. It was assessed at CFAF 50 000 m in 1975, but the cost is now up around the CFAF 76 000 m mark. Cameroon is providing financ-

ing, as are Germany, France, the USA, the EEC, Canada, Saudi Arabia and the African Development Bank.

The road network is relatively dense, covering 65 000 km in all, but a lot still needs to be asphalted. Some roads, like the Ngaoundéré-Garoua-N'Djamena (Chad) highway, are excellent. Considerable progress has been made on this front over the past 20 years and 2500 km are now metallized where there were only 500 km before, but there are three times as many main roads as there used to be. The big project at the moment is the building of a 233 km highway for heavy traffic between Douala and Yaoundé, the two principal towns in Cameroon. Here again there need to be a lot of funders, as the cost of one km of asphaltting is CFAF 200 m — or FF 4 m. The funding organizations are the African Development Bank, ABEDIA, the EEC, the IBRD and France, Holland, Kuwait, Abu Dhabi and Canada.

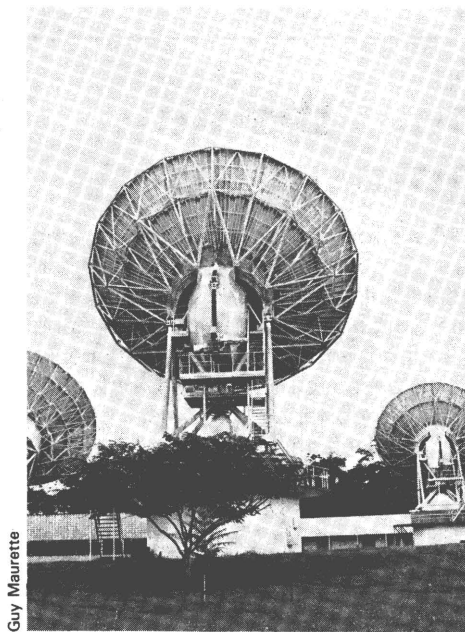
And lastly let us look at air transport. A vast modern airport was opened at Douala in 1977 and another has been started and practically completed at Garoua. There are also plans to extend Yaoundé airport. Cameroon left Air Africa in 1971; Cameroon Airlines was set up and now has a reputation for its dynamic approach. It also has a monopoly on domestic traffic at the country's 20 or so airports. Progress has also been made in the telecommunications sector and the Zamengoué sta-



This bridge over the river Sanaga, inaugurated in December 1982, allows traffic to get from Yaoundé to west Cameroon without using the ferry; the bridge is also one of the key elements of the projected major national highway between Yaoundé and Bafoussam

tion near Yaoundé is linked to a satellite.

All this is reflected in the figures for the 4th plan, under which 23% of national investments were earmarked for communications infrastructure. This target was all but (94%) reached, although in a heterogeneous manner. Ports and airlines have had the highest rate of achievement, followed by railways. The latter have absorbed 25% of investments in infrastructure, largely because of the improvements to the Douala-Yaoundé line. Less attention has been paid to roads, which is why one essential aspect of the 5th plan is the increase in the share of resources earmarked for roads, postal services and telecommunications. The Cameroonians are very anxious to see their telephone system improved as, although it is easy to connect with the capitals of the world, domestic calls are still something of a problem. ○ A.L.



Guy Maurette

Earth station at Zamengoué near Yaoundé: telephone links with countries abroad are good, but domestic links need to be increased in quantity and improved in quality

where the population of the north had been considerable for hundreds of years and there was already a considerable variety of agricultural and animal products, the political will present in the Transgabon project was less evident. Economic forecasts showed that the new line (linking Yaoundé and Ngaoundéré, 650 kms apart) would be called on to cater to a large amount of traffic, something like 500 000 t p.a., as soon as it was opened, without any really new industries or plantations being created.

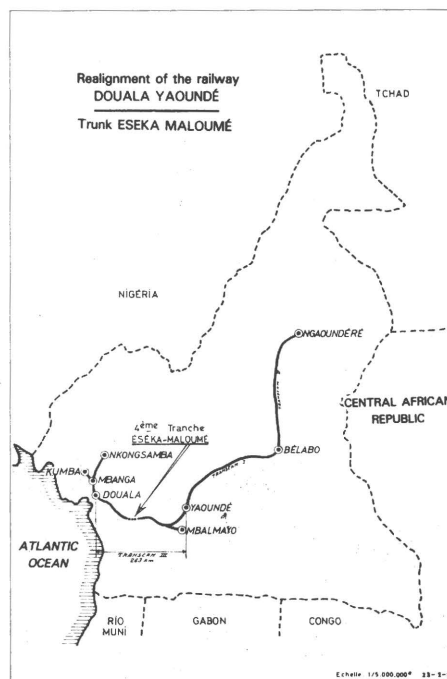
However, in spite of these economic justifications, the political interest of this line emerges clearly from the emphasis former President Ahmadou Ahidjo laid on its achievement. For this purpose, he set up the Transcameroon Railway Board, a public body. This is independent of the country's national railway organization, which has been going since the beginning of the century and manages the Douala-Yaoundé line and the small railway between Douala and Nkongsamba. So a new board was set up, with a very small staff so that it could react fast. The problem was easy to solve in Gabon—to continue your comparison—because there they had no railway board before OCTRA, which has the same job as the Transcam board. So there we also had a light structure which was designed to plan and build new lines.

Transcam III — realignment with great aims in view

Mr Marec, head of the Transcameroon Railway Board (OCFT), describes the importance of the railway to Cameroon's communications network.

► *Some big projects have struck the imagination of the general public. This is particularly true of the big railway projects and it is perhaps not by chance that the two biggest railways now being built or overhauled in Africa today are the Transgabon and the Transcameroon, both of them in the centre of the continent. Can you sum up in a few words why these gigantic infrastructure programmes were undertaken and what influence people imagined the railway would have on the development of the country?*

— You are right to underline the link between these two projects as, in both cases, the highest authorities in both countries were well aware of the need to build a link between the coast, the centre and the far distant parts of the country. This infrastructure had to be of a kind that could be



built quickly, and before there was any real idea of how much traffic needed to be catered for.

In the case of the Transgabon, the authorities wagered on the future. In the case of the Transcameroon,

► *I remember coming to Yaoundé for a parliamentary conference in 1971 and spending a day with the MPs on a train to Bélabo, the terminus at that stage. But three years later, in 1974, the line had been completed and went as far as Ngaoundéré. Now that you've built the Transcameroon, what you call the lifeline of the country, what do you do next?*

— The Transcameroon, the new link built for both political and economic reasons to ensure the development of northern Cameroon, was completed in 1974. But the Transcameroon Railway Board was not disbanded. It was because, alongside this, it was obvious that the old line between Douala and Yaoundé was not able to absorb the traffic generated by the northern section, by the fact that the capital, Yaoundé, was in

the centre of the country and by the development of the port of Douala. So the OCFT was quite naturally given responsibility, not for building a new line this time, but for realigning the old one, i.e. laying a new track parallel to the old one with the ultimate intention of replacing it.

Technically the work is identical to that carried out in the north and the financial requirements are similar. However, the pioneering aspect that such an undertaking used to have is no longer, it has to be said, as obvious as it was, as the Douala-Yaoundé railway, after all, is already there. It is functioning and although we are gradually replacing each stretch by new track, which is safer and of greater capacity, the venture does not appeal to the imagination of the Cameroonians half as much as the creation of a new line would.

► *So the OCFT is responsible for remodelling the Douala-Yaoundé line.*

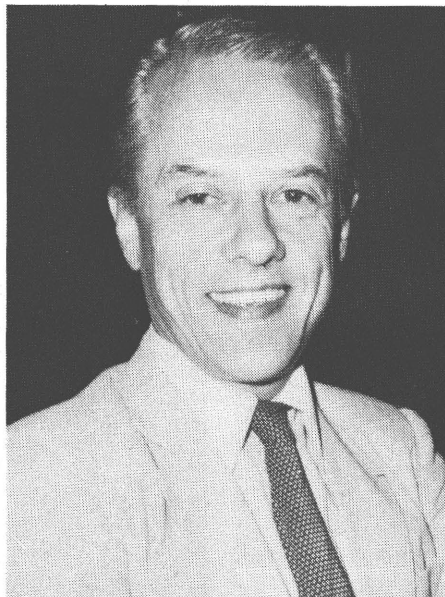
— After the line to Ngaoundéré came into operation, it was decided to get the OCFT to cover the Douala-Yaoundé stretch and any other lines that had to be created. The whole future depends on what decisions the government takes on building a deep-water port at Kribi, south of Douala. If such a decision were to go through soon, we would have to take a close look at the economic feasibility of a line between the port and the Transcameroon railway network.

► *So you still have plenty to do. Furthermore, there is oil at Kribi and a large gas deposit has also been found there.*

— Yes, natural gas has been found at Kribi and it is enough to justify other investments and the mobilization of the population there, with all the attendant services that this would involve—and the creation of a new port, therefore. The gas alone does not warrant building a railway. The field is near the coast and the gas can be liquefied and shipped in barrels. But the beginning of exploitation of this reserve could be the trigger for the new port and all the industries that will spring up around it.

► *You say it was only slightly more difficult to rebuild the Douala-*

Yaoundé railway than to build the new line between Yaoundé and Ngaoundéré. But the map shows there are mountains between Douala and Yaoundé and that no doubt means building bridges and tunnels. And there are marshes. All this will obviously be very difficult and cost a lot of money. Can you give us an idea of the costs of modernizing this line, perhaps by comparing it to the cost of building the new stretch of line between Yaoundé and Ngaoundéré?



Mr Marec

head of the Cameroon Railway Board

— The distance between Douala and Yaoundé is about 300 km and 90% of the work is very similar to work on the northern line. In French francs (1983 prices) this would mean around FF 300 m per km. But what about the other 10%? This is near the middle of the section, near the town of Eséka, where the line goes up a cliff, rising from sea level to the top of the Yaoundé plateau. It is 250 m at Eséka and rises to 600 m only 25 km further on. This is an exceptional section and fortunately it is a short one. It is less than 10% of the whole length but each kilometre of it costs, at 1983 prices, FF 1 000 m, i.e. more than three times the usual amount. Why does it cost so much more? On one part, a 25 km section, we have to shift as much earth as we did on the previous 74 km section. And we have three more tunnels, one of them 1500 m long, and five viaducts, one of them 500 m long. The fact that the new

line is very near the old one, usually only a couple of kilometres away, and cuts across it in some places, does not alter the sort of work we have to do, although it does mean that we can bring the different sections into service one at a time.

► *The line between Douala and Yaoundé was very old. I think it dates back to before the French era. The Germans began it. So I suppose there are lots of bends and lots of steep slopes?*

— The railway was indeed designed during the German period and we have old photographs and maps showing that the Germans wanted to build a nation-wide network. It was a line that was designed in the same voluntarist frame of mind as we found in Gabon and in the line north of Yaoundé. There was no traffic and it was hard to make a serious assessment of the potential. The authorities wanted to build this railway and they intended to take it right up to northern Cameroon, to get the country developed—and, of course, with the means they had at the time, i.e. picks and shovels. So the line snaked from hill to hill, up and down, as much as a railway can. To give you a better idea, the minimum curves on the line were 100 m and we have nothing short of 500 m on the Transcameroon, except in very particular cases. The work at the time was done by the German and Cameroonian administration between Douala and the town of Eséka, i.e. a distance just short of 200 km. They reached Eséka in 1914, or more precisely a little halt two kilometres further on at Jog. The studies for the alignment already went 50 km beyond this point.

In 1914 the work stopped. Eséka station had been built and, after the war, the French military took it all over and they began, after 1922, using German plans. It is interesting to see that there was this quite involuntary collaboration at the time, given the atmosphere that reigned between the German and the French administrations, in particular as far as the very difficult stretch between Eséka and Maloumé was concerned. And the line that was laid at the time was laid according to German plans—which are still in use today. Similarly, Eséka station was ex-

panded during the period of French administration and it is a pleasant monument to France, as the undertaking is a mixed one dating back to before the 1914-1918 war and from the post-war period. We have managed to keep this station and modernize it, respecting its period character.

► *How far have you got with the realignment and when is the work expected to be finished?*

— We have finished one section, between Edéa and Eséka, which meant that 90% of the Douala-Yaoundé stretch was completed by 20 December 1982. We still have to start the last, difficult, section between Eséka and Maloumé, the

associated with the construction of this line since the outset.

► *The present track is obviously going to have the same gauge as the one between Yaoundé and Ngaoundéré. But wasn't the old line of a smaller gauge?*

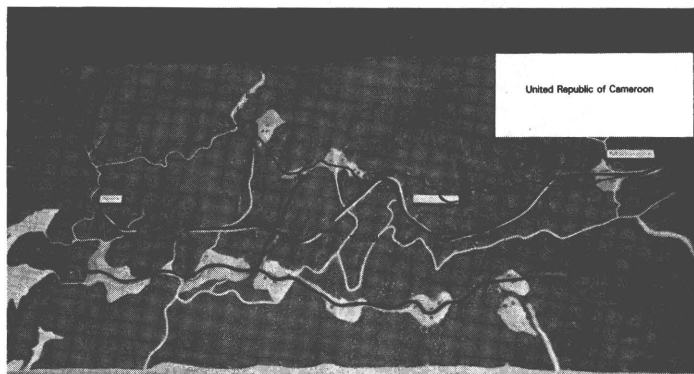
— No, the gauge has always been the same.

► *How big?*

— It is a 1 m gauge, because the new Yaoundé-Ngaoundéré line is an extension of the old Douala-Yaoundé line, so the rolling stock had to be able to go from one to the other. It had to use the old port of Douala network and go into the heart of the country.

— It is indeed a problem and one which the African Railway Union is monitoring closely. It's a bit like squaring the circle. There isn't really an answer. People have tried, in accordance with the African Railway Union's recommendations, to standardize certain networks around the 1 m/1 067 m mark, with research being carried out, according to these same recommendations, into the 1 067 m gauge—and into a completely new gauge, 1.44 m, as well.

► *In Europe, particularly in France, a lot has been heard about competition between rail and road over the past 30 years. Cameroon is preparing to build a heavy traffic highway between Douala and Yaoundé. Won't this mean there is a*



Three major tunnels are needed for the realignment of Transcam III between Eséka and Maloumé, as this photo shows (the dotted line is the old track)



A stretch of Transcam III

name of the little river that winds up near Yaoundé. At the moment we are issuing the invitations to tender. The three main lots are the earthworks, the tunnels and the viaducts; financing for the whole thing was found by a meeting of funders in June 1982. The work is to cost an estimated CFAF 40 000 million (current prices), including a provision for price rises, and should be completed between late 1983 and late 1986—i.e. three years, a tight schedule bearing in mind all there is to do.

In June 1982, Germany, the KFW, the ADB, the Saudi Fund, the EDF, the French FAC, Cameroon and Canada met. They lost no time in deciding on the financing. It took only one meeting, which is fairly exceptional. The EDF is contributing ECU 12.2 m, a continuation of its and the EIB's considerable and systematic financing, not just of the Douala-Yaoundé realignment but, above all, of the northern line, the EEC having been

► *But what would happen if you linked up with any foreign railway networks?*

— With this gauge we can link up with part of the neighbouring network—in theory at least, as, practically speaking, we need to take a closer look around us. Nigeria's gauges, which are British in origin, are slightly different—1.067 m. It is not hard to imagine the rolling stock going from one to the other on special adaptable bogies, although the idea isn't really operational yet. Then there is Chad and the CAR, neither of which have a railway network as yet. Gabon, which is laying its new tracks, has opted for a 1.44 gauge, which will mean it cannot hope to link up with any neighbouring networks. And although Congo is an ex-French colony, it has, exceptionally, the British 1.067 m gauge.

► *That makes three different gauges.*

risk of competition, or duplication perhaps, with the railways?

— Yes, we are going to have a good road between Douala and Yaoundé, to which the EEC will be contributing. It should be finished by the end of 1985. Bearing in mind the way the traffic is spread, in a way that meets the economic requirements of our country, there will not in theory be any problems. That is to say that the savings generated by carrying heavy goods, timber and hydro-carbons in particular, should be such that the free market will want them to be carried by rail. And this will be to the greater good of the roads, as heavy traffic deteriorates them rapidly, and it will mean the community will benefit from cheaper transport costs than it would get if these goods were carried by road. However, for the miscellaneous goods traffic, small parcels and some of the passenger services, it is a better economic proposition to use



Eséka station was built by the Germans before 1914, extended in 1925 and modernized as part of the realignment operation

The financing (in CFAF 000 million)

Country	Transcam I and II	Transcam III *				
		Sections				
		2nd	3rd	4th	1rd	
Cameroon	3 692	2 850	3 552		2 585	
EEC	12 238	2 775	—		—	
EIB	—	—	2 940		—	
USA	5 169	1 565	—	estimated	—	
Canada	—	1 200	—		1 720	
French	4 039	1 000	4 994		3 000	
Germany	1 089	6 843	3 480		7 221	
Total	26 227	16 233	14 966	30 000	14 526	
				French		1 720
				Telecommunications		
					Grand total	103 672

October 1981

The bridge over the river Dibamba⁽¹⁾

A bridge over the river Dibamba, to be financed from the 4th and the 5th EDFs (2), will be part of the new road now being laid between Douala and Yaoundé, the two biggest towns in Cameroon. The new route makes the road distance between them 233 km instead of 288 km and, in particular, the Douala-Edéa section which crosses a fairly flat and occasionally marshy region will be cut from 94 to 59 km.

The bridge will be in the midst of the marshes of the Dibamba valley, which is crossed by the new road about 14 km east of Douala. This means that the bridge will have to be a very exceptional one.

Bearing in mind the very compressible nature of the soil on the site, hydraulic piles have had to be sunk on both sides of the river (over about 1.9 km overall) before the bridge proper is built.

These structures were financed by bilateral aid from the Netherlands and the work is scheduled for completion during 1983. The right bank is almost finished now. The

work involves replacing mud by sand, down to almost 15 m and about 40 m along the banks. So the foundations of the bridge are very extensive. Most of the considerable earthworks have already been completed in such a way as to ensure that the piles will be strong enough by early 1983 to enable construction work on the 296 m bridge to begin.

Studies have been made by consultancies with financing from non-Community sources.

Works supervision, to be financed by French bilateral aid, will be entrusted to the same consultancy as produced the invitation to tender. It is also responsible for supervising the neighbouring road lots.

The total cost of the project is an estimated ECU 10.3 m, ECU 4 572 000 of it from the 4th EDF and ECU 5 728 000 from the 5th. The work will be carried out by the firm selected after the international invitation to tender put out during the third quarter of 1982. The total time anticipated for implementation of the project, once the financing agreement is signed, is about one month for the signing of the contract and 30 months for project completion. ○

the roads, which offer particular flexibility as regards journey times, timetables, routes involving no loading and unloading, etc.

So there would be no problems if the regulations and tariffs could be implemented in such a way as to reflect the general economic interest. In practice, experience in other countries suggests that the government should monitor the distribution of traffic closely, so as to take the best advantage of each mode of transport. Cameroon is particularly concerned with this. The funding organizations and countries are aware of the problem too and they have held meetings with the Ministry of Transport to discuss it. Studies are currently being launched to investigate the administrative and tariff conditions which will make it possible to spread the traffic in the general interest of Cameroon as a whole.

I should like to end by telling you that our 'big sister', the Fercam authority, manages and is responsible for the maintenance of all we achieve, of all we are sharing in this undertaking, in that we never propose decisions to the government without having their support. So, although we are administratively separate as bodies, we are united in our action. This is evident at site meetings (in which Fercam participates), at the reception of work and at the level of project design—which is always unofficially submitted to Fercam for its comments. ○

Interview by A.L.

(1) From the EEC Commission delegation in Cameroon.

(2) The Commission took the financing decision for this project in February 1983.

Cameroon and the Community⁽¹⁾

Some ECU 160 m went to Cameroon under the first, second and third EDFs, when particular emphasis was placed on infrastructure projects (roads, railways, bridges and ports), which accounted for about 58 % of the full amount.

With the fourth EDF, the accent shifted to the rural sector, which received 47 % of the indicative programme, and this priority was maintained under the fifth EDF (when the relevant figure was 45 %).

The most important fourth and fifth EDF projects still under completion are:

- the Douala-Edéa railway: ECU 10m
- extensions to the port of Douala: ECU 4.2 m
- north-east Benoué development: ECU 4.6 m
- rice-growing in Logone and Chari: ECU 4.6 m
- rural development of the North-West Province: ECU 8.9 m
- rural development of Benoué (5th EDF continuation of a 4th EDF project): ECU 12.8 m

More projects are scheduled for approval soon:

(1) From the EEC Commission delegation in Cameroon.

- realignment of the Edéa-Maloumé railway: ECU 12.2 m
- bridge over the River Dibama & the Douala-Yaoundé road⁽²⁾: ECU 10.3 m
- continuation of rural development in Logone and Chari: ECU 8-10 m

The big rural development projects are nearly all integrated rural projects and they are concentrated in the English-speaking part of the country in the west.

The EDF is involved in two major infrastructure projects (the railway and, with the bridge, the heavy traffic highway) aimed at raising the biggest barrier to proper communications — the Yaoundé-Douala route.

The whole of the fourth EDF and 34 % of the fifth EDF⁽³⁾ have been committed.

In addition to the indicative programmes, Cameroon has benefited from considerable assistance from the European Investment Bank and Stabex.

(2) Special loan (4th and 5th EDFs).

(3) A financing decision on the realignment of the Eséka-Maloumé railway is scheduled to be taken soon (before mid-1983). This ECU 12.2 m will bring the overall percentage up to about 53 %.

The EIB has provided around ECU 76 m since Community cooperation began and there have also been special loans worth ECU 47 m. Loans from the EIB's own resources are already up at the ECU 20.7 m mark for the Lomé II period. Note that the EIB concentrates its aid in the form of loans from own resources in view of Cameroon's high rate of solvency.

Stabex payments are as follows:

- rough timber, 1975: transfers of ECU 3 601 423 which have just been reimbursed under the Libreville agreement;
- cocoa paste, 1976: a transfer of ECU 463 558, which was reimbursed a few months after receipt;
- green and roast coffee, 1981: ECU 6 988 461, of which ECU 1 528 755 was as Stabex projects;
- cocoa products, 1981: ECU 10 348 448, of which ECU 2 263 765 was in the form of Stabex projects.

The last two transfers were hampered by the inadequacy of the resources available to the system. The Stabex project funds will probably be used to extend ongoing EDF projects.

Lastly, there have been considerable contributions to the co-financing of NGO projects and the Cheysson fund outside the bounds of the Convention.

The Community aid outlined here should be seen in the context of the resources which the country gets from other external funders and mainly:

- France, which in 1982 supplied CFAF 2 317 m in the form of financial aid from FAC, CFAF 26 080 m in the form of financial aid from the CCCE and CFAF 9 278 m as technical assistance. This means a total of CFAF 37 674 m;
- the World Bank, which has an ongoing multiannual programme costing \$380 m and is preparing projects worth \$140 m. The IFC has projects worth \$13 m under way;
- the USA, which has a multiannual programme of \$84 m as official aid to Cameroon, \$35 m for official regional projects in which Cameroon has an interest and \$6 m for projects now being implemented by private organizations.



Millet field in northern Cameroon

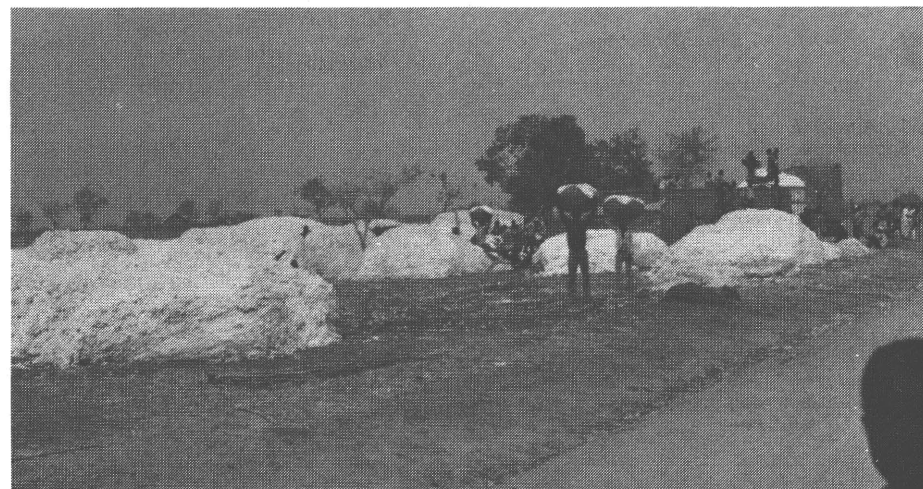
The variation in climate from north to south is an asset which the government's agricultural policy has turned to real advantage

All this should be seen in the context of an economy which, in 1980-81, notched up a GDP of CFAF 1 625 000 m (roughly \$570 per head of the population).

The five-year plan (1981-86) provides for CFAF 2 300 000 m of investments, with about CFAF 1 300 000 m coming from public funds. Assuming that Community financing over this period amounted (indicative programme + Stabex + EIB + NGO + other aid) to around ECU 120 m, it should be making a contribution of at least 3% of the public financing of the 5th plan.

Irrigated rice fields in Logone and Chari

This is a 4th EDF project which began late in 1978 and was scheduled to last four years. The 5th EDF indicative programme provided for a second phase to the project. As things stand, phase one is complete and an interim programme running from 1 October 1982 to 31 December 1983, financed from the Stabex project funds and the Cameroonian



Cotton production was adversely affected by poor rainfall in 1981-82 and only 83 300 t of cotton seed, giving 30 700 t of cotton fibres after processing, were produced

budget, is in progress. Phase II, beginning in January 1984 is now being assessed ⁽⁴⁾.

The site

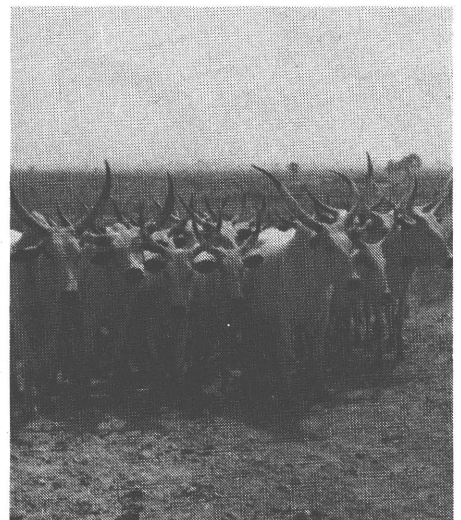
The area in which the project is being carried out, the Logone and Chari department, is in the far north

of Cameroon (12°N). It is bounded to the north by Lake Chad, to the east by Chad and to the west by Nigeria. There is an asphalted road providing access from the south as far as Mal-tam and there are dirt roads as well (Nigeria and Lake Chad). Lake Chad and the Logone and Chari rivers are also used for transport and communications.

The 10 000 km² area of the project is part of the vast, monotonous Lake Chad plain, which slopes gently down to the water. During the rainy season, the lower parts of the plain behind the river banks flood. The climate here is Sahelian and the average rainfall is 600 mm, spread over the months of June to September. Temperatures in the dry season go up to as much as 40° and more.

The estimated population of the project area is 160 000 and, although there are no precise data on the rate of growth, it is thought to be around 20. The average density of 15 people per km² includes a very thin population in the south of the area and a greater concentration in the two towns and along the shores

of Lake Chad and the main rivers. Most of the population (90%) live from the primary sector (i.e. agriculture, herding and fishing). The area contains two main tribes, the Arab Choa (60%), whose principal but by no means only activity is herding, and the Kotoko, whose principal activity is agriculture. In more than 80% of the households, the average monthly income is less than CFAF 9000.



Herding is another of the north's assets and the EDF has been of considerable help in developing it to meet the needs of the country as a whole

Agricultural production

The department's agricultural production of basic cereals (sorghum and maize) is between 4 000 t and 30 000 t, with an annual shortfall of about 10 000 t. Production varies considerably, according to the rainfall. Phase I of the project adds a reliable yield of about 5 500 t paddy rice (i.e. 3 600 t consumable rice) to the traditional produce, thereby making a sound contribution to the regularity of food supplies in the area.

In view of the shortage of cereals in this part of the world, the proximity of Nigeria's vast food market and the distance from the coast and other production zones, the price of cereals is high. Sorghum and rice cost CFAF 80-100 and rice CFAF 175 per kg wholesale.

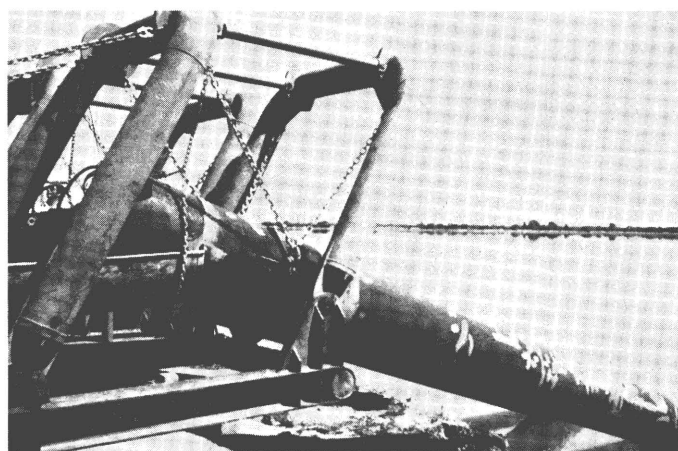
Herding and fishing

The area currently has about 250 000 head of cattle and 150 000 sheep and goats. Transhumance methods are the rule and this accounts for a lot of the area's income — as does fishing in Lake Chad and the Chari delta, which produce an annual catch of about 35 000 t fresh fish.

Aims of the project

The main aim was to:
— contribute to the regularity of food supplies in the department by producing 4 500 t paddy once the project is operating normally in about 1984-85;

⁽⁴⁾ Source: Commission delegation in Cameroon.



Pumping station for a rice field.

Rice-growing is expanding fast thanks to the rice programme introduced by the Semry Company (for the expansion and modernization of rice growing in Yagoua). Estimated output in 1982 was 66 900 t



Planting out rice on a Semry plantation

— push up the income of the 1 200 peasant farmers involved.

The idea was to create in the Logone and Chari department:

- 619 ha of rice fields divided into four plots including a small experimental area fitted with a solar pump. The average yield was assessed at 3.6 t of paddy per ha per agricultural cycle (i.e. 7.2 t of paddy p.a.);
- a rice processing plant and other infrastructure;
- trees over about 400 ha.

The timetable, covering a total period of four years, included developing the four plots and putting up the buildings in the first two years and planting the trees over the full four years.

The estimated cost of all this was ECU 4 723 000, of which ECU 4 097 000 was to come from the EDF and ECU 631 000 from the Cameroonian budget.

Project execution

At the end of October 1982, i.e. exactly four years after the signing of the financing agreement:

- 544 ha rice fields divided into three plots had been developed and were being worked by 2015 peasant farmers. Preparations for developing the fourth, 105 ha plot in the following months were being made;
- the average yield on the three existing plots was around 5 t per ha per cycle (10 per ha p.a.);
- the buildings with slight modifications) and the rice plant had all been completed and were in operation;

— 40 ha had been planted with trees;

— the cost of the work was ECU 5.1 m, which included the complete

development of the 4th plot (estimated to cost about ECU 5.8 m).

Within the project there were delays in getting things launched. The

Lomé I EIB assistance (ECU '000)				
Sector/Project title	Loans from own resources	Interest rebates	Risk Capital	Total
1. Agro-industry				
Socapalm II — Cameroon palm company			2 300	2 300
2. Industry				
Cimencam III — Cameroon cement works	2 000	255		2 255
Solicam — Cameroon textile company for the manufacture of household linen	2 545	365		2 910
Alucam — Cameroonian company of Pechiney Aluminium	5 300	721	2 300	8 321
Cimencam IV — Cameroon cement works	6 600	701		7 301
3. Tourism				
Sohli — Coastal Hotel Company	2 670	450		3 120
4. Energy				
Sonel — Cameroon national electricity board (Song Loulou dam)	13 500	2 183		15 683
Grand total	32 615	4 675	4 600	41 890
Lomé II EIB assistance (ECU '000)				
Sector/Project title	Loans from own resources	Interest rebates	Risk capital	Total
Transcameroon railway, Edée-Eséka section	10 000	3 813		13 813
Socapalm III (extensions to the palm oil mill at Dibombari)	3 800	1 038		4 838
Camdev II (construction of a palm oil mill at Idenau and modernization of existing Camdev oil mills)	6 900	1 911		8 811
	20 700	6 762		27 462

Source: EEC.

first plot (Logone Birni) was finished in 1980, the second (Kousseri) in 1981 and the third (Goulfey) in 1982. The fourth (Goulfey Gana) can only come into operation in the rainy season in 1983. The rice plant began operation in 1982, so this also was later than anticipated. The delays were caused by it taking longer than anticipated to obtain the equipment and by the fact that machinery had to be repaired and was therefore out of use for a while.

There was also a problem with the troubles in Chad. In 1980 and 1981, a camp for 40 000 Chadian refugees was set up on the Kousseri plot in front of the project director's office.

In 1981, the chief authorizing officer increased the ceiling on the project by 15 % (ECU 600 000) to meet the higher than anticipated costs of inflation.

Evaluation of the results

A comparison of aims and achievements shows that:

- in the central parts of the project, the hydroagricultural developments and therefore, agricultural production, there were fairly large delays within the project but only slight delays at the end of it;
- in the least important part, the planting of trees, only 10 % of the work has been completed;
- the cost of the investment has increased by about 15 %;
- the production target has been exceeded and the regularity of food



Harvesting and milling rice in Yagoua

4th EDF indicative programme			
Commitments and payments by sector, as of early 1983			
Sector	Indicative programme forecasts, 26.11.75 (ECU '000)	Updated forecasts (ECU '000)	Amount committed (ECU '000)
1. <i>Rural development</i>	26 027	26 484	26 484
2. <i>Infrastructure</i>	20 000	20 103	20 535
3. <i>Training</i>	5 769	6 167	6 179
4. <i>Miscellaneous</i>	3 504	2 546	2 102
including research, mining trade promotion studies and technical assistance	(385)	(1 246) (385) (473)	(1 246) (383) (473)
	55 300	55 300	55 300

5th EDF indicative programme			
Commitments and payments by sector, as of early 1983			
Sector	Indicative programme 30.04.80 (ECU '000)	Updated forecasts (ECU '000)	Amount committed (ECU '000)
Transport and communications	22 750	22 750	5 728
Industry - Energy - Mining	—	1 067	230
Rural development	29 250	29 250	13 349
Public health	3 250	3 250	—
Training	3 250	3 250	400
Technical cooperation	2 600	1 533	860
Trade promotion	650	650	660
Micro-projects	1 300	1 300	457
Reserve fund and miscellaneous	1 950	1 950	—
	65 000	65 000	21 684

Source: Commission delegation in Cameroon.

supplies in the region is therefore better than anticipated. The present yields are around 40 % higher than expected. Production in 1984-85 should be about 6 200 t paddy (from a 619 ha area), as compared to the initial estimate of 4 500 t;

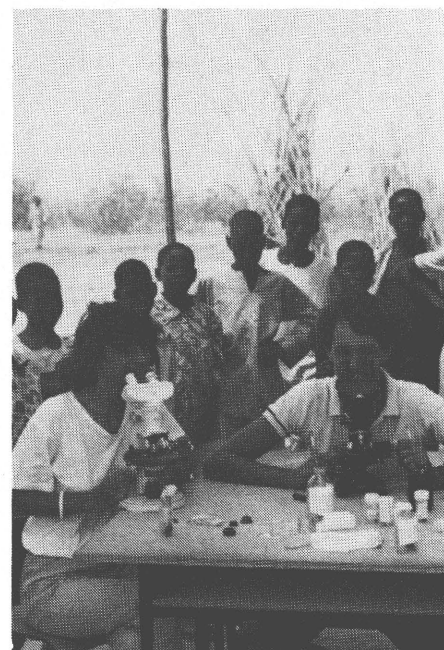
— the social aim has been exceeded, as the project currently affects almost 70 % more peasant farmers than originally anticipated. In 1983, more than twice the projected number will be reached, giving them regular food supplies and worthwhile incomes;

— the population and the authorities in the project zone are extremely enthusiastic about the operation;

— an acceptable economic result has been achieved, in spite of the budget subsidies.

So the results of phase I are positive and mean that phase II can be envisaged. This will make an even greater contribution to the regularity of food supplies in the area and continue to try to involve the peasant

populations in their own development, within the framework of their village communities. ○



Expatriate doctors look after the health of the inhabitants of this area. Here they are tracing parasitosis

Little-known museums⁽¹⁾

Cameroon's museums are the responsibility of the directorate for cultural affairs at the Ministry for Information and Culture and they are governed by the cultural heritage conservation service. Since 1973, there has been a move to conserve, preserve and restore all the national works of art, sites and monuments, something which has become one of the priorities of the government. In addition to the Yaoundé National Museum, there are provincial museums displaying ancient and modern works of art; five of the seven provinces now have museums and there are private collections as well, the Mount Fébé Benedictine monks' museum, for example, and Father Engelbert Mveng's negro art museum in Yaoundé.

The Yaoundé National Museum

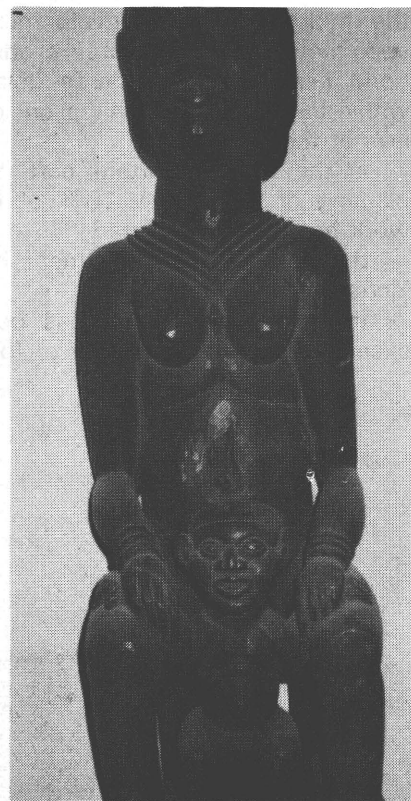
This is the pivot of Cameroon's museum policy. A team of technicians from this museum has covered the whole country and made a census of all its art works, the

(1) This information was forwarded to us by Bernard Ayuk, curator of the Yaoundé National Museum.

finest examples of which are often kept by the traditional authorities as ritual or prestige objects.

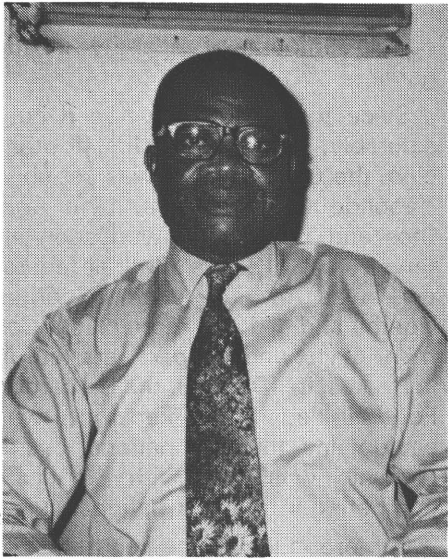
So the National Museum contains national collections, pieces from all over the country. They include statues in wood, bronze, stone and ivory, ritual objects, traditional musical instruments, pots, natural science objects, one or two archaeological pieces and traditional items of jewelry and dress. It is clear that, although there are many fine examples of Cameroonian art in most of the museums of the West, the National Museum nevertheless has some outstanding pieces of a value rivalling that of certain major items in museums in Europe and the USA.

There is, for example, the Afo at Bansa, long the sacred statue of the Nso (Tikari) of Kumbo (in the north-west), dating from 1815. There is the Wey Nwen-Nto, the ancestor of Fon Sakeh of Babungo (in the north-west), which dates from 1899. There are two Tikar statues, found in the Yobe (southern central Cameroon) area, which were used to initiate twin children more than 300 years ago. And there are all kinds of masks, with a particular emphasis on those used for religious rites and traditional dances. ◦

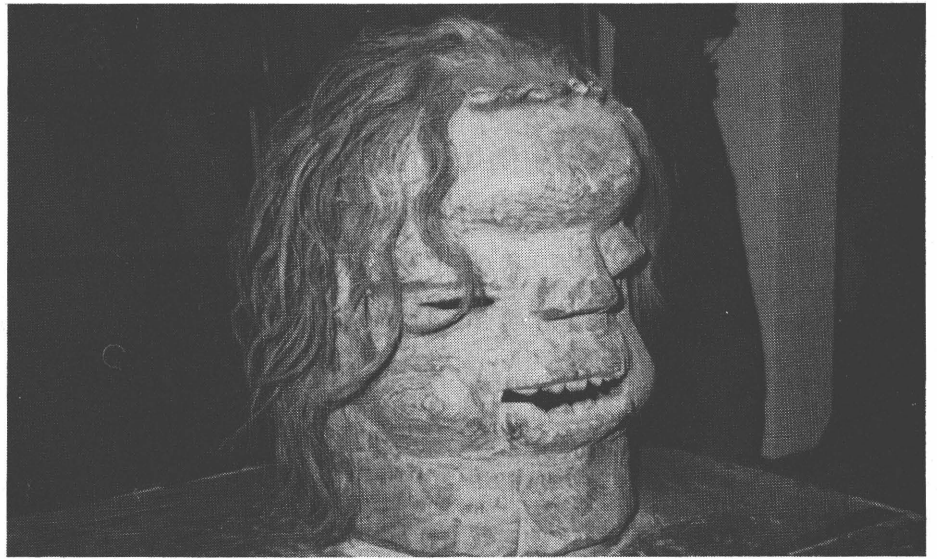


Above, a drum from west Cameroon; above right, wooden statue of a Bansa chief (north-west Cameroon) symbolizing benevolent strength (17th century); opposite, a large bronze pipe (Bamoun, 17th century)

Oku statue (north-west Cameroon) representing mother and child (18th century). Opposite, a bronze statue (Bamoun) representing a scene from the chief's journey (17th century); far right, bronze motherhood statue in Tikar (north-west Cameroon, Mount Fébé collection)



*The curator of the
Yaoundé Museum*



*German scalp, a relic of the fighting between Germans and Cameroonians in the
late 19th century*



Cameroon's youth policy

Interview with youth affairs and sports minister André Ngongang Ouandji

About 60% of Cameroon's population are young people. Fitting them into the country's economic life, and training them for sporting activities, are part of "a general policy aimed at providing the nation with young men and women who are aware of their responsibilities", says minister Ouandji⁽¹⁾. The *Courier* asked him to outline the aims of the youth policy.

— The youth policy is aimed essentially at mobilizing all Cameroon's young people to help with development, ensuring that they are harmoniously integrated in the various national structures, and fighting the rural exodus.

This policy is called for because this section of the population is expanding and now represents more than a half of the population, 60% in fact. The government has given them an important job to do in the development process.

Alongside the schools and universities, the traditional structures, our youth policy organizes other activities to channel the interest of our young people, to engender a sense of civic and moral values in them, to give them sports training and an idea of politics, and to prepare them to do a better job of taking over from the older generation.

Organizations like the ONDP and the JUNC (the UNC youth movement), other youth movements and associations and the sports clubs have a decisive role to play here. The sports policy is part of this overall policy aimed at endowing the nation with an up-and-coming generation that is dynamic and aware of its responsibilities.

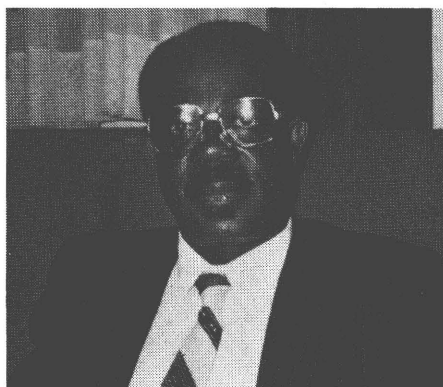
Cameroon proposes to fight the rural exodus, to get young people to take our traditional values to heart, to ensure that they fit into the coun-

(1) In a recent reshuffle, Mr Ngongang Ouandji has been appointed "Ministre d'Etat". He joins the Cabinet, with the same ministerial port folio.

try's economic and socio-political networks and to protect them from the great plagues of society—drug addiction, prostitution and crime.

► *What are the policy's ambitions on the international scene?*

— Internationally, Cameroon intends to seek cooperation with all the nations of the world without exception through such movements as the Young Christian Students, the Young Christian Workers, the international scouting movement and so on.



André Ngongang Ouandji

Cameroon did well in the World Cup in Spain in 1982, and Cameroonian sportsmen have had some fairly impressive results in other fields—boxing and athletics, for example

The government's domestic sports policy is to encourage and guarantee access to sport and to consolidate national unity. Its international sports policy is to promote the expression and scope of our national image, by forming good teams that will represent us with proper respect for the Olympic rules, to use sports meetings to encourage understanding and cooperation between the nations and to work for world peace through sport.

► *Can you say something about football, that most popular game in Africa and one at which Cameroon is particularly good?*

— Georges Goethe first brought football to Cameroon in 1920 and it soon became a popular sport, al-

though in the early days there was a certain amount of anarchy in the game.

Since then it has developed considerably. In 1930, our first football club, the *Canon sportif* was set up in Yaoundé and *Tonnèrre*, *Lion Cosmos* and *L'Eclair* followed soon afterwards. In 1932 a football federation was formed under Georges Goethe and in 1935 more clubs, *Caïman*, *Orynx* and *Léopard*, started up in Douala. In 1959-60, the Cameroon Football Federation (Fecafoot) was set up and the first national championship was run, with 12 clubs competing in the first national cup.

Cameroon joined the Federation of International Football Associations in 1962 and the African Football Federation in 1963. In 1972, things were decentralized when provincial Fecafoot committees were set up. There are now more than 200 clubs with more than 10 000 members. Every year the federation runs a national first division championship in which 16 clubs compete, a second division championship with seven provincial matches, league and district championships. There is also a national championship for veterans and corporate bodies.

Our success over the past few years is due to all these organizations and our constantly improving back-up structure.

► *Are you particularly interested in any other sports, say tennis? You have produced someone like Yannick Noah.*

— As President Paul Biya said again just recently, no sport in Cameroon is more important than any other sport. But Cameroonian sportsmen have achieved some fairly impressive results in other fields. We have the internationally-known boxers Bessala and Embébé for example, Agnès Tchuinté and Ngambi in athletics, Joseph Kono in cycling and many more. Let us also mention some great French players who are of Cameroonian origin—Yannick Noah, the tennis star you just mentioned, and Maryse Ewange-Epée, the high-jumper. And lastly, of course, we encourage the traditional sports, traditional combat, pirogue racing and so on, with a view to preserving our cultural heritage. ○

Interview by A.L.

The AIPO

The AIPO, the African Intellectual Property Organization, was set up by the Bangui Agreement of 2 March 1977. It took over from the African and Malagasy Intellectual Property Bureau which was set up in accordance with an agreement signed in Libreville on 13 September 1962. AIPO headquarters are in Yaoundé. ⁽¹⁾

The organization has 12 members: Benin, Cameroon, Central Africa, Congo, Ivory Coast, Gabon, Upper Volta, Mauritania, Niger, Senegal, Togo and Chad.

Aims of the organization

The AIPO was formed to take care of industrial property, intellectual works and, by implication, training.

Its main concerns as far as intellectual property is concerned are to issue titles attesting to economic monopolies and to spread the scientific and technical knowledge contained, for the most part, in the patent documents.

Issuing titles to protect industrial property. By doing this, the AIPO is providing the following help with economic and industrial development in its member countries:

- patents for inventions and certificates of addition;
- certificates of usefulness;
- brand names for products and services;
- trade names;
- industrial designs and models;
- registered designations of origin and details of sources.

The idea is to encourage the creation, development and circulation of the joint and individual interests of producers, tradesmen and consumers.

Spreading scientific and technical knowledge contained in patent documents. By using the scientific and technical knowledge contained in the patent documents, the AIPO is further helping the economic and indus-

⁽¹⁾ Source: AIPO.

trial development of the member countries:

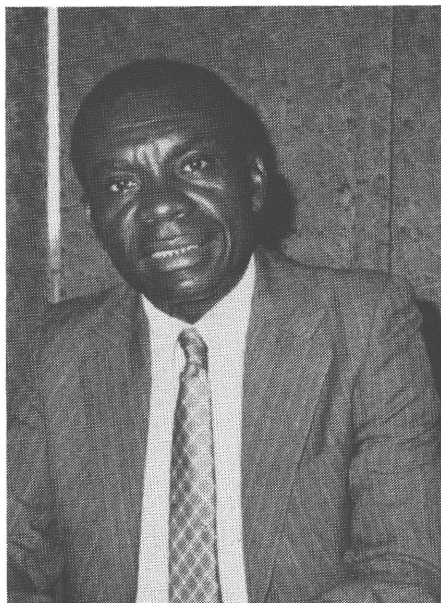
— with a view to contributing to raising the general level of scientific and technical knowledge;

— for research workers:

- by providing them with the achievements of science and technology in their branch of research;

- by avoiding duplication, which is a pointless waste of time and money when the field of research has already been partly or fully covered by other researchers;

- by using the results of their research, by issuing protective certificates, marketing their inventions and making a (price) distinction between them;



The director-general of the AIPO

— for national businessmen, in particular those with small and medium-sized firms:

- helping them to choose monopoly-free areas;

- and to seek and acquire new foreign or African patented technology to solve specific technical problems;

— for the member countries:

- in controlling the transfer of technology;

- in drafting national scientific and technical research programmes.

Although the issue of protective certificates is the AIPO's first concern in the industrial property field, the circulation of scientific and technical knowledge, in particular as contained in the patent documents, is

important task in the long term, because it is tied up with the birth of endogenous technology and reasoned exchanges with the industrialized countries in this field.

But no less important for the member countries is the organization's concern with intellectual matters.

Taking care of intellectual matters. This includes literary and art works and the cultural heritage. In the matter of literary and art works, the AIPO's job is to:

- contribute to the drafting of legislation appropriate to the social and working conditions of African creative artists;

- encourage the national creation of works of art and literature by protecting these works and getting recognition for the rights of the authors;

- create the relevant legal basis for the international exchange of works of art and literature;

- contribute to the affirmation of the African cultural personality through art and literature;

- encourage the organization of a suitable framework for creators of art and literature by setting up national authors' societies to defend the moral and material interests of the authors;

- help the creation of national copyright offices.

But the AIPO's most original work is in the area of cultural heritage.

In this field, one which is linked to the soul of the peoples of Africa and the contribution they have made to universal civilization, the AIPO has three tasks. They are to:

- ensure the protection of the African cultural heritage by getting national authorities to take measures to:

- inventory, fix, classify, securely house and illustrate cultural objects;

- prohibit the alteration, destruction, export, sale and transfer (illicit or otherwise) of all or part of the articles constituting the cultural heritage;

- protect the African cultural heritage by getting national authorities to take measures to:

- create and encourage museums, collections of all kinds, historic sites and monuments;

- make pictorial and sound records of the nation's cultural traditions;
- organize written and visual archives;
- promote capitalization on the cultural heritage by:
 - providing all kinds of information and education;
 - setting up cultural and social funds, in particular with a view to maintaining and expanding the cultural heritage, supporting and encouraging artists, craftsmen, authors and other creative artists as well as cultural initiatives and activities and encouraging, as a matter of priority, the integration of national or African works, be they individual or collective, of all kinds.

The AIPO's activities in the field of industrial property and intellectual matters imply that any training connected with these areas is also within its scope.

Training staff

Although training in industrial property and intellectual matters is the job of various national and international organizations, the AIPO is involved with:

- encouraging teaching about industrial property at university level;
- training operators to mediate on intellectual property (i.e. agents and advisors in intellectual property in particular);
- introducing administrative staff to the question of intellectual property, with a view to a rational planning of national activities and to controlling international transfers and exchanges in this field;
- organizing courses, in-service training, round tables, seminars, colloquia and other symposia.

The aims of the AIPO are wide-ranging, specific and of great importance to the economic, social and cultural development of the member countries. Has the organization the relevant means of achieving them?

The AIPO's means

It has legal, institutional, material, human and financial means and others that are derived from international cooperation.

It has a printing press, so as to be able to handle the immediate opera-

Extensions to the AIPO building in Yaoundé

This project is concerned with extensions to the African Intellectual Property Organization's building in Yaoundé, the headquarters.

The project involves an initial grant for operation, technical assistance and training, plus the supply of equipment for the extensions.

The extension works (first and second basements, the ground floor and a first floor) cover a total useable surface of 1 092 44 m² and are being carried out by the Che Company of Yaoundé. They began on 6 September 1982 and are due to take 18 months (to 6 March 1984) to complete.

Preliminary studies for the final project and the works supervision are in the hands of the Brusa Pasque architect's office (Varese, Italy) and are costing ECU 72 000.

The supply of equipment, for which the AIPO will produce an invitation to tender dossier in three lots, will involve a total outlay of CFAF 65 million. The invitation to tender was due to be launched in late March/early April 1983. ○

tional requirements of an intellectual property organization that has to produce a certain number of publications—official journals, patent brochures and tables, certificates of addition, collections of texts, administrative instructions, reviews, administrative documents and so on.

Generally speaking, this press has to enable the IAPJ to:

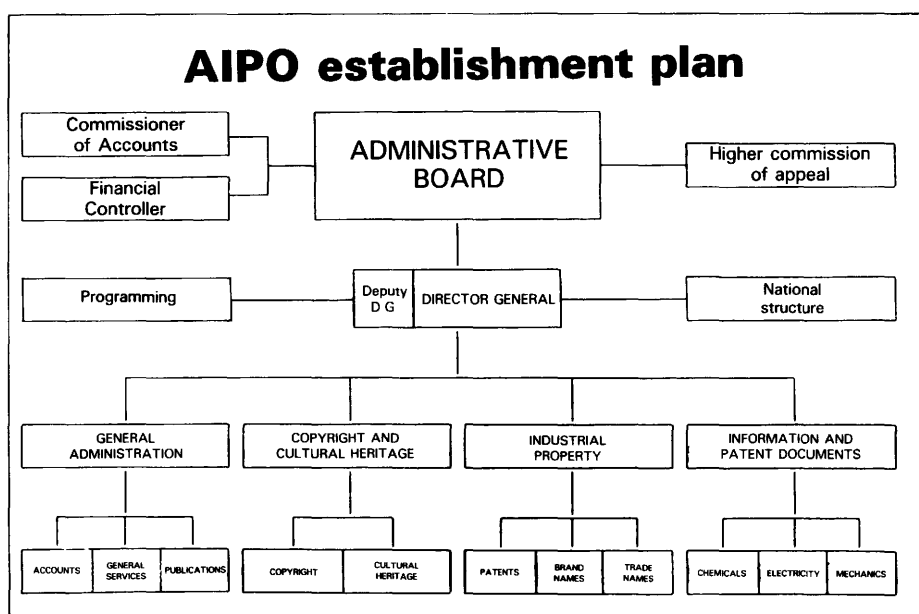
- cope with its own operating requirements and those of the national industrial property and technology structures in the member countries;
- establish the documentation that the member states, the various subscribers and other organizations with which we cooperate need.

The AIPO also has a large fund of documentation on specific priority sectors. This may be completed by additions from foreign funds by the fastest means, modern technology making this very simple.

The AIPO is financed from taxes on applicants and users in return for services rendered, so it is able to cover all expenditure from its own income on a fully autonomous basis, i.e. without any financing from the member countries.

Its revised rules were specifically worded, not just to maintain this equilibrium, but to establish long-term financial security.

The organization has close cooperation with a large number of organizations and administrations, but its possibilities of action should be extended further by starting or developing cooperation with other bodies. ○



Before the ACP-EEC negotiations

Oil prices soared 10 years ago and all the industrialized economies that depended on this source of energy felt the shock. The prospect of economic and social regression as a result of the rise in energy prices led the rich countries to restrict their contribution to the development of the Third World at the same time as the Third World toned down its requests for more aid from the donor countries—although at Cancun, the applicants were unwilling to see any correlation between the drop in the level of aid and the continuing world crisis. The price of the industrial products the Third World needs for its development, it must be admitted, has increased fivefold since 1973 and the price of raw materials has been constantly low.

This is the framework in which the EEC and the ACP group continued their cooperation under Lomé I and II. These conventions are often presented as a model of what the other countries should do for the Third World, but the ACP group and, to a certain extent, the Commission still feel that the new Convention, for which negotiations are due to start in the third quarter of 1983, will have to have major readjustments and genuine modifications even if it is to do no more than meet the real needs of their development — that is, to provide them with a really productive economy that meets their food requirements and generates social progress in the broadest meaning of the term.

It is perhaps not a good idea for the ACP group to repeat the scenario of previous discussions, in which the Europeans were presented with a catalogue of claims, some of which were brushed aside because they lacked any proper technical preparation. This time the group will have to negotiate an agreement about the ways of achieving specific objectives chosen in the light of their ability to generate and produce the global economic development of each of the countries involved. In other words, it must reduce the extent to which previous conventions scattered aid, and concentrate greater efforts on the key economic sectors and their organization. In the ACP countries, it is thought—and this is nothing new—that agriculture, industry, trade and, of course, training are the most important of these priority fields, but 20 years of cooperation have not enabled these sectors to become the framework for a productive and expanding economy.

Agriculture will have to shake off its chronic lethargy and rapidly become the support for development as a whole. This is what they are saying in ACP circles. So far, only a few EDF projects have created lasting productive units. Most of them remain experimental installations which wane after a few years and the ACP countries, overall, remain dependent on the outside world for their food. The transformation of their agricultural sectors will involve a new and committed ap-

proach in the new Convention, it is felt, based in particular on the direction the EEC has taken in this field.

The success of trade and industry will depend on agriculture being successful. There are few major industrial countries and exporters that are not at the same time big producers of food. The courting of capital and the most tempting of investment codes have not attracted any major investments in the productive sectors of the ACP group in 20 years. The example of the oil-producing states of the Gulf is revealing here. Foreign capital is invested in the tertiary sector, but less in the secondary sector because of inadequate or total lack of support it gets from the primary sector.

In trade in particular, the insistent demands of the ACP countries for a wider opening of European markets to their products will be pointless unless they have something to sell. In an open economy you have to move in to establish your exports and win markets. The ACP countries are concerned about their economic capacity to benefit from greater access to European markets for their products.

Qualified people will be needed to reach the aims thus defined. The ACP countries will set their training sights high so they can select the best technicians, engineers and managers to run their restructured economies. They will seek greater technical cooperation (and not assistance) in the field (and not in consultancies).

This seems to be the general spirit which will prevail in the ACP group during the forthcoming negotiations with the EEC. Negotiations are expected to cover not the size of a fund, the value of which declines, but specific objectives for the long and the medium terms, with adequate means that will enable the ACP countries to lay the foundations for a genuinely expanding economy—for an upward movement, so to speak. Present cooperation has not, in reality, yielded such a prospect.

The ACP countries, of course, feel that their European partners are not alone in being responsible for their present economic situation. They agree that the colonial legacy argument is not enough, because a country modernizes better the further it gets away from its unproductive past. But they also want to make Europe understand that "quarrels do not last if the mistakes are all on one side".

The next ACP-EEC Convention should be of greater vitality than previous agreements, much more so since the crisis in both the developed and developing countries that persists in the ACP group shows, as Edgard Pisani pointed out only recently, that the progress of a whole group depends on the individual fulfilment of its members.

LUCIEN PAGNI

The press in Zaire

Rightly or wrongly, Zaireans think the foreign press does not do their country justice. The *Courier* asked a journalist, Kimpozo Mayala, on *Salongo*, the Kinshasa daily, briefly to describe the magazines and newspapers printed in Zaire and the part they play in explaining the development activities run by the authorities.

The authorities' aim as far as the written press is concerned is to provide balanced cover of the national territory. In the interests of greater efficiency and rational use of the mass media, quality has been emphasized to the detriment of quantity and only three of the country's economic centres have their daily papers—Kinshasa has two (*Elima* and *Salongo*), Lubumbashi has one (*Mjumbe*) and Kisangani has one (*Boyoma*). *Elima* and *Salongo* are regularly distributed in the other main towns, but *Mjumbe* and *Boyoma* are essentially local papers.

Weekly publications are as follows. The Kivu region has one, *Jua*, printed in Bukavu; the Equateur region has one, *Mambenge*, printed in Kinshasa; and there are two for western and eastern Kasai—*Les Kasai* and *Salongo-Kasai*. The Shaba region also has one, *Salongo-Shaba*. The Bas-Zaire and the Bandundu regions near the capital are covered by the Kinshasa publications.

Salongo-Sélections is a magazine published in Kinshasa. The first issues came out in 1980 and the distribution network now extends beyond the national frontiers. Every Thursday it appears throughout Zaire and, thanks to its office in Brussels, in Europe too.

The *Editions-Salongo* house has various publications—one daily (*Salongo*) and three weeklies (*Salongo-Selection*, *Salongo-Shaba* and *Salongo-Kasai*) and the ambition of the directors is to give every one of the eight rural regions of Zaire its own publication in the not too distant future.

Since precise data on the print runs of other publications are not available, we have to be content with figures for the *Salongo* papers. The *Salongo*

daily runs to 10 000 copies, as does the weekly *Salongo-Sélection*, and 3 000 copies each are printed of *Salongo-Shaba* and *Salongo-Kasai*. These relatively small figures are due to the paper shortage in Zaire.

The Zairean press has three functions—to inform the public and to train and educate them. Its difficult mission is therefore to mobilize the people's creative energy and channel it into the aims of development as defined by the politicians. Subjects dear to the national authorities—the expansion of agricultural production, the rehabilitation of communications, the encouragement of national cultural values, the revitalization of teaching and scientific research, the emancipation of women, the welfare of the family and so on—cannot be better brought to the notice of the public than by the press, which, in practice, combines with the authorities on everything to do with the national development drive.

Prices as regulators

Take prices, for example. The press has always done its best to appeal to the sense of honesty of Zairean businessmen. Speculation and high prices are diseases which continually threaten the people's purchasing power and the mania with rises is such that any wage increase is followed by an exaggerated price surge. The obsession of those called "the starvers of the people" with making more-than-legal profits is neutralizing the drive the authorities are making to raise the standard of living of the population. A Zairean trader can easily sell everyday consumer goods produced locally at 10 times the proper price.

However, the Zairean consumer is an inefficient buyer. Whatever the size of the mark-up and regardless of appeals by the authorities to denounce dishonest economic practices, there has never been a collective consumer movement against rising prices. The words of the press, which relays the instructions of the authorities in the matter of prices, fall on deaf ears. The consumers' failure to unite, as they have done in many countries, is very much to blame for the individual's rubber-stamping of sharp practices and consequent responsibility for rising prices. "The Zaireans are bad buyers and bad sell-

ers", has been the explicit comment of the President of the Republic on a number of occasions as an explanation of increasingly galloping inflation. Although the difficulties of the ongoing economic situation will not spare Zaire, a sense of patriotism on the part of the traders and an awakening of the conscience on the part of the consumers would help tone down the effects of the crisis. For the Zairean consumer, price is quality. In his eyes, the more he pays, the better the quality, and the best bait for the unwary shopper is a high price.

The country's image

The national press has the advantage of operating in the field. Whereas the international press usually uses second-hand information which is difficult to check out, the Zairean papers are there, where it is all happening. When there are wrong reports on Zaire, the aim of the national press is to establish what really happened by going to the source.

Some informers, who are in collusion with certain pressure groups that fear for their economic interests or who are not in sympathy with Zaire's politics, are easily caught up in smear campaigns aimed at spoiling the country's image. Misrepresentation is no rarity in the press and those who are guilty of it hardly ever bother to re-establish the truth, so it is the duty of the Zairean press to do this. The Zairean public believes in its press, as is apparent in its desire to refer to the official media when the foreign press or the bush telegraph come up with information. When the foreign press reported an Amnesty International statement about children being massacred in Kasai, public opinion in Zaire greeted it with considerable reservations and there were no objections at all to the denial which the authorities had printed in the national press.

With the press's help, truth clarification sessions between the people and their authorities are excellent opportunities for exchanges of views that often become veritable dialogues.

But the Zairean press has its problems and they are very similar to those facing all the other sectors of production in this period of economic downturn. The problems of importing capital goods prevent any improvements to the infrastructure and prospects therefore depend on the expansion of economic activity at home. ○

K.M.

THE CONVENTION AT WORK

Towards a federation of ACP chambers of commerce



The opening session chaired by Berhane Ghebray (Ethiopia), current chairman of the ACP committee of ambassadors (3rd from the right) and ambassador Wilmot (Ghana), chairman of the ACP sub-committee on intra-ACP cooperation (2nd from right)

The 12 ACP countries (Barbados, Fiji, Gabon, Jamaica, Kenya, Lesotho, Mauritius, Nigeria, Papua New Guinea, Rwanda, Togo and Zimbabwe) which belong to the ad hoc committee for chambers of commerce and other economic operators in the ACP group completed their second session in Brussels on 25 March, after two days of discussion⁽¹⁾.

As the chairman-in-office of the committee, Mr G.K. Dondo (Togo) was absent, Mr Laker-Levers (Jamaica) chaired the meeting.

The committee adopted the minutes of the first meeting (held in Brussels in June 1982) and members then went on to an exchange of views on ACP-EEC trade. They recorded a deterioration in ACP trade, which was partly due to the fact that not enough incentive had been given to the private sector in the ACP countries during the period of application of the Lomé Convention.

Anticipating the agreement which would take over from Lomé II, the committee proposed, in particular,

(1) ACP press release.

that plans be made for ACP economic and commercial operators to form an assembly that would stimulate an exchange of information between the signatories, and constitute a forum in relations with their counterparts in the EEC.

Also in the yellow pages

The Convention at work

- I. EDF decisions
- V. ACP group
- VII. NGO annual reunion
- VIII. ACP-EEC chairmanships

General Information

- X. Interview with Gamani Corea
- XII. Emergency aid

European Community

- XIII. European summit in Brussels
- XIV. The DAC and Community aid
- XV. European Parliament

The committee also discussed and then adopted the draft agenda for the constitutive conference of national chambers of commerce, industry and other economic operators in the ACP group. Pending the possible creation of a federation, this conference will attempt, in particular, to promote trade between the member countries of the ACP group.

According to the committee's decision, the constitutive conference will be held this summer, on 4-8 July, in ACP House in Brussels. It will be preceded by the third session of the ad hoc committee on 3 July. ◊

EDF

Following a favourable opinion given by the EDF Committee (176th and 177th meetings), the Commission has approved financing for the following projects:

Malawi

Construction and equipping of the Karonga district hospital and two health sub-centres

Fifth EDF

Grant: ECU 3 800 000

The project involves the construction and equipping of a 202-bed district hospital at Karonga as well as the rehabilitation and extension of two health sub-centres at Iponga and Mpata, together with staff living quarters, in the Karonga district in the far north of Malawi.

The hospital is intended to replace the existing hospital in Karonga, built more than 50 years ago, which no longer meets the requirements of an efficient health service and is frequently flooded during the rainy season.

Caribbean states: Barbados, Saint Vincent, Dominica, Saint Lucia and Grenada

Chicken hatcheries

Regional project:

Fifth EDF

Grant: ECU 115 000

Loan on special terms:

ECU 2 708 000

The principal objective of this project is to achieve self-sufficiency in

poultry production in the Windward Islands. It is proposed therefore, in the first instance, to establish a boiler-breeder unit in Barbados to provide poultry meat and chicks to Barbados and the Windward Islands of Dominica, Saint Lucia, Saint Vincent and Grenada.

The project will also involve the construction of poultry houses, the supply of equipment, the importation of parent stock and the provision of veterinary technical assistance support.

Cameroon

Dibamba bridge

Fifth EDF:

Loan on special terms:

ECU 5 728 000

Fourth EDF:

Loan on special terms:

ECU 4 572 000

Cameroon is building a highway to link the port of Douala with the capital, Yaoundé, and has mobilized international, bilateral and national funds for this purpose. The project in question concerns the construction of a bridge over the river Dibamba.

The bridge will be 296 m long and will cross the river Dibamba approximately 15 km east of Douala.

Mali

Renovation of the Badalabougou school complex in Bamako

Fifth EDF:

Grant: ECU 3 000 000

The aim of this project is to renovate the school complex at Badalabougou, which was financed under the first EDF and opened in 1967. Since the school premises have suffered considerable deterioration, the project aims to:

- (i) renovate the buildings so as to adapt them better to requirements;
- (ii) strengthen the maintenance services, particularly through staff training.

Madagascar

Bridges and their approaches on highway RN 5A between Ambilobe and Vohimarina

Fifth EDF:

Grant: ECU 13 700 000

The project involves the construction of 15 bridges and their approaches on highway RN 5A between the towns of Ambilobe and

Vohimarina (Vohemar), situated in the north of the country in the province of Antseranano (Diego-Suaréz).

This work will provide a permanent link between the north-east of the country and the rest of the existing road network. At present the north-eastern region is cut off from the rest of the country during the rainy season (November to April) because the Ambilobe-Vohimarina section is impassable during that period.

Congo

Loudima-Bihoua-Indo road

Fourth EDF:

Grant: ECU 5 000 000

Fifth EDF:

Grant: ECU 14 200 000

Fifth EDF:

Loan on special terms:

ECU 9 300 000

The project concerns a feeder road to the highway between Brazzaville and Pointe-Noire (port on the Atlantic) and involves:

- improvement of the 57.2 km Loudima-Bihoua section in the form of a 7 m wide asphalt-surfaced carriageway;
- rehabilitation of the 20.1 km Bihoua-Indo section.

Ethiopia

Geothermal exploration

Fourth EDF:

Grant: ECU 4 390 000

Following a comprehensive programme of geophysical and geochemical studies, which has demonstrated the presence of geothermal fields along the Rift Valley in the region of lakes Langano, Shalla and Abaya, this project will provide the resources for carrying out a drilling programme of nine holes to depths of 1 500 m in order to confirm the nature of the resources. The project will also involve the training of Ethiopian personnel and a feasibility study for a first phase development comprising a 30 MW power station.

Ethiopia

Amarti diversion project

Fourth EDF:

Grant: ECU 4 000 000

Fifth EDF:

Grant: ECU 17 000 000

Fifth EDF:

Loan on special terms:

ECU 16 000 000

The aim of this project is to increase the reservoir capacity of the Finchaa hydropower plant which in turn will increase the firm energy output of the plant by up to 226 GWh annually.

The project consists of the following major components:

- construction of a 760 m long and 18 m (maximum) high earth/rock-fill dam and spillway across the Amarti River, with a total volume of 260 000 m³;
- construction of a 1 600 m long diversion tunnel of 3.5 m diameter;
- 14 km of access roads;
- construction camp;
- engineering services.

Senegal

Drilling of 21 boreholes to feed wells in the regions of Thies, Louga and Diourbel

Fifth EDF:

Grant: ECU 2 300 000

The plant involves the drilling of 21 deep boreholes in the maestrichtian layer and the connection of those boreholes to 21 dry wells from which the water will be drawn.

Instead of having to make do with artisanal wells providing an irregular flow of approximately 7 litres of water per day and per inhabitant for between 90 and 200 days, the 21 villages concerned will be provided with permanent wells fed by boreholes guaranteeing a minimum of 25 litres per day per inhabitant throughout the year.

Togo

Multiannual training programme

Fifth EDF:

Grant: ECU 2 010 000

The multiannual training programme involves training operations, grants and technical assistance both in connection with specific development projects and in support of the priority development objectives identified in Togo's fifth economic and social development plan.

The aim of the EDF-backed programme will largely be to meet an explicit need by supporting the Togolese government's own vocational training work, reflecting the country's development guidelines, i.e. in sectors with job potential.

Djibouti

Equipment for Peltier Hospital

Fifth EDF:

Grant: ECU 660 000

Peltier Hospital is the largest in the capital and the country. It is in a rather poor state of repair and is currently being renovated (improvements to old buildings, construction of new departments).

The purpose of this project is to supply medical equipment and furniture for the new buildings and to upgrade the equipment used in the buildings being renovated under the present works phase, so as to enable the hospital to operate.

Mauritius

Construction and equipping of two maize processing plants

Fifth EDF:

Loan on special terms:

ECU 850 000

The project involves the construction and equipping of two maize drying plants, each capable of processing 1 500 t of maize cobs.

Each drying plant will comprise:

- an office/laboratory building,
- a 10 t/h max. maize-sheller and ancillary equipment,
- a dryer with a capacity of 2.5 t/h and ancillary equipment,
- 4 storage units each with a capacity of 150 t,
- miscellaneous pick-up, hoisting and unloading equipment.

Saint Lucia

Multiannual training programme

Fifth EDF:

Grant: ECU 225 000

The programme involves the provision of training grants for teaching staff, plus certificate, diploma and degree courses in administration, management, tourism, agriculture, finance, engineering, economics and banking as well as short-term or in-service technical and vocational training. The training will in general take place in the Caribbean region.

Jamaica

Provision of veterinary services

Fifth EDF:

Grant: ECU 1 100 000

The purpose of the project is to provide Jamaica with better veterinary services and reduce the consider-

able losses in livestock due to several animal diseases.

Understaffing and the lack of appropriate facilities in rural areas are the major shortcomings of the veterinary services. The objective of the project is to provide them, in two years, with new small-scale but better equipped veterinary clinics and with transport and communications equipment.

Fiji

Trade promotion

Fifth EDF:

Grant: ECU 350 000

The project involves the provision of assistance for trade promotion activities. The proposed activities cover technical assistance for export marketing development and operation of the Economic Development Board (EDB), training and support for trade missions. Also included is a study on cooperatives and the possibility of setting up a national handicrafts organization.

Vanuatu

Assistance for the Vanuatu Development Bank

Fifth EDF:

Grant: ECU 750 000

This project will broaden the Vanuatu Development Bank (VDB) resource base for small loans intended primarily to augment smallholders' funds under the EDF-funded coconut development project, and at the same time provide the necessary funds for the technical assistance given to the VDB and for in-service training for its staff.

Zaire

Rural roads in Sud-Ubangui

Fifth EDF:

Grant: ECU 4 959 000

The purpose of the project is to rehabilitate and maintain 476 km of farm feeder roads in an area bounded by Gemena, Libenge, Kungu and Budjala, in the sub-region of Sud-Ubangui (Equateur region).

The work involves renovating a dirt surface dressed with laterite and replacing minor bridges by culverts. For this purpose a renovation team equipped with heavy machinery will be set up, while at the same time arrangements will be made to provide labour gangs to maintain the renovated tracks.

Central African Republic

Development of stock-farming in Ouaka and Basse Kotto

Fifth EDF:

Grant: ECU 3 319 000

This project, which provides for the continuation and extension of the operation entitled "Improvement and development of a stock-farming area in Bambari (phase II)", financed by the fourth EDF, is designed to consolidate the results obtained and to expand veterinary and extension services to cover the entire area administered by the "Inspection orientale de l'élevage" (eastern stock-farming inspectorate, Ouaka and Basse Kotto).

To that end, it is planned to continue the operations still in progress and to adapt them to the larger area.

The main operations involved are as follows:

- the recruitment of the staff and installation of the equipment essential to the proper functioning of the veterinary services;
- the widespread application of pasture management methods and methods designed to conserve natural resources;
- the development of the Bambari ranch (N'dama breed);
- the improvement of livestock marketing;
- the development of animal traction and the boosting of animal production.

Chad

Health programme

Fifth EDF:

Grant: ECU 5 515 000

The aim of this project is to provide basic medical coverage, both preventive and curative, in the following: B.E.T. (Borku-Ennedi-Tibesti), Kanem, Batha, Biltine, Lac, Ouaddai, Chari-Baguirmi, Guera, Salamat and Mayo-Kebbi. It will be a pilot project, which the Chadian authorities could extend to the entire country at a later stage.

It involves a set of complementary, interdependent operations:

- general improvements to part of the hospital and health infrastructure;
- supply of medical equipment and essential medicines;
- technical assistance to restore medical facilities and train local personnel in practical skills.

This technical assistance, involving a team of 36 persons divided into 11 groups, will be provided by Médecins sans Frontières.

Togo

Credit line to the Caisse Nationale de Crédit Agricole

Fifth EDF:
Grant: ECU 2 500 000

The aim of this project is to enable an agricultural/agro-industrial development organization to meet the demand of Togolese private operators for credit on favourable terms.

It will involve the provision of a ECU 2 500 000 credit line to the Caisse Nationale de Crédit Agricole (CNCA).

It is hoped that this will provide a shot in the arm for private agriculture, the vitality of which is currently being sapped by the high cost of credit.

Burundi

Electrification scheme for the Ijenda-Tora-Mwaro area

Fifth EDF:
Grant: ECU 1 650 000
Loan on special terms:
ECU 1 650 000

The purpose of the project is to extend the electricity network to the Ijenda-Tora-Mwaro area, which is around 30 kilometres south-east of Bujumbura and is at present partially supplied by diesel-driven electricity generating sets.

The project involves constructing a medium-tension transmission line from Bujumbura to Ijenda, with extensions from Ijenda in the form of a distribution network of similar tension connecting around 10 consumption points, together with technical assistance for works supervision.

Rwanda

Improving and asphaltting the Butare-Cyangugu road

Fifth EDF:
Grant: ECU 6 600 000
Loan on special terms:
ECU 11 300 000

This project consists in improving and asphaltting the section of the Butare-Cyangugu road (152.3 km) between kp 107 and kp 135 (Ntendezi). The total cost of building the road (ECU 86.7 m) is being covered by government parallel financing with

five other donors, including the EEC.

The road will replace the present track, which traffic has difficulty in negotiating, especially in the rainy season when it is often closed.

The road will also be useful for international communications since it will link eastern Zaire (Kivu) with central Rwanda and the Indian Ocean.

Caribbean region

Regional marketing of agricultural inputs

Fifth EDF:
Grant: ECU 850 000
Loan on special terms:
ECU 1 450 000

In the Caribbean in general and in the Windward and Leeward Islands in particular, the marketing and distribution of agricultural inputs to the majority of the farmers (smallholders of less than 10 acres) are at present inefficient and costly, if they exist at all.

The project proposes to assist in solving this problem by providing the inputs necessary to create an agricultural input, trade credit fund as well as some storage and distribution facilities with the aim of increasing the production of food crops and vegetables.

Senegal

Experimental peatery in Niayes area

Fifth EDF:
Grant: ECU 600 000

The project involves experimental work on a peatery in order to test the proposed extraction method, control the behaviour of the ground water and determine ways of rehabilitating the land.

Fiji

Vanua Levu road

Fifth EDF:
Grant: ECU 2 000 000

The proposed project, an extension to the 4th EDF project of the same name, is intended to open up isolated areas and complete a major stretch of the circuminsular road on Vanua Levu, Fiji's second largest island.

A total of 20 km and 2 bridges will be constructed in addition to the 30 km already financed under the 4th EDF.

Liberia

Education and training programme for 1982-1985

Fifth EDF:
Grant: ECU 1 000 000

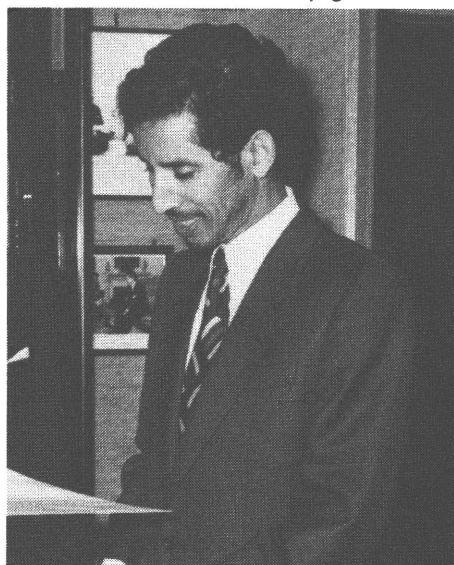
In this framework the project is an education and training programme covering 1982-1985 and costing ECU 1 100 000, of which ECU 720 000 will be spent in the area of scholarships and ECU 80 000 in the provision of seminars in line with the government of Liberia's recently stated education and training policy. In addition ECU 200 000 is allocated for exchange facilities with European and ACP educational institutions and ECU 100 000 as a reserve. This programme differs from the 4th EDF programme in that much greater use will be made of local education and training establishments. ○

ACP EMBASSIES

Three new ACP ambassadors have presented their credentials to the Presidents of the Council and the Commission of the European Communities.

Mauritania

Ahmed Killy Ould Cheikh Sadia, Mauritania's new ambassador to Brussels, is a Paris-qualified lawyer. He has been legal adviser to the President of the Republic, High Commissioner, minister for health and social affairs, minister secretary-general to



Ahmed Killy Ould Cheikh Sadia

the President's Office, barrister-at-law and chairman of the Mauritanian law society. The new ambassador, who is 41, is married with four children.

Sao Tome e Principe

Fradique B. de Menezes, Sao Tome & Principe's new ambassador, studied law and education at the universities of Brussels and Lisbon. In the course of his career he has been in charge of agricultural sales and then director at the Ministry for Agriculture and Agrarian Reform. In 1978-81 he was head of the Cocompra International Trading Company in Brussels before being sent to London as head of his country's trade mission. He is 41 and married.

Trinidad and Tobago

Maurice Oscar St John, the new ambassador, is at home in ACP and Community circles, having done a



Fradique B. de Menezes



Maurice St John

six-year stint (1973-79) as adviser to his country's embassy in Brussels. He previously worked at the foreign ministry in Trinidad and in the Trinidad & Tobago mission to the UN.

Mr St John holds a degree in natural science and a diploma in education from the University of Edinburgh. Aged 53, he is married with four children. ○

ACP GROUP (1)

ACP House in Brussels was the venue for a working meeting of the members of the new bureau of the ACP Committee of Ambassadors (they took up their posts on 1 March) with Jan Pronk, deputy secretary-general of UNCTAD, on 9 March.

Welcoming his guest, Berhan Ghebray, Ethiopian ambassador and current chairman of the ACP ambassadors, said that aid from the international community and the international development organizations, particularly the UN, was vital to back up the ACP countries' own efforts to break through the vicious circle of poverty and underdevelopment.

Mr Pronk replied with a brief outline of the general development of UNCTAD since the Manilla conference, with a clear view to UNCTAD VI.

Mr Pronk claimed it has been generally recognized that there is a convergence and not a community of interests and ideas in 1982 and 1983. But because of international recession, he said, new ways of renegotiating everything had to be found. He hoped that UNCTAD VI would make a major political contribution to this awakening, to a tightening of links between the rich and the poor countries. Within this context, South-South cooperation (personified, for example, in the Group of 77 by the ACP group), and much closer cooperation at that, was an imperious necessity and it should enable the poor countries to adopt a new style, so they could go to UNCTAD VI as strong as the others.

Mr Pronk ended by referring to the imminence of the ACP-EEC negotiations, stressing the very practical nature of the matters to be discussed — which should constitute an equally practical example.

(1) ACP press release.

Then both sides discussed the assistance the ACP group expected from the UN system in the negotiations for the agreement that would take over from the Lomé Convention and long-term cooperation between the UN and the ACP group.

Note: when Lomé II was being prepared, the ACP group joined with the specialized UN institutions to produce programmes whereby various studies could be financed and long-term objectives pursued. These programmes got US \$ 200 000 from the UNDP, which invited UNCTAD to take over implementation.

Approval of the budget

The ACP Committee of Ambassadors met in ACP House on 15-16 March with Ethiopian ambassador Berhane Ghebray in the chair.

The ambassadors expressed solidarity with and support for the government of Fiji following the considerable damage caused to this member of the ACP group by a hurricane. A message of sympathy was addressed to Fiji.

The ambassadors examined the budget of the ACP Secretariat for 1983 (as adopted by the 30th session of the ACP Council of Ministers in December 1982) and then approved the new breakdown of allocations provided for in this budget.

Note: the ACP Council of Ministers previously threw out the draft budget for 1983 and stuck to the Bfrs 118 065 621 amount of the 1982 budget.

Before taking note of the ACP programme of work for the period ending in May, the ambassadors discussed the second phase of the ACP-EEC parliamentary fact-binding mission into southern Africa. The mission was scheduled for 18-30 April 1983 and would be going to Tanzania, Mozambique and Botswana this time. The first joint ACP-EEC mission covered Angola, Zambia and Zimbabwe. ○

Visits

Victor Saude Maria, Guinea-Bissau's PM, made an official visit to ACP House on 15 March, when he told the plenary session of the ACP Committee of Ambassadors that the diversity of regions and sub-regions in the group were, far from being a handicap to intra-ACP cooperation,

proof that social, economic and cultural exchange would be more thoroughgoing and more consistent in the future. The ACP group, he said, should support the economic integration of the whole of the resources of the member countries, as intra-ACP cooperation also meant a fight against the racialism, apartheid and colonialism "which still persist in our continents".

The Prime Minister spoke about the international crisis, reminding listeners that the successive meetings at Cancun and Versailles, following the UN conference on the least-developed countries in Paris in September 1981, had been disappointing as far as the definition of any concrete policy was concerned.

He also talked about the negotiations for a successor to Lomé II and invited the ACP group to make a far-reaching examination of ACP-EEC cooperation beforehand.

Sao Tome trade minister at ACP House

Celestin Rocha da Costa, trade minister of Sao Tome and Principe, talked with Berhane Ghebray, Ethiopian ambassador and Chairman of the ACP Committee of Ambassadors, at ACP House recently.

The meeting, also attended by Mr de Menezes, Sao Tome and Principe's ambassador to Brussels, Edwin Carrington, deputy ACP secretary-general and various ACP experts, was the opportunity for an exchange of views on the economic and commercial problems currently facing Sao Tome and Principe. Mr Rocha da Costa paid particular attention to the government's pressing concern with trade, mentioning the great interest that his country had in the forthcoming negotiations ACP-EEC for renewal of the Convention.

Mr Ghebray confirmed that the ACP Secretariat was available to help members of the group. He answered one question by saying that consultations were being held in the bureau of the ACP Council of Ministers on the exact dates of the next ACP and ACP-EEC ministerial sessions scheduled for May 1983.

The ACP Committee of Ambassadors formally welcomed the new ambassadors to Brussels of Mauritania and Swaziland on 31 March. They are, respectively, Ahmed Killy Ould Cheik Sidia and Kenneth Mbuli. The ambassadors also paid tribute to

their former chairman, Martin Rekan-galt of Gabon, who is moving on from Brussels.

Various sub-committee chairmen reported to the meeting, which discussed, inter alia, proposals on the organization and methods of an ambassadorial working group set up by the ACP Council of Ministers in December 1982. The group, which will look at future ACP-EEC relations, got clearance for its mandate and time of operation. It will have a maximum of 18 members. ○

Brussels leisure fair and warning

The ambassadors also repeated the "resolute opposition" of the ACP countries and their "great anxiety" concerning present and future representation of Bantustans at fairs and exhibitions. This arose because of the "unacceptable presence" at the Brussels leisure fair in March of a stand in the name of Bophutatswana. A vigorous, joint (ACP-OAU) protest was made to the Belgian government and the organizers of the fair, as the committee noted at its meeting.

The ACP countries have taken this occasion to warn fair and exhibition organizers against inviting any such "entities" in future. They are unanimously prepared to draw the necessary conclusions from any repetition of such situations and notably to reconsider their own participation in such fairs and exhibitions. ○

PACIFIC

ACP ministerial meeting

On 29-30 March a ministerial meeting of the eight Pacific ACP countries was held in Apia, capital of Western Samoa.

The meeting was attended by Moses Qionibaravi, the Fijian foreign minister and current chairman of the ACP Council of Ministers. The ministers discussed regional cooperation in the Pacific and the perspectives for the negotiations on the renewal of Lomé II.

The meeting was also attended by Thomas Okelo-Odongo, secretary-general of the ACP group. ○

GUINEA BISSAU

The Prime Minister of Guinea Bissau, Saude Maria, visited the European Commission on 15 March, where he met the President of the Commission, Gaston Thorn and the commissioner for development, Edgard Pisani. The Prime Minister also visited the Belgian, Luxembourg and Dutch authorities.

The essential aim of the trip appears to be Guinea Bissau's hope to win Community support for a short-term financial salvage plan, prepared by the government (and which will be followed by an economic recovery programme).



The Prime Minister of Guinea Bissau, Victor Saude Maria, with Commission President Gaston Thorn

Guinea Bissau is an ACP state and it receives, under the Lomé Convention, between ECU 23 and 27 million in EEC aid, mainly concentrated on agriculture. This includes: integrated rural development (linking the production of exportable products, such as cotton, to that of food products); the training of fishermen; the establishment of conservation and marketing facilities for fish, etc. In addition, the EDF is financing a regional programme for the construction of bridges and dykes (on the Banjul-Bissau route). The country also received Stabex transfers of approximately ECU 12.5 million between 1976 and 1980. After his visit, Mr Saude Maria announced that the EEC will provide technical assistance to Guinea Bissau for a feasibility study on the port of Bouba, particularly important for the mining industry (bauxite).

New fisheries agreement

An agreement was also signed in late March between the EEC and Guinea Bissau, amending the 1980 fisheries agreement. The signatories were L. Olivier Sanca, Guinea Bissau's secretary of state for planning and international cooperation, Hans-Werner Lautenschlager, German secretary of state for foreign affairs, and Giorgios Kontogeorgis, member of the European Commission, for the EEC.

The new agreement amends that of 27 February 1980 which was concluded for an initial two-year period with the possibility of yearly renewal. It includes the adjustments necessitated by Greece's accession to the Community as regards the number of possible licences and the financial compensation to be paid by the Community as a contribution to the development of the fishing industry in Guinea Bissau. These provisions will be valid for three years. The new agreement also makes some technical adjustments to the 1980 agreement. ○

COUNCIL

First exchange of views on main guidelines

Mr Pisani outlined the European Commission proposals on renewal of the Lomé Convention and negotiations in this connection with the ACP States to the Council. The Ministers

had an initial very general exchange of views, during which certain ideas were outlined, without a real debate, and the Council took the following steps:

- it proposes to the ACP States the opening of "Lomé 3" negotiations in September;
- it instructed the Permanent Representatives to take appropriate steps to enable it to adopt the Community negotiating position at its July session at the latest.

The preliminary statements by the delegations dealt principally with one of the essential features of Mr Pisani's proposals: that of giving the future Convention a permanent status. In the opinion of some ministers, the EEC should not pronounce on this subject before hearing the reactions of the ACP states. Others pointed out that, alongside the advantages outlined by Mr Pisani, this option involves certain disadvantages for both the Community and the other party. Other ministers, on the other hand, are sympathetic to the argument according to which the permanent Convention would mean that a complicated negotiation would not have to be begun all over again every two or three years. Other comments concerned Stabex, the limits of financial assistance, the real possibility of financing programmes rather than projects in the ACP states, etc. ○

ANNUAL MEETING OF NGOS

The ninth annual general meeting of European NGOs was held in Brussels on 12-14 April. It gave them an opportunity to look at NGO cooperation with the Commission in 1983, the year of UNCTAD VI and the beginning of the negotiations for renewal of the Lomé Convention. At the opening session, Menotti Bottazzi, chairman of the NGO liaison committee, said cooperation had been excellent. Food aid, he said, was both useful and essential and he agreed with the Commission that it should be distributed to the poor with no political strings attached. He also thought priority should go to a campaign to make the European public aware of the need for development aid, although Edgard Pisani felt this was "threatened". The development commissioner feared that the serious crisis Europe is going

through would lead many people to refuse to make an effort for the developing countries on the grounds that any effort should be directed towards Europe itself. This, he maintained, was a hypocritical and stupid attitude, as the aid given to the Third World was of benefit to the European economies too. Mr Pisani also deplored the wave of intolerance which led to criteria being introduced in the allocation of aid. Lastly, he put the NGOs on their guard against the danger of breakneck expansion that would detract from their flexibility and their efficiency.

This ninth general assembly of non-governmental organizations ended its work with the adoption of three resolutions asking the Commission to increase its annual NGO co-financing budget, to launch a study on the social consequences of the EEC development aid projects, to send a fact-finding mission, with the participation of the NGOs, to study the projects for mining iron ore in Carajas, Brazil and to suspend EEC participation in the project for as long as human rights, particularly those of the small farmers displaced by this project, continue to be violated.

Addressing the press after the assembly, the NGO representatives stressed the importance of aiding the poor and marginalized in the Third World and of using food aid as a development tool, as an integrated part of food strategies. The NGOs reaffirmed the humanitarian nature of food aid, which they feel should never be politicized, and stressed the need for the EEC to eliminate the contradictions between its common agricultural policy and development policy.

The year just gone saw not only an unprecedented stepping-up of EEC-NGO cooperation but above all a marked extension of co-financing operations, the budget for which was doubled by comparison with 1981.

The Commission looks upon 1983 as a year for consolidating this advance.

Special features of European non-governmental development organizations

The reasons for the success of the cooperation are to be found in the high level of motivation of the NGOs, their independence, their modest

size and, consequently, their administrative autonomy and flexibility. The keys to their success are effectiveness, speed of response and flexibility, which enables them to shape and adjust their activities in the light of the latest economic, political, ecological or technical developments. They have confirmed their ability to mobilize substantial resources on their own account despite the recession. In addition, they have shown their aptitude for operating in troubled areas where there may even be an element of personal danger (e.g. 11 reconstruction projects in Lebanon).

EEC-NGO relations: a basis of mutual trust and similarity of views on development

The Commission will continue to respect the autonomy and pluralism of the NGOs. It accords special importance to placing trust in their ability, since this trust has so far always been vindicated by results.

For example, the NGOs proved themselves capable of using without difficulties a co-financing budget that was doubled between 1981 and 1982, and of filling the larger role entrusted to them by the Commission in 1982 in emergency operations, particularly in Poland. However, the Commission intends to pursue further in 1983 its role of catalyst in the context of inter-NGO coordination: through the NGO liaison committee it would like to cement the dialogue with the NGOs as a group in the interests of a transnational view of the problems and in order to avoid duplication of effort. In 1982 the European Communities made the liaison committee a grant of ECU 145 454 towards its operating expenses (ECU 59 615 in 1981). This increase helped the committee to meet the responsibilities of its enlarged role.

Moreover, both the EEC and the NGOs are convinced of the value of small-scale development projects geared to meeting the basic needs of the poorest sections of the population and designed and carried out with their full cooperation.

Co-financing of NGO projects in the developing countries

From 1976 to 1982 inclusive, the aggregate Community contribution to co-financing was ECU 81 million

Chairmanship of ACP-EEC bodies and the new bureau

ACP-EEC Council of Ministers (*)

ACP : Fiji (Mosese Qionibaravi)
EEC : Germany (Hans-Dietrich Genscher)

Bureau of the ACP Council (from 1.2.83 to 31.7.83)

Chairman : Fiji
Vice-chairmen : Ethiopia
Sao Tome and Principe
Zimbabwe
Mauritania
Barbados

ACP-EEC Committee of Ambassadors (*)

ACP : Ethiopia (Ghebray Berhane)
EEC : Germany (Gisbert Poensgen)

Bureau of the ACP Committee of Ambassadors

(from 1.3.83 to 31.8.83)

Chairman : Ethiopia
Vice-chairmen : Guyana
PNG
Botswana
Liberia
Rwanda

ACP and EEC chairmanships of joint committees and sub-committees

(from 1.8.82 to 31.7.83)

	ACP ambassador	EEC representative
Trade cooperation	Togo	Mr Foley
Financial and technical cooperation	Uganda	Mr Hauswirth
Stabex-Sysmin	Zaire	Mr Foley
Industrial cooperation	Grenada	Chairman of COREPER
Agricultural cooperation	Burundi	Mr Hauswirth
Customs cooperation	Mauritania	Mr Klein (CUS)
Least developed, landlocked and island states	Fiji	Mr Foley
Sugar	Mauritius	DG VI (agriculture)
Article 108 committee	Ghana	Pres. of the Council

Groups exclusively ACP :

Intra-ACP cooperation : Ghana
Administration and finance : Lesotho

Chairmanship of ACP-EEC working groups

	ACP	EEC
Bananas	Cameroon	Mr te Pass
Evolution of trade	Fiji	Mr te Pass
Agricultural products	ACP Secretariat (Mr Carrington)	Mr Gruner
Fisheries	Senegal	Mr Knudsen (CUS)
Rum	Guyana	Mr te Pass
GSP	Kenya	Mr Mackenzie

(*) Chairmanships rotate in order for the EEC from 1 October to 31 March and for the ACP chairman from 1 April to 30 September.

VANUATU

In the report on Vanuatu in issue 76 of the *Courier* (page 17) a map, provided by the Vanuatu geological survey office, shows the sea boundary between Vanuatu and the French territory of New Caledonia passing to the south of the uninhabited islands of Matthew and Hunter. The French and British permanent representations in Brussels have pointed out to the *Courier* that the line should have passed to the north of the two islands. Both are claimed by Vanuatu. The *Courier* would like to point out that the map was published purely for the information of readers and was in no way intended to prejudice the status of the islands now or in the future.

(out of a total joint EEC-NGO investment of ECU 224 million) and covered 1 116 projects carried out in 107 developing countries with 187 NGOs.

The amount earmarked for this type of aid was ECU 2.5 million in 1976, but it rose to ECU 14 million in 1981 and ECU 28 million in 1982, ECU 8 million of the latter amount having been added in October 1982 under the special programme to combat hunger. But in spite of having been doubled in the course of a single financial year, this amount is still not sufficient to meet the growing demand for co-financing. In 1982 the Commission co-financed 262 projects worth ECU 25.5 million in 82 developing countries (not all the ECU 28 million was committed before the end of the year). Help was given to 106 NGOs, which was 20 more than in 1981 (since the Commission is encouraging the Greek NGOs to take part in co-financing). Priority is given to rural development projects (42% compared with 26% in 1981), followed by training (20%) and health (18%). In practice, however, most of the projects cover all three sectors, reflecting the NGOs characteristic integrated approach to development. Fifteen projects (ECU 2.9 million) presented by a consortium of six NGOs and geared to subsistence agriculture were financed in 1982, in line recommendations of the Community's special programme to combat hunger in the world.

Twenty-six overall grants (for mini-projects) were made in 1982. Some European NGOs would like to see direct co-financing established between the Commission the NGOs of the "South".

Recipient countries and populations

The balance between the ACP states and other countries was tipped in favour of the latter in 1982. ACP: ECU 12.1 million, equivalent to 48% (compared with 51% in 1981). Other countries: ECU 13.3 million, equivalent to 52% (compared with 49% in 1981).

Regional breakdown: Africa, 46%; Asia, 15% Latin America, 28%; Mediterranean, 10%; Pacific, 1%. The LLDCs (least developed countries), received 30% of the total aid.

The practical work of making European public opinion more aware of North-South interdependence, particularly in agriculture and industry, resulted in the co-financing in 1982 of 46 projects (ECU 1.3 million) with 45 NGOs, notably in schools and colleges. The Commission would stress the need to call on professional expertise when drawing up such projects. It would like to see 10% of the total cofinancing budget taken up by such schemes.

EEC food aid and emergency aid channelled via the NGOs

The Commission frequently finds that the NGOs are indispensable partners for distributing food aid, especially in troubled areas. In 1982 they distributed aid worth ECU 45 million.

Thanks to Euronaid, the NGOs' coordinating organization, the Commission was able to conduct all the negotiations through a single body.

Emergency aid implemented by the NGOs amounted in all to ECU 39.6 million, i.e. two and a half times more than in 1981. In addition to the usual help for the victims of natural disasters, there were two major operations in 1982:

- (i) aid to Poland (ECU 27 million);
- (ii) aid for refugees from Afghanistan and El Salvador and in South-East Asia.

The Commission will endeavour to adjust its financing instruments so as to be able to carry out rehabilitation

operations in situations which, despite their manifest gravity, are not covered either by emergency aid or the cofinancing of projects (e.g. the case of the repatriated Ghanaians).

SUGAR

The European Commission has recommended to the EEC Council that the Ivory Coast (which applied to join the sugar protocol last year) should become a member of this protocol with a quota of 2,000 in the first instance. The Commission considers that even if this quota is much lower than that asked for by the Ivory Coast, it would at least enable this country to join the protocol and to share its advantages in the future.

Furthermore, the Commission recommends that India, which lost its 25,000 tonne quota following failure to deliver, should in future enjoy a quota of 10,000 tonnes.

SUDAN

Help for refugees

The Commission has just agreed emergency aid valued at ECU 300 000 under article 137 at the second Lomé Convention in favour of Sudan.

The aid will go via the United Nations High Commission for Refugees (UNHCR) to help Ugandan refugees who are continuing to arrive in Sudan.

FIJI

Emergency aid

Under article 137 of the second Lomé Convention the Commission has decided to grant emergency aid to Fiji to the tune of ECU 500 000.

On 1 and 2 March cyclone "Oscar" hit the island, killing several people, causing serious damage and leaving 100 000 homeless.

The aid is a contribution to the government's relief programme and will be used to purchase food, construction materials and essential agricultural inputs on local markets.

GENERAL INFORMATION

UNCTAD VI

“The Belgrade conference is the only event on the calendar for 1983 where all governments can get together to look at the world economic situation”

Interview with Gamani Corea secretary-general of UNCTAD

► *The international economic background has changed considerably since UNCTAD I in 1964. What is the particular trade and development framework for UNCTAD VI?*

— UNCTAD I convened at a time when the economies of industrialized countries were expanding very fast. World trade was growing at a phenomenal rate, 20% a year or more. And the main thing for the developing countries was to share in this ongoing process of growth and expansion, to benefit more from it through aid, preferential access to markets and so on. Today we have a different perspective. Virtually all projections agree that for the rest of the 1980s, and possibly the '90s, the growth rate of the developed countries will be slow—certainly not comparable to that of the '50s and '60s, even if this recession is overcome. So in Belgrade it's not a question of getting onto a bandwagon of growth and progress, but of how the momentum of development can be sustained and strengthened in an environment in which the impulse to development from industrialized countries will be less.

Moreover, since UNCTAD I the developing countries have become more important in the world economy. Japan was the 'newly industrializing country' in UNCTAD I. There was no OPEC, no ASEAN. The health of the Third World economies is now crucial to the health of the world economy; they are not just a number of poor countries having problems, for which a sympathetic response is called. It is now a global imperative that the development process should go on at a satisfactory rate. This, I think, is the key new dimension to UNCTAD VI. It's no longer a conference of givers and takers where the imperatives are

moral and political only. It is now a question of how, by reactivating development, you can not only meet the problems of developing countries but also contribute to a strong and resilient world economy.

► *The world economy has seen recent downturns in three particular areas: in overall trade, in aid flows and in the price of commodities. Nonetheless, oil prices have at last gone down. Could cheaper oil provide an upsurge which might take the developing countries with it?*

— I do not believe that cheap oil is going to make a major difference to the long-term perspectives of developing countries, because I'm not at all sure that oil will be cheap in the long term. Oil is a non-renewable resource. I think there are other very important parameters; interest rates, for example, need to come down if recovery is to be anything like adequate, and more stability is needed in exchange markets. I think that even with recovery, there would be a new situation; in the post-recovery phase, you would still need a new dynamic of world economic growth, i.e. the acceleration of development. This, together with the reactivation of the industrialized economies, could contribute to a reinforcing upward spiral of expansion in the world economy.

► *The UNCTAD Secretariat has proposed a two-year programme to halt the downward spiral of the developing countries' economies. Could you sketch the main lines of that proposal?*

— I feel that at UNCTAD VI we should try to get some agreement on the elements of a programme of recovery in development. I also hope that we will be able to look not only

at the crisis of countries, but at what I call the crisis of systems—not necessarily to go so far as to discuss blueprints for reform, but at least to get a recognition that the systems need to be re-examined.

We have come out with the elements of a short-term programme. Our programme for the immediate situation encompasses measures in the areas of money and finance, commodities and trade. I feel that because of the urgency of the situation you have to start with finance; developing countries are extremely hard pressed to finance their minimum import levels and clear their debts, and if this problem is not solved, then of course there will be no reactivation of development. So, we have suggested what we call a rather urgent injection of liquidity into the developing countries. And we have suggested a number of instruments which could be used for this purpose, including an issue of SDRs as a quick-acting mechanism to meet developing countries' needs. It would be unrealistic to expect these urgent financial needs to be met by official development assistance; neither could we expect the commercial banks to come back and play quite the same role that they played in the late 1970s. So we have to think of new mechanisms, and we cannot at this point come up with anything better and more effective than a quick issue of SDRs, which could be used to support developing countries. This, of course, requires that the developed countries will forgo the SDRs that they would be entitled to for the purpose of this immediate action programme.

We are also looking at other ways of increasing the resources of the international financial institutions, and of some measures to help debt relief. On the commodity side, in the two-year package we want to work with in the IPC (integrated programme for commodities) because that is a comprehensive framework, but we want to give it an emergency dimension. That requires the early establishment of the Common Fund and a number of measures to provide a safety net for commodity prices, and to improve the workings of compensatory financial mechanisms. The establishment of the Common Fund is crucial because it's a source of finance. Up to now, although some 94 countries have signed the instruments of the Common Fund, actual ratifications

are lagging behind. Unfortunately there is a lot of delay on the part of developing countries.

► *Why?*

— In most cases I have found that the delay is due to procedural lethargy and inertia. No government has told me that it has second thoughts on the ratification. The processes are complex, because ratification is like a treaty and it has sometimes to go through parliaments and so on. I have found that in many developing countries there is little clarity about who is responsible: is it the commerce ministry? The foreign office? The finance ministry? In this kind of situation, nobody really has taken it upon themselves to push the Common Fund. We have been doing our best to get it ratified. The UN General Assembly has passed resolutions; the meetings of the developing countries for UNCTAD VI in Bagdad, Libreville, Carthage, have passed resolutions; the non-aligned group have passed resolutions, all of them unanimous. So there is no excuse for not taking action.

► *How does the Common Fund link up with the Integrated Programme for Commodities?*

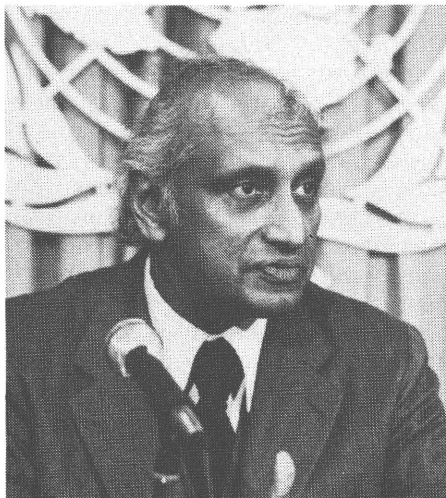
— Well, I described the Common Fund some years ago as "the integrating element of the Integrated Programme". The Common Fund is an international organization in the area of commodities, the first of its kind, which would be able to finance market intervention under individual commodity agreements in order to support prices. The full subscriptions of the least developed countries are to be paid by the OPEC Fund. So as far as the least developed countries are concerned, their participation in membership of the Common Fund costs nothing. And yet not all of them have completed the ratification process.

► *Will Western public opinion support artificial price support systems for the developing world?*

— Artificial price support is precisely what public opinion has been led to support in the developed countries. Both in the United States and Europe, agriculture is characterized by very active government intervention; the farmers have seen to it. The developing country farmers don't have that push. And we are not suggesting the same kind of price support scheme, involving sub-

sidies, guaranteed high prices and so on. In the area of international commodity agreements, the objectives are more limited, more modest: to put a stop to the wild fluctuations in prices, to fill up the troughs and calm the pigs down, so that commodity markets are stable and, being stable, also stronger.

But even this we find difficult to achieve, although for decades now the developed countries themselves have without fail paid lip-service to the idea of price stabilization. There have been innumerable communiqués over the last 20 years in which developed countries have endorsed the idea of doing something to strengthen commodity markets, but when it comes to actual negotiations this same commitment does not appear. Our experience of commodity negotiations is that they get bogged down in a mass of complexities; technical factors come to the top and the political importance of stabilizing commodity markets is totally absent.



Gamani Corea,

► *Will supported prices for Third World commodities create enough extra income to pay for the input necessary to support those prices?*

— Yes. In our scheme, under the integrated programme, and even under the short-term programme, we envisage the financing of stocks through borrowing on the basis that these funds can be repaid. We are not asking for any aid to do this. What we want is authority to finance, on commercial principles. This is possible because you will be buying stocks when prices are low and selling them once prices recover; you could use the difference to pay the interest charges, and so on,

on the borrowed funds. So the stabilization of commodity markets can be done without any strains on the governmental budgets and so on.

► *Will the developing and the developed countries be drawn up in two camps at Belgrade?*

— It's a feature of UNCTAD meetings that we work and negotiate through groups. There is the Group of 77; there is the B Group, embracing the OECD countries; there is what we call the D Group; which is eastern Europe; then there's China. I think the group arrangement will continue in Belgrade, because that's the only way negotiations are possible when you have over 160 participating governments.

But of course the theme of UNCTAD VI is not one of a confrontation, or of a set of demands which developing countries are making on the developed. It is to find a common approach to the problem of the world crisis, to agree on a development and recovery programme. Everybody is caught up in a downward spiral. In UNCTAD VI we want to find a way out of this and take some action to mount an upward process. In saying that the theme of UNCTAD VI will be development and recovery. I mean the reactivation of development and the recovery of the industrialized economies.

These two would reinforce each other. If that approach is adopted, you don't have to have confrontation of the traditional kind, but whether this happens or not depends a lot on the governments in both camps, and particularly in the developed countries. If the developed countries see UNCTAD VI as a traditional one-way street they will come to Belgrade in a very defensive attitude, citing their own difficulties as reasons for not responding. But the difficulties are not the background to the conference—they are the subject of the conference. The whole point is to find a way out of the difficulties.

I feel that if there is a prospect of agreement on the broad themes of the conference, the broad approaches and the broad solutions, difficulties over details will not really stand in the way. If everyone comes to Belgrade wanting to agree on a programme for recovery in the world economy and the reactivation of development, then it should not be very difficult to get agreement on specifics.

► *Do you think the Lomé Convention arrangements can be usefully considered in the UNCTAD framework?*

— The renegotiation of Lomé is important and everyone's hoping the new Lomé agreement will be stronger. There were many interesting elements in the earlier Convention, particularly the Stabex scheme. There was some talk about globalizing Stabex.

We ourselves feel there is a need for a better system of compensatory financing than exists today; and if there is any potential for using the Lomé model of Stabex, then of course we would be interested in pursuing that. In many ways the elements that go into the new Lomé Convention will be of interest in the wider canvas of cooperation for development in North-South relations.

► *Are you reasonably optimistic about Belgrade?*

— I'm neither optimistic nor pessimistic. But I think the issues are important enough, dynamic enough, exciting enough to create enthusiasm. The Belgrade conference is the only event on the calendar for 1983 where all governments can get together to look at the world economic situation, the crisis, and to find a common way out.

If we miss the opportunity there is no other event on the cards in 1983 and possibly not even in 1984. So governments have to see UNCTAD VI as an opportunity, and not just throw it away by coming in a defensive, no-can-do frame of mind. ○

Interview by BARNEY TRENCH

EEC-KOREA

Trade relations

At the end of March, EEC vice-president Wilhelm Haferkamp visited the Republic of Korea where he participated in the first high-level consultations (ministerial level) between the Commission and Korea.

Mr Haferkamp met the Korean Prime Minister, Kim Sang Hyup, the vice-prime minister and minister of the economic planning board. Kim Joong Sung, the minister of foreign affairs, Lee Bum Suk, and the minister of trade and industry, Kim Dong-Whie.

EEC-Korea trade			ECU million		
	1971	1975	1980	1981	1982 (11 months)
EEC imports	72	621	2017	2338	2403
EEC exports	207	477	950	1120	1297
Balance	135	-144	-1067	-1218	-1106

Source: Eurostat.

During a visit to Seoul in January 1983 by Mr Fielding, the EEC's director-general for external relations, it was decided to establish annual high level consultations to be held alternately in Brussels and Seoul.

Trade relations between the Community and Korea are conducted on the basis of the GATT most favoured nation clause and two bilateral sectoral arrangements on steel and textiles.

Korea is trying to diversify its economic and commercial relations which until now have been heavily concentrated on the US and Japan. The Korean government has been actively encouraging its economic operators to look for new markets and suppliers. A concrete example of this was the Euro-Korean symposium, organized jointly in Brussels in September 1981 by the European Commission and the Korean authorities to give European and Korean industrialists, bankers and traders an opportunity to identify commercial and investment opportunities.

Korea was a very substantial user of the EEC's generalized system of preferences in the 1970s and although the current GSP differentiates sharply in favour of the less developed countries, Korea is still able to draw considerable benefits from it.

Korea has become a major supplier for the Community of a variety of goods including textiles and shoes. Trade in textile products is regulated by a bilateral agreement within the framework of the multifibre arrangement which has negotiated at the end of 1982. This agreement, which expires in December 1986, provides for the establishment of self restraint limits for a range of Korean exports. The Commission has expressed its concern at the high level of average tariffs in Korea which hinder European exports. In this context the Community has stressed on several occasions that Korea should gradually accept the economic and commercial

responsibilities reflecting its economic strength.

Trade relations between the EEC and Korea

The Community's imports from Korea have increased rapidly in the last ten years rising from ECU 72 m in 1971 to ECU 2403 m during the first 11 months in 1982.

This rise has not been equally reflected in EEC exports which rose from ECU 207 m to ECU 1297 m during the same period. The Community's main imports from Korea are textiles and clothing, shoes, travel goods and electrical equipment.

The main exports are mechanical and electrical machinery which accounts for more than half of EEC exports. ○

EMERGENCY AID

Peru and Equador

The Commission has agreed to emergency aid for Peru, worth ECU 100 000, and to Equador, worth ECU 200 000. Torrential rain and floods have caused considerable damage to regions in both countries affecting 300 000 people in Equador and 100 000 in Peru.

The funds will go to the NGO Deutsche Welthungerhilfe, primarily for the purchase of local food products, medicines and equipment. ○

NAMIBIA

The UN conference

In preparation for the United Nations conference on Namibia scheduled for 25-29 April in Paris, one of the three missions of consultation with governments in Europe and Latin America visited Brussels in March, to enlist the support of the

Belgian government. It was led by Ignac Golob, Yugoslavia's ambassador to the United Nations.

At a press conference at the United Nations information centre in Brussels, Mr Golob explained that the Paris conference was one in a series of efforts the United Nations was making to bring the Namibian issue back to the UN where it belongs as there have been attempts in the past two years to keep it outside.

The conference was expected to reaffirm not only the direct responsibility of the UN on the question, but also the UN's position on a number of points: that Namibia must become independent in accordance with UN resolutions and the ruling of the International Court of Justice; that Walvis Bay is an integral part of Namibia; that the UN plan is the only possible one for a peaceful resolution of the problem; that SWAPO is the sole and authentic representative of the Namibian people; and that the presence of Cuban troops in Angola

has nothing to do with Namibia's independence.

The conference, Mr Golob said, would be asked to note that 12 years after the UN withdrew its mandate from South Africa, the apartheid regime has continued its illegal occupation of the territory and, as a result, should call on the Security Council, which should be represented on foreign ministers' level, to impose sanctions against South Africa to force it into the process of independence.

The conference would be expected, in addition, to call on the international community to give support in all fields to SWAPO in its struggle for Namibia's independence, for a reinforcement of the arms embargo against South Africa and for support for the front line states, victims of South Africa's aggression and destabilization policy.

Mr Golob estimates that the mobilization of world opinion is crucial in the struggle to bring independence to Namibia. ◊

and contributing to a climate of expansion of markets without renewed inflation and thus to the creation of durable jobs.

In particular it agreed that all member states and the Community must now take effective action to improve the employment situation of young people.

It noted the intention of the Commission to submit concrete proposals and invited the Council to submit a report to the European Council in June on progress made both nationally and at Community level.

The European Council agreed that further concrete decisions must also be taken between now and the European Council meeting in June on energy policy, research and development policy.

The Council considered that the development of the productive capacity of European industry in the conditions required by international competitiveness was a major necessity for the Community, and noted that the Commission would make proposals for the development of new information technologies, telecommunications and biotechnology.

EUROPEAN COMMUNITY

European Council in Brussels

The session of the European Council held on 21-22 March ended with the publication of the "presidency's conclusions" concerning Community and economic problems in general, and with the adoption of the "European Council's conclusions" on the situation in the Middle East.

The economic and social situation

The European Council discussed the continued implementation of the Community's comprehensive strategy for re-establishing economic stability, encouraging productive activity

The economic summit in Williamsburg in May 1983

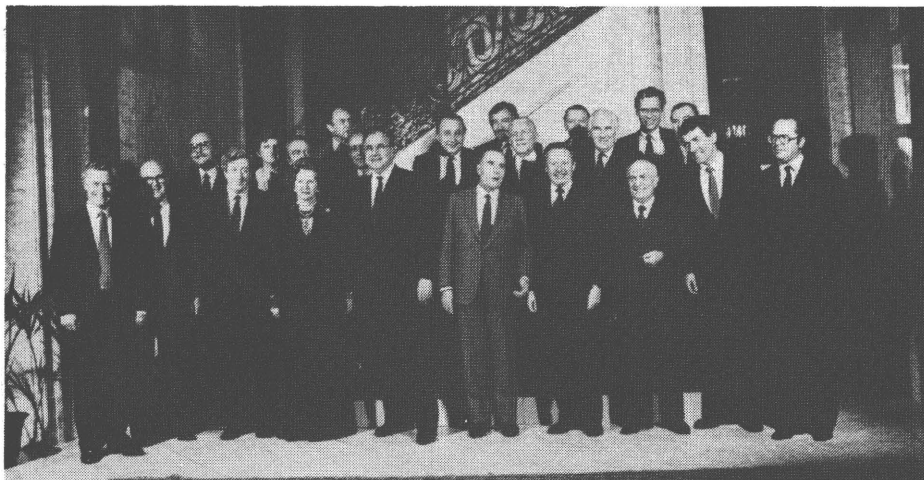
The European Council asked the Council to prepare Community positions for the Williamsburg economic summit which will permit the Community to make a substantial contribution to efforts to ensure that the recovery of the international economy, which is now appearing and which is particularly important for developing countries, will be supported through the concerted policies of the summit participants.

In this context the European Council attaches great importance to the maintenance and further strengthening of world trade including trade with the Third World.

Enlargement

The European leaders noted the progress of work in negotiations with Spain and Portugal.

The European Council intends to take stock of the situation regarding the enlargement negotiations at its next meeting and to give political orientation for the completion of the negotiations.



Front row from left to right, Prime Ministers Schluter (Denmark), Papandreu (Greece), FitzGerald (Ireland), Thatcher (United Kingdom), Chancellor Kohl (Germany), President Mitterrand (France), Gaston Thorn (EEC Commission), and Prime Ministers Fanfani (Italy), Lubbers (Netherlands) and Martens (Belgium)

The Community's financial resources and related problems

The European Council considered the Commission's suggestions on the future financing of the Community. The European Council further noted the Commission's intention to submit specific proposals to take account of the development of the Community's policies, the problems connected with enlargement, budgetary imbalances and the need to strengthen budgetary discipline.

It agreed that this report would contain conclusions regarding compensation to the United Kingdom.

European monetary system

After three days of difficult talks just before the European summit, the EMS member countries defined new parities within the system.

The ministers and governors of the central banks of the countries belonging to the EMS decided by mutual agreement, following a procedure in which the European Commission took part and after consultation with the monetary committee, to adjust the central rates within the system as follows: DM (Germany) +5.5%; Guilder (Netherlands) +3.5%; Krone (Denmark) +2.5%; Belgian and Luxembourg Francs +1.5%; French Franc -2.5%; Lira (Italy) -2.5%; Irish Pound -3.5%. The pound sterling and Greek drachma are not part of the EMS. ○

DAC

Review of European Community aid

The Development Assistance Committee (DAC) of the OECD met on 7 March 1983 with Rutherford M. Poats as chairman to examine the aid contributed by the European Community and administered by the European Commission and the European Investment Bank.

The EEC delegation was led by Dieter Frisch, director-general for development, and André Auclert, director, accompanied by Luigi Gennazini, representing the European Investment Bank. The examining countries were Sweden and the United States.

The committee welcomed the large increase in disbursements

made to the developing countries in 1981. Official development assistance (ODA) in particular rose by 68% (in ECU) to \$1 656 million. The increase in Community assistance in 1981 was general, affecting not only the contributions made under the Lomé Conventions, particularly as a result of Lomé II, but also assistance to the Mediterranean and non-associated countries and food aid. While the increase in 1981 was exceptional, Community assistance has risen over recent years more rapidly than that of the EEC member states or multilateral assistance, at an annual rate of 10-15%. Other official flows, mainly consisting of loans from the European Investment Bank to the African, Caribbean and Pacific states and to the Mediterranean countries also increased in 1981, reaching \$241 million.

The committee noted with interest the intention of the Community to improve the effectiveness of its aid by strengthening the dialogue with recipient countries. This dialogue is to be characterised by an approach to sectors and by the stimulus towards a better sharing of responsibilities between donors and recipients. The Community's delegation stressed that the success of this approach depended to a considerable extent on the flexible use of the aid provided and on the degree of co-operation between donors. The committee thought that the dialogue already under way with some recipient countries concerning the support of food strategies was very promising in this respect. The adoption by the EEC Council of Ministers of guidelines on maintenance aid (in line with those adopted by the DAC) was considered to be an important innovation which should make possible a better use of Community aid thanks to increased emphasis on the upkeep and the running of already existing investments.

The Committee noted the importance of the role of the local delegations representing the Commission in

many recipient countries, particularly with regard to the preparation and implementation of projects and the co-ordination of aid efforts.

Community food aid practically doubled in 1981, amounting to \$672 million or 40% of total ODA, part of this increase being attributable to the success in overcoming delivery delays.

The committee welcomed the efforts made by the Commission to ensure a better integration of this form of aid in development policies thanks, in particular, to the possibility of making commitments over several years, diversifying the products supplied and using counterpart funds within the framework of development programmes.

The committee was informed of the difficulties encountered in 1981 and 1982 by Stabex, the funds available having proved insufficient to meet all applications made. The Commission was currently reviewing the functioning of the Stabex, certain changes being studied, notably concerning the use of the funds transferred.

The system for minerals (Sysmin), a new cooperation instrument instituted by the second Lomé Convention and designed to restore the production capacity of the beneficiaries, had been well received by the ACP states; for the first time two loans had been made in 1982 under the system.

Background to Community aid

In 1981, disbursements of Community aid amounted to \$1 676 million, equivalent to 13% of total aid from EEC member states and 0.07% of their GNP. The increase between 1980 and 1981 (plus 68% in ECU) is the biggest in the last 20 years.

Composition of the programmes

- The European Development Fund (EDF):

Community aid flows (million dollars)					
	1970	1975	1979	1980	1981
ODA	210	722	1 298	1 246	1 676
Other official flows	11	26	162	257	241
Total flows	221	748	1 460	1 503	1 917

— source of funds; special contributions from member states;
— recipients: 63 African, Caribbean and Pacific states (ACP);
— contractual framework: five-year convention: Lomé I (4th EDF) 1976-1980, and Lomé II (5th EDF) 1981-1985;

— types of aid: projects and programmes financed by grants, ODA loans and risk capital; technical assistance; Stabex (system of stabilization of export earnings: financial transfers, some repayable some not, granted under certain conditions in the event of a fall in export earnings for certain products); Sysmin (or system for mineral products: grant of special loans under certain conditions to finance projects or programmes to restore the production capacity of the recipient).

• Action financed from the Community budget: food aid and emergency assistance (potential recipients: all the developing countries); aid to the "Mediterranean countries" under co-operation agreements accompanied by financial protocols valid for a term of five years; aid to "non-associated" countries (i.e. those other than the ACP states and the Mediterranean countries); some limited technical assistance schemes and certain contributions to dependent territories of the member states.

• The European Investment Bank:
— source of funds: own resources;
— type of contribution: soft loans (subsidized by the EDF or the budget) considered as ODA; loans under the heading of "other official flows";
— recipients: the ACP states and the Mediterranean countries.

Terms and conditions. The terms of Community aid remained highly favourable in 1981, the grant element being about 95%. As a general rule, Community aid is partly tied to the extent that bidding for contracts is, in principle, open only to individuals and corporations belonging to the Community or the recipient country or group of countries. There is no set limit on the financing of local costs.

Geographical and sectoral distribution. Although Africa south of the Sahara headed the list again in 1981, with 57% of aid extended directly by the Community, India was again, as in 1980, the biggest individual recipient. The share of Community aid going to the low-income and least-developed countries was still high (80% and 35%, respectively, in

1981). The two main sectors concerned were again the development of public services (transport and water supply in particular) and agriculture. ○

JUTE

Commission proposes signing of the international agreement

The Commission has proposed to the Council that the member states and the Community should sign the International Jute Agreement before the 30 June 1983 and notify their intention to apply it provisionally as soon as it enters into force.

The agreement which was negotiated in the framework of UNCTAD in 1982 is one of a series of agreements under the integrated programme for commodities. (The others in which the Community participates are coffee, olive oil, rubber, tin and cocoa).

The agreement sets up an International Jute Council with headquarters in Dhaka, Bangladesh, which will normally meet twice per year. Its main tasks will be to prepare and approve projects in the field of research, development, trade promotion and cost reduction with the aim of improving the competitive position of jute on world markets. The Council will also consider the question of stabilization of the market.

ECONOMIC AND SOCIAL COMMITTEE

Support for the new development policy guidelines

"The Lomé Convention system of cooperation must be continued, as its effects will be felt in the long term and it already constitutes a concrete aspect of the North-South dialogue".

This was the EEC Economic and Social Committee's opinion on the definition of new guidelines for the furtherance of ACP-EEC cooperation, drawn up at the request of development commissioner Edgard Pisani.

The ESC supported the Lomé model, provided the Convention is

adapted to changes in the world economy and trends in the situation of the developing countries, and provided it is coordinated with the development strategy of the international organizations.

On this basis, the ESC makes precise recommendations, giving priority to the poor in the allocation of aid and to a return to self-sufficiency in food in Africa, via a policy of remunerative agricultural prices. In the trade sector, it suggests greater free access to the Community markets for ACP products, encouragement for intra-ACP trade and assistance with market studies, the improvement of production and trade promotion.

The economic and social representatives also attach considerable importance to industrial cooperation.

The ESC feels that financing in the new Convention should be increased considerably and that per capita aid should at least be maintained at present levels.

The ESC also approved the Commission's proposal of channelling 0.1% of GNP into development aid. In addition there will also be bilateral aid from the individual member states. The ESC thinks this aid should not be tied to purchases in the donor countries and that goods should be bought in the Community or the developing countries instead.

ACP-EEC social partners

At its last meeting in Kingston on 21-25 February, the Joint Committee of the ACP-EEC Consultative Assembly decided that the next ACP-EEC economic and social meeting would be held in Geneva on 3-5 June.

The Joint Committee decided on the subjects for discussion back at its meeting in November. They are an investigation of greater protection for ACP migrant workers and their families living in the Community, and a study of the means of promoting vocational training within the framework of the Lomé Convention. ○

EUROPEAN PARLIAMENT

Parliament calls for emergency aid programme for Ethiopia

The Parliament on 14 April heard a

detailed report by commissioner Pisani on how Community aid reaches the people for whom it is intended in Ethiopia. Without excluding minor shortcomings, Mr Pisani was able to reassure the Parliament about the control and management of this Community aid. Rumours about its deflection, he feared, were part of a deliberate attempt to question Community development policy.

The Parliament was finally able to agree on a common text of the Socialists, Christian Democrats, Conservatives, Liberals and European Progressive Democrats, replacing three resolutions with different content which had been tabled by the Conservatives, the EPP and Communists. The Parliament invited the European Commission to establish an emergency aid programme as quickly as possible for the Ethiopian populations struck by famine, and asked, in view of "the instability which reigns in certain parts of the country", that this aid be routed through non-government organizations and international agencies active in all the affected areas, and that "great efforts be made to ensure that the aid reaches the people who need it". It also asked that the aid be given urgently.

Edgard Pisani: no deflection

The EEC is the chief supplier of food aid to Ethiopia (after the World Food Programme), commissioner Pisani said. But Ethiopia receives other important bilateral aid, notably from Canada and Australia. In recent months, only Community aid "by far the best controlled and administered" but which was the butt of criticism and challenges had got through. Mr Pisani added that, the fear that all or part of this aid would not reach the people for whom it was intended had turned into a veritable campaign in part of the European press, addressed to a public opinion already too eager to believe that aid to poor countries is money wasted, lost or stolen.

This campaign confirmed, according to Mr Pisani, "how easily North-South problems are eclipsed by everything to do with East-West tension. One is more easily interested in Africa as regards the Russians or Cubans there rather than the Africans dying of hunger there". And Mr Pisani regretted that this "polarisation" jeopardizes one of the basic principles of the Community's develop-

ment policy, which is to devote all efforts to people "whatever their ideological persuasion or the political sympathies of the regimes which govern them". In this, Mr Pisani said, Community policy is unique of its kind, which means that, although its worth is appreciated in the Third World, it is also the butt of deliberate attacks. Having said this, Mr Pisani pointed out that EEC food aid is subject to regular checks: in the Ethiopian affair, following the fears expressed, the Commission asked its delegation in Addis Ababa to carry out further on the spot checks and the main conclusions of this additional enquiry show that:

- the administrative organization existing in Ethiopia involves "a very bureaucratic system which allows constant control" of routing of aid, from arrival in the ports until it reaches the 750 distribution centres. The control of Community aid is made easier by the existence of two storage depots kept for it, at Addis Ababa.

- the checks carried out on 18 different cargoes delivered since January 1981 prove that no diversion could be found.

- the representatives of Western nations posted in Addis Ababa, those of the World Food Programme and non-government organizations (19 were consulted) confirmed, with no dissenting voice, that no deflection operation had been unearthed (which confirms Save the Children Fund and Oxfam reports).

The complete report will be made available to the relevant parliamentary committee to study it in detail.

This had been requested by British Conservative Christopher Jackson,

who stressed the need to continue the aid (3 or 4 million people are likely to die of hunger, 50% of whom are probably children under 12), and to give this aid to all, as those most affected by the civil war. He agreed that the aid should be distributed through NGOs and specialized agencies. ○

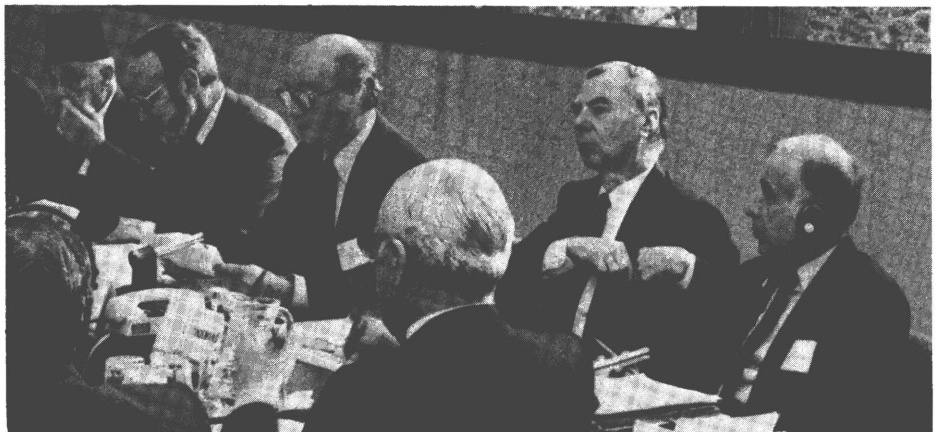
EURO-ARAB DIALOGUE

On 20-22 April the Commission helped organize a meeting on Euro-Arab cooperation in Brussels with the Euro-Arab chambers of commerce and the federation of Arab chambers of commerce, industry and agriculture.

This colloquium came only a week after the Euro-Arab dialogue had picked up again, in the form of a symposium in Hamburg on 11-15 April. Both sides' interest in closer economic links was demonstrated by the high turn-out in Brussels, with 200 businessmen present.

The meeting was opened by EEC development commissioner Edgard Pisani, who stressed the need for the Mediterranean countries to coordinate their agricultural policies in particular. Also present were Belgian foreign minister Leo Tindemans and Mr Zalzal, the deputy secretary-general of the Arab League for Economic Affairs.

The main subjects discussed were the effects of EEC enlargement on Arab exports, financial and legal cooperation, exports of agricultural and industrial products, and cooperation on energy. ○



(l. to r.) Messrs El Shallah, chairman of the Arab federation of chambers of commerce and industry; Pisani (EEC Commission); Coulon, chairman of the Belgo-Arab chamber of commerce; Tindemans (Belgian foreign minister); and Zalzal, deputy secretary-general of the Arab League for Economic Affairs

"SADCC must become a regional growth area"

An interview with SADCC executive secretary Arthur Blumeris

On 1 April 1980, the leaders of nine southern African states adopted a statement known as the Lusaka Declaration, outlining their aims and putting forward an action programme for coordinated regional development of the area. The four main goals are the reduction of external dependence, especially dependence on South Africa; regional integration; the mobilization of domestic and regional resources for national, bilateral and regional policies; and joint action to secure international understanding of, and practical support for, SADCC's strategy.

SADCC has gained momentum over the last few years and emerged as a dynamic body, committed to rapid practical results based on maximum national involvement. The potential of SADCC members taken together—some 60 million people and a

combined domestic product of some US \$ 15 000 million—is clearly much greater than that of development based on isolated national effort.

After SADCC's fourth annual conference held last January in Maseru, Lesotho (1), the *Courier* interviewed Arthur Blumeris, who in November 1982 was appointed the organization's first executive secretary. He was then Zimbabwe's ambassador to Brussels, and therefore familiar with ACP-EEC cooperation, having previously worked for several years with the ECA in Addis Ababa and with UNIDO, where he coordinated aid to Africa.

In this interview he comments on the results of the Maseru meeting, outlines the basic guidelines and approach of SADCC's action programme and stresses the unprecedented nature of South Africa's destabilization in the area.

The follow-up to the SADCC meeting in Maseru

► *How would you sum up the results of SADCC IV?*

— Well, although it is SADCC IV, it is really only the second major donor's conference where we have spoken specifically about sectors within SADCC. The first major conference was held in Maputo in 1980, where within a very short time after the signing of the so-called Lusaka Declaration—and this must remain a tribute to the enthusiasm and the devotion of our countries—our ministers of transport were able to agree a blueprint for regional transport. This was a tremendous achievement.

The present meeting was the second of its kind, but we have had more time to look more closely at the requirements for the agricultural and industrial sectors in the region, and to hold a series of technical meetings on agriculture and industry. A programme for both has been drawn up distributed to the donors of SADCC who have come to this conference. In that sense I am satisfied that both ourselves and the don-

ors are able to do some more detailed preparatory work to identify bottlenecks and priorities within these sectors. I am also satisfied with the results. The level of representation at the conference was very satisfying, and during the two days of discussions and negotiations, apart from the technical questions raised, I am satisfied that there was mutual understanding between ourselves and the donors on overcoming the bottlenecks. The results, as far as I am concerned, were very positive.



"The results of the Maseru meeting were, as far as I am concerned, very positive"

A lot of follow-up work now remains to be done. With the establishment of a secretariat and the recruitment of staff, we hope to be in a position to take on more responsibilities in coordination.

Positive response despite economic recession

► *Since the Maputo pledging conference, two more years of crisis and deepening world recession have occurred. Has this had any direct effect on the Maseru conference?*

— The sectors of agriculture and industry, quite frankly, will continue to have very modest programmes. We are looking at a programme for agriculture of US\$ 100 million for nine states in southern Africa. It is not an all-embracing one, but it represents an honest beginning on the part of the nine states to strengthen research services and control animal and plant diseases, and is a basis for strengthening the region's ability to increase food production.

Within the industrial sector, which is more cost-intensive, we are talking about a large volume of overall investment. But there again, we have to make an assessment of the bottlenecks in existing industries, and see how to strengthen the viability of

(1) See *Courier* no. 78, pp. XI-XII.

many of our industries in the different countries, from plastics to pulp and paper, as well as making an attempt to look at the regional viability for new industries.

I think the problem is not so much the declining amount of resources available, but the continued difficulties many of our countries are facing because of the destabilization that has taken place. This remains the main obstacle. It has affected deliveries of fuel and the working of basic infrastructure in all our nine states. The fuel crisis in Zimbabwe is directly attributable to the damage to infrastructure. All in all, in spite of declining aid and the world recession, we are still impressed by the positive response and turnout at this conference.

A more effective use of aid resources

► *If one looks at the nine states concerned, apart from Malawi and Zimbabwe hardly any of them is self-sufficient in food. Looking merely at the figures, aren't the agricultural objectives too limited?*

— You are right. If you exclude Mozambique, Angola and Zimbabwe, we have had about 16 years since independence, which I think represents a reasonable time span in which to assess the lessons and the benefits of development. Lessons have been learned, by ourselves as recipients of aid, and, I dare say, by the donors themselves. We need to have a very frank exchange of views now as to the lessons both sides have learned during this period to make a more effective and more rational use of the declining amount of available aid resources. But the programme for agriculture is not an all-embracing, all-inclusive programme. It is a flexible programme which marks a beginning and I expect our ministers of agriculture, and particularly the regional coordinator, Zimbabwe, will chart out other areas for cooperation between SADCC and the donors. There is high-level talk now on the potential

for river basin development. The possibilities are enormous, for example on the Shire river from Malawi down to Mozambique, the north and south banks of the Zambezi and the Kafue in Zambia, and for development of the lakes of the region.

A very large investment has already been made on the Cunene river in southern Angola, and the Angolan government has a programme for basin development. These are areas which don't figure in our present programme, but where continued discussion and collaboration between ourselves and the donors can evolve. Also, one should not forget

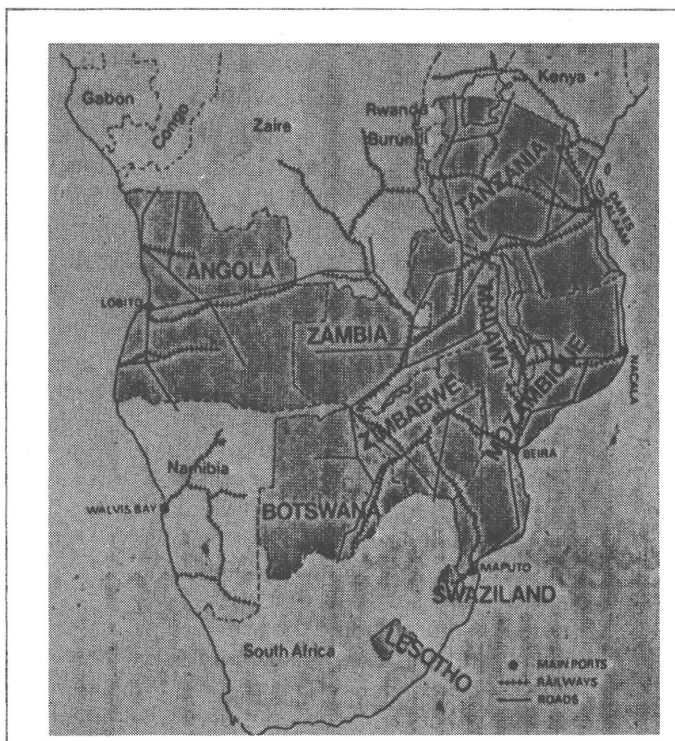
also the existing industries within the region and the need in many cases to rehabilitate them. Tanzania is one case where there are tremendous prospects for rehabilitation. But I should mention, with regard to industry—and I have talked to several of the donors on this—what we haven't discussed yet. We didn't invite private banks and industrialists from the private sector abroad. So foreign private investment was not represented to the extent which the requirements in the industrial sector demand. They should have been present. But it has underlined the necessity, and hopefully it will be possible for us to organize a meeting with foreign private investors in 1983, to look a little closer at other aspects of the industrial development of the region.

Interaction between agriculture and industry

There is still a lot of room for private investment, from local investors as well as foreign private investors. I think this sort of programme does open up horizons for a whole chain of other related industries, and includes the redeployment of resources for expansion in agriculture. We shall open up prospects for food processing, for example. Solar energy opened up a new

door at the rural technology exhibition financed by the EEC in Bulawayo, last August. As a result of that fair, a rural hospital has recently been inaugurated in Zimbabwe, in an area where electricity has yet to go, but where the stand-by generators, the facilities for the operating theatre and for the refrigeration machinery, are all based on solar energy. That has opened up the prospect of taking refrigeration, based on solar energy, to rural areas. The importance of this for the preservation and transportation of crops is obvious.

These are all areas which must be part of our new horizons and part of the programme for agriculture. Our agriculture and industry ministers want to achieve agro-industrial de-



the bilateral programmes in the field of agriculture and industry will still continue between our states and the donors.

SADCC's need for private investment

► *The industrial sector is one where a lot of money has been asked for, \$ 1 500 m, and it is probably also the sector where it will be most difficult to find agreement among the nine partners upon the regional distribution of particular types of industries. What is your view on this?*

— Granted there is a need for regional specialization, but there are

velopment within the region. And there is a need, as you saw in this meeting, because food aid continues to be a very prominent indicator within a lot of our countries and we want, as Zimbabwe's agriculture minister put it, to concentrate not so much on food aid but on aid to grow more food. I think that represented a cornerstone of the thinking at this conference.

Transport and communications: a flexible approach

► *Whatever sector one looks at, be it energy, industry or agriculture, one always comes back to transport and communications as the basis for the development of all the others. It is also the one that SADCC, up to now, is most committed to. What is the situation in that sector now?*

— The transport commission, which is based in Maputo, has been doing some very useful work. This again is a very flexible programme. I give you one example: during discussions at an energy seminar in Zimbabwe recently, the government of Malawi expressed interest in access to coal deposits in southern Tanzania, which are not being commercially developed at the moment. Those deposits are no more than 25 kms from the northern porthead on Lake Nyassa. I have now taken this matter up and we expect that the transport commission will give the 25 kms road in southern Tanzania priority and allow Malawi to improve its energy position. Because it is landlocked and has transport difficulties, Malawi cannot at the moment get coal conveniently from Botswana, Mozambique or Zimbabwe. That is the kind of initiative that has an intersectoral linkage and which shows how flexible this transport programme can be. So it really is the key, the artery, of the region.

The tragedy of economic destabilization

► *Up to now US\$ 650 million has been committed to the transport sector.*

— That's right. The tragedy of our transport at the moment—and this, I am sure, is at the root of the difficulties our countries are experiencing at the moment—is not the lack of funds



Zimbabwe Information Service

Rail complex in Gweru, Zimbabwe: transport and communications are still the key sector for SADCC regional cooperation

for new transport infrastructures, but the problem of getting the present inadequate and rudimentary transport system to work. One example is the Benguela railway, that goes from the port of Lobito in southern Angola to Zaire and Zambia. This railway was operating when I visited it recently, but it was very, very slow because armed troops had to walk in front of the train and on either the side of it. I understand, unfortunately, that since I came back, a very large and important bridge on that line has been destroyed. For the couple of months that it will take to repair that bridge, that railway will be inoperative. You must now add to the costs brought about by the damage to that bridge, the cost of repairing it.

We have multi-million dollar investments within the SADCC countries in the field of infrastructure. Our governments have international legal obligations, in some cases stretching over 25 to 50 years. We have these very same infrastructure projects being destroyed. This is one of the tragedies of what is happening. There is no precedent for this in the world.

► *Does this show once more that this whole destabilization programme is basically meant to hit targets of socio-economic importance and not so much of military or strategic importance? Is there any fear that the donors in the end might get scared off by that kind of action?*

— The tragedy is that it is so recurring and that it is such a common feature to all our states at the mo-

ment. We must hope the world will make the right judgement. Even during the Second World War and certainly under the Geneva Convention, there are certain targets which are off limits to both parties in a military confrontation. We would hope that international opinion and pressure from bodies like the UN and the European Parliament will publicise the very high costs of infrastructural projects within the nine states. None of our states has the means to patrol every single infrastructure with the necessary guards and security alarm systems to prevent this from happening. I suppose this is the same in any country in the world. No country, however developed and rich, has the resources to protect and to render totally 'untargettable' expensive infrastructural projects, be they power stations, dams or hydroelectric schemes. Only recently the second largest hydroelectric scheme in southern Angola was destroyed. Two cases of dynamite were placed on the wall of the barrage. They destroyed the power station, released millions of gallons of water, which has inundated thousands of hectares of prime cultivated land and also drowned a lot of people further down. That's the kind of vulnerability which not only SADCC but no country in the world is safe against. It is a phenomenon, fortunately for the world, which doesn't exist anywhere else, but because it is almost exclusively oriented against our states, we want the world community to do something, not so much for SADCC alone, but to stop this becoming a world precedent.

"Our primary role must remain economic"

► *Do you think SADCC will eventually have a more political role within the region?*

— I do imagine that eventually a political role will become part of the operations of the organization, but SADCC must retain, under the terms of the Lusaka Declaration, a commitment to the principles of regional cooperation among the nine states aimed at ending the fragmented nature of their different economies. This is what SADCC is all about. Because of the political backdrop within southern Africa and the destabilization originating from South Africa, the need to strengthen our own economies becomes even stronger. This has given the organization a political dimension which was not the intention of our nine heads of state. I would imagine that a political role for the organization will grow, as you suggest, but my own understanding is that it will be committed to looking for areas within all the sectors that can strengthen the ability of the nine states to cooperate with each other.

I think its primary role must remain economic. We have no other option. The sheer, brutal realities of the world economy are coupled to the fact that we are all essentially rural and agricultural economies. We have all experienced declining prices on the world market for both agricultural and mineral commodities. The crisis of copper prices which has affected the mono-economy of Zambia is indicative of what I am trying to suggest. All this strengthens the argument for the need to complement each other. We don't have any choice in this matter. We believe that, not only in our own interest, but in the interest of the world economy too, SADCC must become one of the regional growth areas for the rest of this decade and beyond.

Common market no, trade cooperation yes

► *A common market in southern Africa?*

— This is not on. It is not deliberately the intention of the states to establish a common market. I suppose eventually a reduction in tariff

barriers between our nine states is possible. Cooperation in such fields will probably improve market access, but a common market *per se*, along EEC lines, is not on for the moment. However, our type of cooperation cannot preclude the need for cooperation in the fields of customs and trade, etc. I think it is desirable that some such arrangement is made over the years without being immediately labelled a common market *per se*. We still have structural problems. We inherited international commercial and trade agreements, both between our countries and between us and the rest of the world.



SADCC and South Africa's policy of destabilization: "We must hope the world will make the right judgement... to stop this becoming a world precedent"

We wish to look at these in more detail. The need is there for a reduction in customs tariffs and for a type of preferential trade area. I will have to examine the possibilities within the field of the recently established eastern-southern African preferential trade area. I have been mandated by the council of ministers meeting in Maseru to enter into negotiations with my colleague in that PTA and look for areas of common ground where we can cooperate. So it is desirable, in order to strengthen regional cooperation within SADCC, that we do look at the prospects for a reduction in tariffs and a harmonization of tariff policies between our nine states.

SADCC: 100% ACP?

► *Referring to your own specific ACP background, Angola and Mozambique, the two non-ACP member states of SADCC, have declared their intention to participate in the ACP-*

EEC negotiations for a future Convention. In the event that they become members of a future Convention, would this have any direct affect on SADCC-EEC cooperation?

— No doubt. I shall personally be very happy to see this historical event take place. Within the regional context, it will be a very pleasing development to see all SADCC members become signatories to a future ACP-EEC Convention. I don't pre-judge the position of these two countries, but you are right, this official commitment to participate in negotiations is a very positive development. It will complete the grouping within the ACP. Southern Africa, SADCC, does constitute one of the six groupings within the ACP. With Angola and Mozambique on our side, we'd feel even more confident in our global regional negotiations within the group for successor arrangements to the Convention. This group will form one of the logical areas of the ACP for discussion, so it will be a very positive development.

The EEC-SADCC alliance

► *How do you feel about the overall relations between the EEC and SADCC up to now and how do you see them evolving in the future?*

— From the outset, from the Lusaka Declaration, the EEC adopted a very forthcoming attitude with regard to assistance. Its reactions were most positive and I am very happy that we had this tremendous offer of assistance, not only for the programmes of SADCC but also for infrastructural support to the secretariat. I've worked out details with the Commission delegations here and I can only see, in the coming years, a wider programme of cooperation in the strengthening of our secretariat as well as in collaboration between SADCC and the Commission on the various sectors within the group. I think that we might be able to open up other horizons for cooperation within these areas. I have spoken tentatively to both commissioner Pisani and director-general Frisch about some of the potential areas, and I am satisfied that a lot of room remains for collaboration. ◦

Interview by
ROGER DE BACKER

Joint ventures

An efficient and equitable way of transferring technology and investment capital

This article was prepared by the Centre for Industrial Development (CID) to present the joint venture concept which is its main instrument for transferring industrial technology and investment from the EEC to ACP countries.

Introduction

This article takes into account the viewpoints of both the European investment partner and the sponsor in the host country. It also gives some guidance on the financial, legal and

managerial aspects of joint-ventures, and the assistance CID can provide for their promotion, study and implementation. The value of utilizing joint ventures for technology transfer is also emphasized.

The article also touches upon the need for EEC public support for joint ventures to efficiently mobilize the know-how of European industry for the industrialization of ACP countries. We will demonstrate how such EEC support can be channelled through CID in an efficient and unburdened way.

What is a joint venture?

The concept of a "joint venture" relates to a joint industrial activity whereby the ACP and EEC partners:

- share the financial risk by way of an equity investment;
- make available their knowledge of markets, production techniques and general business management.

The equity share of each partner is of course dependent on the particular situation, and especially on eventual complementary equity investments by financial institutions. Management, technical know-how and marketing arrangements have to be considered very carefully for the mutual benefit of all the parties.

Who are the partners?

Generally, all those who take an equity share in an industrial undertaking are joint venture partners. However, we have to distinguish between "active" project sponsors and "passive" financial partners. The "active" ACP sponsor can be a private industrialist or businessman and/or a parastatal body such as a State investment corporation or the State itself. The ACP sponsor would normally also seek financial assis-

tance, in the form of equity and loans, from a "passive" local partner—normally the development bank of his country.

The EEC industrial partner, in addition to his equity investment, would equally try to mobilize additional risk capital from the development finance institution of his own country. Finally, there are certain regional or international financial institutions willing to provide equity funds.

The financial structure of a joint venture

The financial structure of a joint venture is subject to negotiations

and depends on various factors such as profitability and cash-flow expect-

tations, terms and conditions of loan finance, and other criteria established by the host countries or the financial institutions.

The situation changes from project to project. However, one may take for example a situation where the share capital represents one third of the total investment costs including working capital. Chart 1 shows how the financial requirements can be met.

The chart shows that the ACP sponsor and the EEC partner, with an equity contribution each of say 20 or 30 monetary units, can mobilize additional funds to finance a total investment of 300 monetary units. In other words, the sponsors have to provide less than 10% of the total investment for a bankable project.

Contractual and legal arrangements

In order to define clearly the role and responsibility of each joint venture partner, a set of agreements and contracts has to be concluded.

In many ACP countries it is necessary to obtain a production licence from the government and to make provision with the central bank for eventual repatriation of investment capital, for the transfer of dividends, and—if applicable—for the transfer of fees for management and know-how.

The first document to be signed by the ACP sponsor and his EEC partner is the letter of intent. This is normally a two to three page preliminary agreement which summarizes the main elements of the project and the contribution of each of the partners. It is based on a first assessment by both sides of the technical, commercial and financial viability of the proposed cooperation. This first assessment may take the form of a pre-feasibility study.

Once the overall project framework is laid down, a comprehensive feasibility study (or implementation study) is undertaken. This includes a market survey, a financial analysis and an implementation plan. The feasibility study does not go beyond basic project engineering. Its main purpose is to provide evidence that

Chart 1 — Financial structure of a joint venture (example)

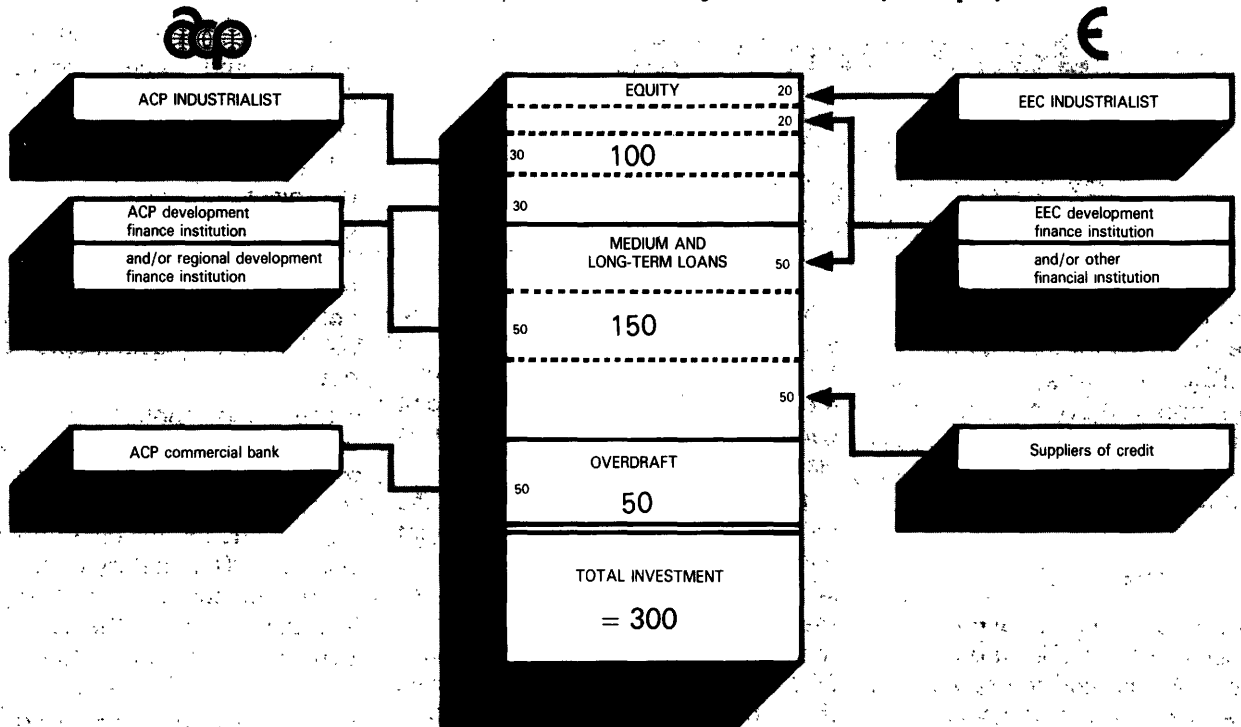
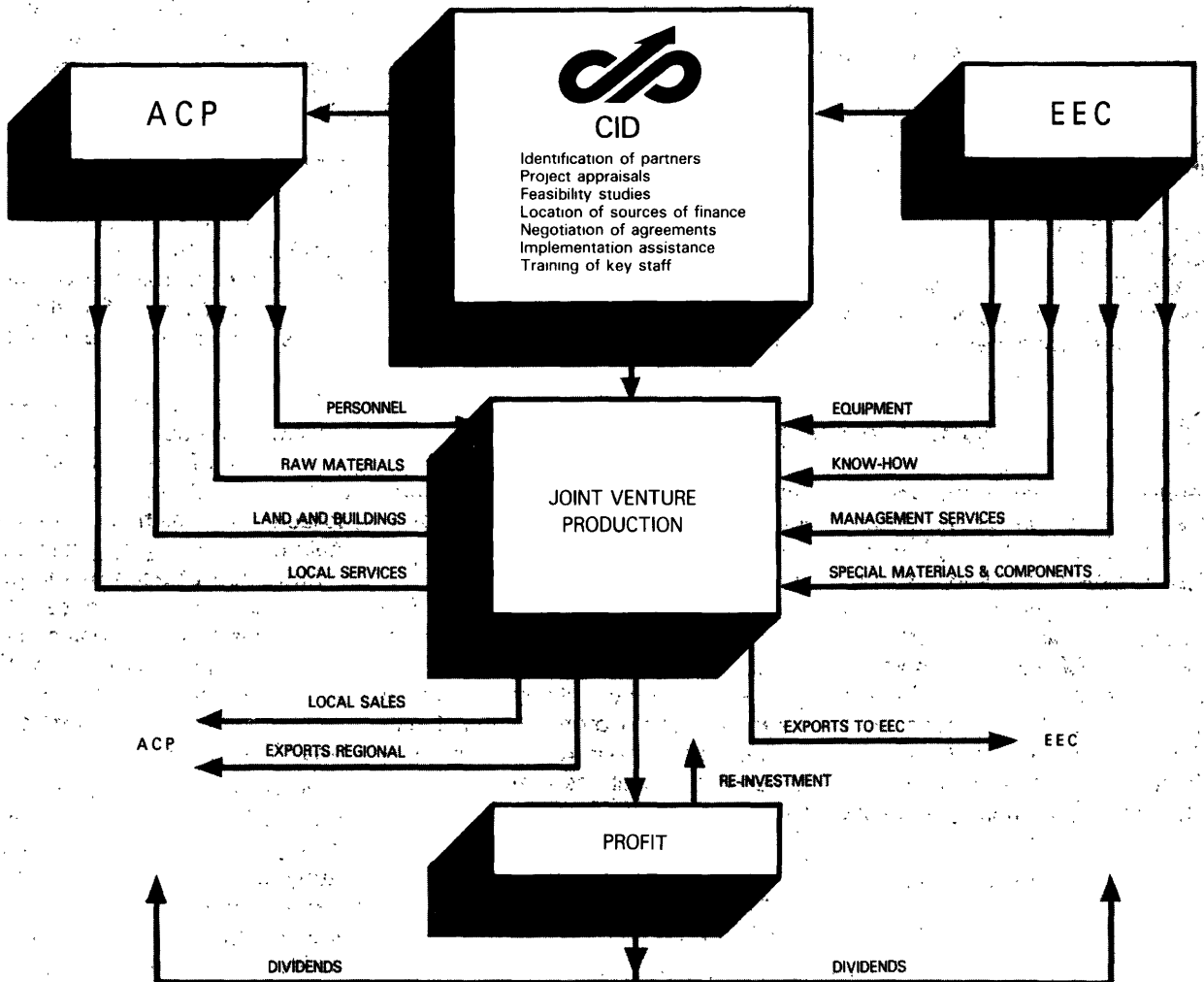


Chart 2 — Economic input-output of a joint venture



the project is technically and commercially viable.

It must be detailed enough to enable the future joint venture partners and financiers to take their decisions about the project.

As far as possible, the feasibility study is carried out jointly by the ACP sponsor and the EEC partner, possibly with the assistance of specialized consultants. It contains proposals for management arrangements and marketing, and for the supply of know-how and equipment.

If the feasibility study shows a project to be viable and all the joint venture partners agree (in principle) to invest, a formal joint venture agreement is signed. This agreement has all the normal aspects of an international contract. It specifically covers:

- the objectives of the joint-venture (products, capacity, investment cost, financing, management, marketing, the obligations of each partner and so on);

Why use joint ventures in the transfer of technology?

A factory can be bought ready-made on a "turn-key" basis and the training for its workers and managers can be provided by vocational schools and universities.

However, "turn-key" factories often fail to make a profit due to the plant supplier's lack of financial and managerial commitment. Also, institutional training is often insufficient and never meets all the practical requirements. Consequently, both the "turn-key" concept and one-sided institutional training are expensive, from either the commercial or the overall economic point of view.

Industrial cooperation between partners who have jointly made a financial investment and who make their combined commercial and technical know-how available to their joint company, is the best guarantee of success. Each partner is commit-

- conditions for the coming into force of the agreement such as the granting of necessary Government approvals and concessions e.g. for land, foreign investment, import licences, repatriation of investments or dividends, and so on.

Depending on the type of industry and the agreed role of the EEC partner, complementary agreements have to be concluded, such as:

- Management/marketing and/or technical assistance agreement. This describes in detail the managerial responsibility of the European technological/marketing partner who, for a number of years, is usually made responsible for operations and for the carrying out of a staff training programme. This should secure a complete transfer of technology and operational know-how from the EEC company to the project.

Other specific arrangements may also be foreseen such as marketing, licencing or trade-mark agreements.

ted to making a profit and must therefore be efficient at all levels and in particular in plant operation, training, marketing, as well as financial management.

European industry—and in particular her thousands of smaller and medium-sized firms—forms an enormous reservoir, not only of industrial and commercial knowledge, but also of operational experience. This can be mobilized for industrial cooperation projects in ACP countries.

Generally speaking, the transfer of technology, commercial know-how and investment funds, is achieved far more efficiently through joint ventures than through the use of individual experts who operate without any industrial support and who, in most cases, will have no financial interest in the implemented project.

What are the advantages of a joint venture?

In other words, why should an ACP sponsor or an EEC industrialist

enter into partnership? Without attempting to put the arguments into

some order of importance—which would anyhow vary from one project to another—the following points give an indication of some of the main advantages of the joint venture concept.

Advantages for the ACP sponsor

- He can get cheaper and better feasibility studies and implementation plans if assisted by an experienced industrial partner.

- He will have access to external sources of investment finance through his EEC partner.

- He will benefit from a transfer of technological and commercial know-how at favourable terms and conditions.

- He will be in a good position to open up new export markets through the established channels of the EEC partner.

- He will be able to offer better training to local staff with the help of expatriate managers provided by the EEC partner.

- He will obtain more easily, within one and the same agreement, assistance for the selection of the most suitable machinery, production know-how, management and eventually, marketing.

- He will be assured that the selected equipment corresponds to his needs, that it will be properly serviced, and that the expatriate staff provided by the EEC partner will be more motivated and qualified than experts recruited on the open market, who would not have the same commitment to the project and who would not be backed by an industry which possesses the necessary technology and operational know-how.

Advantages for the EEC partner

- He will have access, thanks to his ACP partner, to new local and regional markets, or will be able to consolidate and expand his position in an increasingly protected market.

- He may be granted privileged access to local sources of raw-materials.

- He can transfer the more labour-intensive part of his production to an

ACP country, while maintaining or expanding the capital-intensive operations at home.

- He could possibly make parts and components for export, to supplement his European production and make himself more competitive.
- He would have access, through his ACP partner, to local loans and credit lines of external origin.

Difficulties in having the joint venture concept accepted

Even though the joint venture concept is generally well accepted, one should note the difficulty in mobilizing smaller EEC industries, and the often individualistic character of the ACP promoters.

Mobilizing smaller EEC industries

It is by no means easy to mobilize a European joint venture partner, even for projects with excellent business prospects. There are several reasons for the reluctance—especially of smaller EEC firms—to engage in joint venture operations:

- the economic and financial climate both in the EEC and the ACP countries is not at present favourable to new industrial activities. The shortage of foreign exchange in many ACP countries is very often an unsurmountable obstacle to new investment and in particular to the financing of day-to-day production inputs such as spare parts and imported components;
- the owners/managers of small and medium-sized EEC firms cannot afford to spend too much time and money on travelling in ACP countries to identify and negotiate joint venture opportunities; they are generally reluctant to enter into partnership with others in foreign countries unless they are guided and supported by institutions such as CID or by their

• He will, in most ACP countries, benefit from attractive fiscal incentives.

• He will be better covered against "political" and non-commercial risks as he will be in partnership with local private and/or institutional partners (and maybe EEC financial institutions).

national development finance institution;

• the necessary support at the European end in the form of supplier's credits, double taxation agreements or investment insurance coverage, is not always or easily obtainable; there is also the fear of changes in the investment laws and day-to-day operating conditions in ACP countries, and this creates a feeling of insecurity about long-term business prospects.

The individualist entrepreneur

A serious constraint in creating joint ventures is the fact that the entrepreneur in any country who has managed to start some business and gather some money, has usually done this more or less by his own personal efforts. He therefore does not have any great wish to share a future operation with anybody else. He is, so to speak, a self-made man.

However, it is obvious that such entrepreneurs can gain from joint ventures which will quickly enable them to operate profitably.

The move from commerce or an artisanal operation into industry is a major step. Many entrepreneurs have failed by trying to undertake it alone.

management in order to protect the profitability of the investment.

Such control is given via a management contract or is covered by the joint venture agreement. However, whatever the shareholding of the European partner, it is important that the joint venture partners agree upon:

- the exact management responsibility of each partner,
- the duration of the management agreement, and a schedule for eventual transfers of power during various stages of the operation;
- a schedule for training counterparts to take over responsibilities from expatriate staff.

What assistance does the CID give?

CID offers assistance at any stage of an industrial project as indicated in Chart 2, along with the other inputs from ACP and EEC partners.

CID's familiarity with the European industrial scene allows it to locate and recommend the most suitable EEC industrialist to the ACP sponsor, and to ensure that the European is truly interested in creating a joint venture with equitable advantages for himself and his ACP partner.

Most important, CID can assist—as a neutral and experienced mediator—in the negotiation of the joint-venture agreement and related contracts, in order to make sure that all elements and preconditions for a successful operation will be considered. This may even include the provision of studies (by independent experts) of the suitability and real value of any proposed plant or equipment.

As each project is different, industrialists interested in joint ventures in ACP countries are invited to contact CID. It will then be possible to study in detail the practical assistance which CID can offer.

Controlling joint ventures

If the European industrial partner takes a majority shareholding, he will automatically be in charge of the operation and he will make all his technical and commercial know-how available to "his" company at the

most favourable conditions. However, in those cases where the European partner is only providing (or allowed to provide) a minority shareholding, say 20% equity, he will wish to obtain some control of the

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Facts and figures

In the run-up to the renegotiation of the Lomé Convention and in a period of shrinking international trade, this study of EEC-ACP trade carried out by the Statistical Office of the European Communities (SOEC), with the

aid of the Statistical Institute of the University of Milan, should be a useful source of detailed information. The study (1) covers various aspects which are outlined below.

EEC-ACP trade

Statistical analysis 1970-1981

Trade between the Community and the ACP countries increased considerably (in nominal value) between 1970 and 1980. Indeed, while the Community's imports from its ACP partners went from US\$ 4 700 million to almost \$ 27 000 million (i.e. a mean annual growth rate of 19.7%) (2) exports went from \$ 3 500 million to \$ 22 000 million (mean annual growth rate, 21%). During the same period Community imports increased annually by 20.5% in terms of world trade and by 21.3% in terms of trade with developing countries.

This development was accompanied by an almost permanent Community trade deficit with its ACP partners which reached \$ 4 000 million in 1979 and 1980.

Despite this trend the share of the ACP countries in total Community imports remained fairly stable (7.8% in 1970 and 7.1% in 1980), whilst the total export figures increased slightly (6.3% in 1970 and 7.2% in 1980).

EEC-ACP trade has not escaped the decline in world trade which set in in 1981. Community imports from ACP countries were cut by 30% as compared with 1980, whilst exports dropped by 5%. This resulted in a trading deficit for the ACP countries of over \$ 2 000 million.

It should, however, be emphasized that what might have appeared to be a new trend has not been confirmed in 1982; the figures for that year are

(1) This study will be published by the SOEC in May 1983.

(2) Based on a trend index for the period from 1970 to 1980.

still incomplete, but indicate an upswing in imports from ACP countries (+8% between 1981 and 1982), and, on the other hand, a stagnation in Community exports.

The development in total EEC-ACP trade is evidently influenced by the development in oil exports, particularly from Nigeria, to the Community (in 1970 Nigeria accounted for 17% of Community imports as against 41% in 1980, 95% of which represented oil).

However, even excluding the oil trade, a very marked increase in

tions in the growth rates for Community imports from one year to the other were considerable (see table below) due to the development of the prices of raw materials. The year 1975, in which soaring oil prices were halted and the cost of raw materials slumped, is particularly significant in this respect.

All the same, Community exports fluctuated considerably in this period and the growth rate also declined (1979/1978).

If the figures for oil are excluded, the share of the ACP countries in Community imports dropped from 8.3% in 1970 to 5.6% in 1981. It should, however, be mentioned that the base year, 1970, was an exception, as in 1971 the share of the ACP countries was 7%. Subsequently this

Community import and export trade with ACP countries⁽¹⁾

	EEC imports				EEC exports			
	Value Thousand million \$		Annual growth rate (%)		Value Thousand million \$		Annual growth rate (%)	
1970	4.7	(4.1)	—	—	3.5	(3.4)	—	—
1975	10.9	(7.2)	-11.8	(-5.3)	10.2	(10)	38.7	(38.8)
1976	11.8	(8)	7.9	(11.6)	11.1	(10.8)	9.1	(8.6)
1977	14.5	(10.4)	22.6	(29.5)	14.4	(14)	29.4	(28.8)
1978	15.4	(11)	6.8	(5.5)	16.4	(18.7)	13.8	(12.3)
1979	20.7	(12.8)	33.9	(15.8)	16.3	(15.1)	-0.1	(-3.4)
1980	26.7	(14)	29.3	(9.6)	22	(20.4)	34.8	(35.4)
1981	18.5	(10.6)	-30	(-24)	20.8	(19.8)	-5	(-2.9)

(1) Figures rounded off; figures in brackets exclude oil and oil products.

Community imports from ACP countries (\$ 4 000 million in 1970 and \$ 14 000 million in 1980) is apparent, representing a mean annual growth rate of 16% as against 20% for Community exports.

These two rates are certainly no more than indicators. The fluctua-

share fluctuated annually (finally attaining 7.5% in 1977). Finally, the average share of the ACP countries in the Community imports went from 7.2% between 1970 and '74 to 6.5% between 1975 and 1980. Although the share of the ACP countries in Community imports apart from oil has been reduced, the trend

is less marked than a direct comparison between 1970 and 1980 suggests.

On the other hand, the share of the ACP countries in Community exports has increased slightly (6.3% in 1970 and 7.2% in 1980), although their share in 1979 was only 6.2%.

(\$ 2 800 million in 1976; \$ 4 600 in 1978, \$ 6 500 in 1980). However, oil products cannot be excluded without taking account of the importance of Nigeria which, due to its oil revenue, absorbs approximately 40% of Community exports to ACP countries. If Nigeria is excluded from



Cane sugar is one of the Community's main imports from the ACP countries

In 1981 Community imports apart from aid from the ACP countries fell appreciably (\$ 10 600 m dollars as against \$ 13 900 m in 1980, i.e. a reduction of 2.4%). This resulted in a drop in the share of ACP countries in total imports and a trading deficit of \$ 9 200 million of which, however, only \$ 300 million remain if Community exports to Nigeria are excluded.

Has this development in trade altered the position of the Community in the ACP countries' trade with regard to their other industrialized partners?

The results vary considerably, depending on whether the oil component is included or not. If oil imports are included, Community imports from 1976 are equal to or below those for all other industrialized countries, whilst in 1970 they were 66% higher than the latter. This is mainly a result of the large quantity of oil imported by the United States, whose share compared with other industrialized countries was 74% and 43% with and without oil respectively in 1980 (see table opposite). The converse is true for Japan and the remainder of the industrialized countries if oil is excluded.

The Community, which imports a great deal from the ACP countries, has seen an increase in its share of exports to the ACP market: in 1980 exports were 58% higher than from other industrialized countries, as against 14% higher in 1970.

Imports from ACP countries in the Community and other industrialized countries ⁽¹⁾

	EEC		Other industrialized countries thousand millions \$	of which (%)		
	Thousand millions \$	EEC/other industrialized. (%)		US	Japan	Others
1970						
— Total	4.7	166	2.8	45.3	22.9	32
— excluding oil	4.2	173	2.4	42.6	27	30.4
1976						
— Total	11.8	92	12.8	73.8	8.8	17.4
— excluding oil	8	168	4.8	47.2	21.7	31.1
1980						
— Total	26.7	103	26	74	8	17.7
— excluding oil	14	182	7.7	42.9	25.5	31.6
1981						
— Total	18.5	78.7	23.5	75.3	8.9	15.8
— excluding oil	10.6	154	6.9	47.8	24.7	27.5

(1) Figures are rounded off.

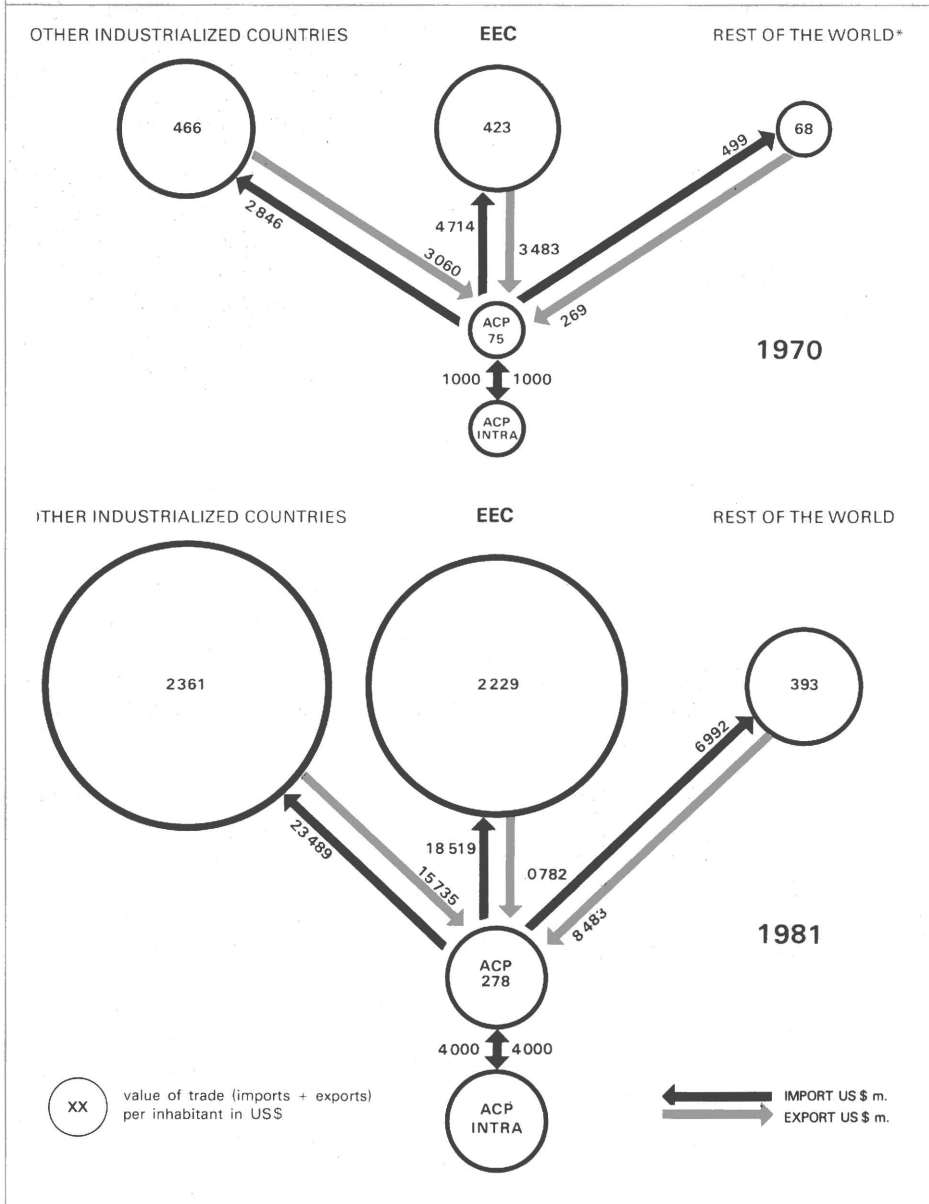
Growth rate for 1981/1980 in trade between the ACP countries and industrialized countries (%)

	EEC	USA	Japan	Other industrialized countries
Total				
— imports	-30	- 8	0	- 11
— exports	- 5	18	20	5
Excluding oil				
— imports	-24	- 3	-10	- 9.5
— exports	- 3	18	20	4

If trade in oil products is excluded, the balance of trade for the ACP countries with the Community shifts radically, with a surplus for the ACP countries being replaced by a deficit

the comparison, the ACP countries are left with a trading surplus of two thousand million dollars in 1979 and one thousand million dollars in 1980 with the Community.

Trade of the ACP countries with the Community, the other industrialized countries and the rest of the world



* excluding the inter-trade of centrally planned economies of Asia

In 1980 the Community imported markedly less from the ACP countries than other industrialized countries if oil is taken account. If oil is excluded, the Community ranks number one once again. It should, moreover, be noted (see table) that the drop in Community imports in 1981 as compared with 1980, is appreciably less than that for other industrialized countries' imports from the ACP countries.

By contrast, as in 1979, the growth rate for Community exports to the ACP countries is negative, those while of other industrialized countries and, in particular, for the

USA and Japan have remained positive and high.

The general trends described so far are not uniform for all the ACP countries. The mean annual growth rate for Community imports has varied as follows: below 10% for 9 ACP countries, between 10-20% for 29 countries, between 20-30% for 14 countries and above 30% for 11 countries.

Although still sizeable, the differences in growth rate are less marked at the level of geographical groups of ACP countries. If oil is included, the annual growth rate for Community exports has varied between 23.2% (Caribbean) and 14.6 (East and southern

Africa). If oil is excluded the range is between 22.7% (Pacific) and 14.5% (East and southern Africa).

Whether it be cause or effect, there is still considerable geographical concentration. Thus, 2/3 of total Community imports come from 10% of ACP countries and 15% of these account for 2/3 of Community imports, apart from oil, and exports.

Concentration of trade within the Community is extremely marked too. Almost 50% of exports came from two member states (France and the Federal Republic of Germany) in 1980. Similarly, 58% of imports were shared between two member states (France and the United Kingdom).

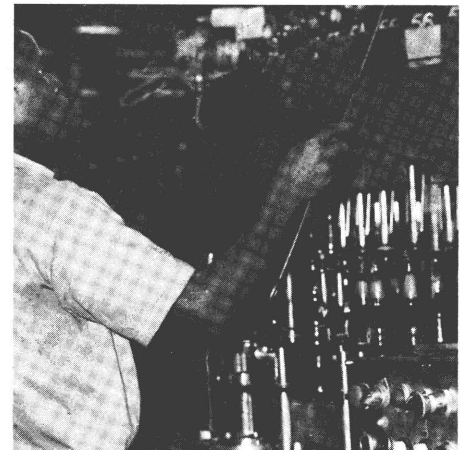
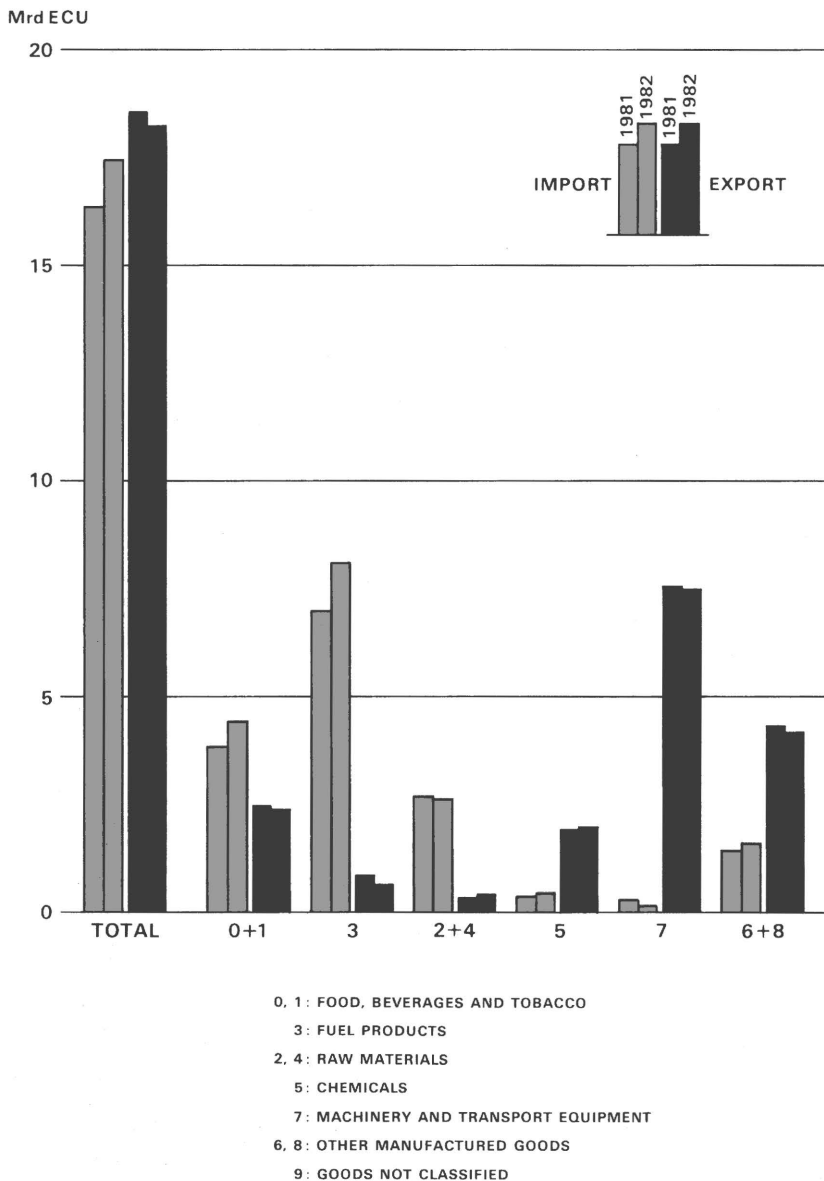
EEC-ACP trade in 1982 (main products)

In 1982 the Community imported ECU 17 800 million from the ACP countries, a rise of 8.5% on the previous year. By coincidence, total Community imports from all sources rose by this amount, so that the ACPs' share was unchanged from 1981. Imports from developing countries actually declined slightly so that the ACP share of EEC imports



Cocoa is one of the main ACP agricultural products imported by the EEC and other industrialized countries: like other commodities, it suffers from continuing price instability

Trade of the Community with the ACP countries by main commodity classes



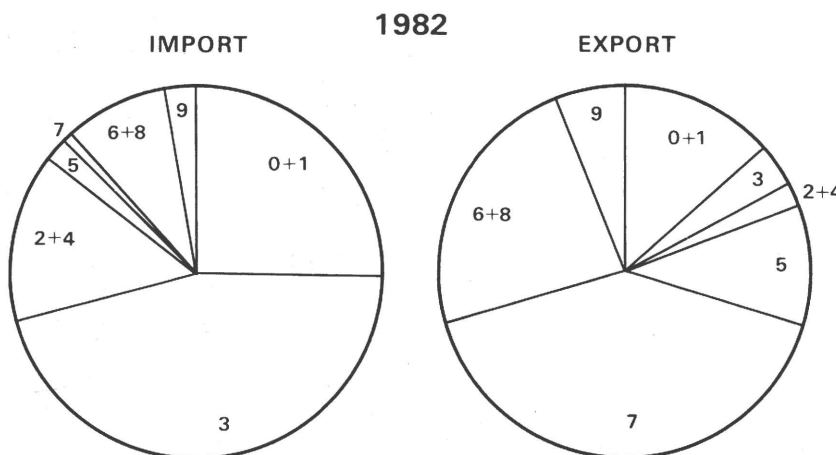
Drinks, particularly beer, and brewery equipment are an important EEC export to the ACP countries

from developing countries rose to just under 14%.

The chart shows the importance of particular groups of products in the ACP total. Fuels (mainly petroleum) are the leading category of imports from ACP countries, taking around 46% of the total in 1982. Food, drink and tobacco account for 25% whilst raw materials (including oils, fats and waxes) take a further 15%. In 1982 the two leading categories of products both showed above average increases as against 1981 (fuels + 16%, food, drink and tobacco + 15%), thereby increasing their shares. Imports of raw materials from ACP countries declined slightly in 1982 due to the recession in Europe.

Community exports to ACP countries declined by 1.7% in 1982 to ECU 18 200 million. The ACP countries take 3.0% of Community exports. However, the decline could be counterbalanced by more buoyant sales elsewhere. EEC exports to developing countries as a whole rose by 4.6% in 1982. Machinery and transport equipment is the most important category of Community exports to the ACP. Its share last year was 41%. Other manufactured goods accounted for 24% of exports. Food, drink and tobacco exports took 11%. Chemicals were the only major category of exports not to show a decline in 1982.

The Community had a trade surplus with the ACP countries of around ECU 500 million in 1982. This was much less than the 1981 trade surplus, and only the third surplus to be recorded since 1970.



Energy production and consumption in the European Community

Latest available figures give some interesting indications on consumption and production of energy in the European Community. The trend to consume less energy which emerged in 1979 has slowed down but it is still in evidence. In 1982 consumption was down by 1.2% compared with 1981.

Different forms of energy produce different quantities of heat, but for comparison purposes a common denominator, the "tonne of oil equivalent" is used. Consumption for all of 1982 is estimated at 917 million t.o.e. — down from 936 million in 1981 and 970 million in 1980.

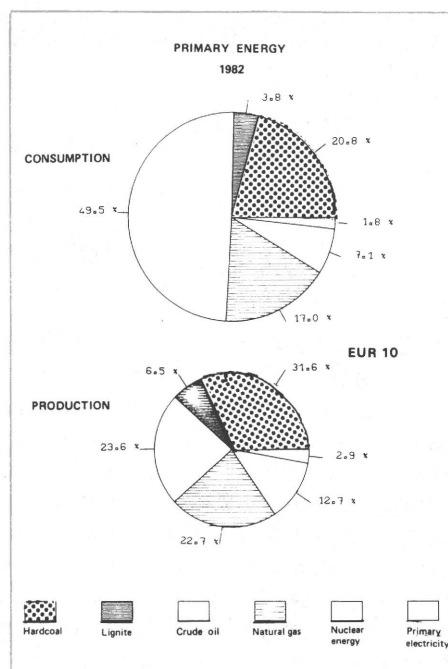
The first pie-chart shows that approximately half (49.5%) the energy consumed in 1982 comes from crude oil. Most of the rest comes from hardcoal (20.8%) and natural gas (17.0%). Nuclear energy still only accounts for a small (7.1%) but

rapidly increasing part of energy consumption.

The Community itself does not produce enough energy to meet its own needs. It may export certain forms of energy but it imports a lot more. The Community's own production is illustrated in the second pie-chart. Hardcoal accounts for 31.6% of energy produced. Another important source of energy is North Sea oil, which provides 23.6% of home production.

As mentioned above, the Community imports a lot of energy, but in the last few years this external dependency has been falling. In 1982 external dependency was 46.8% compared with 48.8% in 1981. Dependency on external sources of oil fell by 2.3%, to 37.1%.

These trends are obviously influenced by changes in relative prices, i.e. the increase in the oil



price encouraged people to look for alternative sources which were cheaper. Consumption is partly a function of industrial production. This fell by 4% in the period January-September 1982. If the oil price falls considerably or industrial production increases, some reversal of trends may be expected.

Unemployment at highest level since the war

Unemployment has increased greatly in the European Community over recent years as the accompanying table shows. In 1975 there were some 4.6 million unemployed, which represented 4.3% of the civilian working population. Seven years later, in 1982, the average monthly figure was up to nearly 10.7 million or 9.3% of the working population.

The data for winter 1982/83 show that the trend is still upwards.

In January 1983 the unemployment figure for the Community countries stood at over 12.4 million, or some 10.9% of the working population. Even if the figures are adjusted to take account of seasonal influences (cold weather), the number of unemployed is situated at about 11.6 million or 10.2% of the working population.

The data are not always collected on exactly the same basis in the

member countries and thus not strictly comparable. Nonetheless the trends all go in the same direction. These show that the biggest increases in unemployment have been in Belgium, the United Kingdom and Ireland, followed by the Netherlands and Italy. In all member countries unemployment is at its highest level since World War II. ◊

	D	F	I	NL	B	L	UK	IRL	DK	GR	EUR 10
Registered unemployment (× 1000) — Annual averages											
1975	1074.2	839.7	1106.9	195.3	207.8	0.264	940.9	96.2	113.5	35.0	4609.8
1980	888.9	1450.6	1776.2	248.0	382.3	1.094	1664.9	101.5	161.5	37.2	6712.2
1982	1833.2	2007.8	2374.0	541.7	559.8	2.039	2916.9	156.6	235.2	50.2	10667.4
Unemployment rate — % of civilian working population											
1975	4.2	3.9	5.3	4.0	5.3	0.2	3.7	8.5	4.6	1.1	4.3
1980	3.4	6.4	8.0	4.7	9.4	0.7	6.4	8.3	6.1	1.1	5.9
1982	6.9	8.9	10.5	10.1	13.8	1.3	11.3	12.8	8.9	1.5	9.3

The Community and the countries and regions of the Mediterranean

"Geopolitical reasons in themselves make an impressive case for the necessity of a coherent European Community policy on the Mediterranean. A glance at the map proves it. Look first at the Balkans and then at the mouth of the Atlantic. Take in the Dardanelles and the petrol-producing region of the Near East; remember too that the Mediterranean is the inescapable north-south axis for links between Europe and Africa. We must question whether the Community could survive a serious disturbance in the Mediterranean region..." These comments by Lorenzo Natali, the European commissioner with special responsibility for Mediterranean affairs, illustrate the need for a cohesive, forward-looking Community policy for this region of the world.

As Greece became an integral part of the Community in January 1981, and Spain and Portugal currently negotiate their own terms of accession, so the centre of balance of the European Community shifts to the south and increasing importance is attached to the two central aspects of Community Mediterranean policy.

— The internal aspect: since the creation of the Community, the economic and social gulf between member countries in the north and the south has widened. A true Community must do all in its power to narrow this gulf.

— The external aspect: its history, commitment to cooperation with developing countries and recognition of its own economic, political and strategic interests oblige the Community to maintain and strengthen links with the non-member countries with which it shares the Mediterranean basin.

In fact the European Community has long concerned itself with the problems of its own Mediterranean region and other Mediterranean countries. Internally and externally, a whole series of measures have been taken.

Measures to assist the Mediterranean regions of the Community

Most Community policies acknowledge the need for special assistance

for less-developed Mediterranean regions. Examples include:

Regional policy: since their inception, the European Investment Bank (EIB) and European Regional Development Fund (ERDF) have devoted just over 45% of their resources to Mediterranean projects. Between 1958 and 1981 loans to the area topped ECU 8 500 million. Between 1975 and 1981 grants exceeded ECU 2 500 million.

Agricultural policy: the Community has taken steps to adapt the basic rules of "green Europe" to the specific needs of Mediterranean producers. In addition, the development

section of the European agriculture fund, EAGGF, has stepped up its financial assistance to the modernization of rural infrastructure, marketing and production methods.

Social policy: the European Social Fund gives priority and a higher rate of financial assistance to job training and retraining schemes in Greece and southern Italy.

Between 1975 and 1981, the Mezzogiorno in Italy, the south of France and Greece received a total of more than ECU 3 800 million in Community grants and nearly ECU 4 900 million in Community loans. Europe's efforts have not been negligible, yet they have proved insufficient to remedy the economic imbalance which still exists between north and south.

Agriculture still accounts for a large proportion of economic activity in the Mediterranean area (between 20% and 60% of the working population). It faces serious handicaps, caused by natural conditions, the type of produce traditionally grown (fruit, vegetables, wine and olives) and a structural economic lag.

The unemployment situation in the Mediterranean area is disturbing and economic growth and gross domestic product remain weak. In the Mezzogiorno and Greece, for instance, GDP per head is less than half the Community average.



WFP

The EEC needs to develop "complementary agricultural policies in the Community and the partner countries"

Cooperation with non-Community Mediterranean countries

The Community has signed agreements with almost every country in the Mediterranean basin. Negotiated individually in the 1960s, the agreements were renewed in 1972 as part of an overall Community policy. In the present state of affairs:

- Turkey, Cyprus and Malta have signed association agreements which will progressively create a customs union with the Community. In Turkey's case the agreement ultimately envisages full membership;
- the Maghreb countries (Algeria, Morocco and Tunisia) and the Mashreq countries (Egypt, Jordan, Lebanon and Syria), together with Israel and Yugoslavia have signed commercial, industrial, technical and financial cooperation agreements.

Although their scope varies politically, all the agreements give the Mediterranean countries customs-free access to the Community for industrial goods. They also make a variety of customs concessions for agricultural produce. Financial aid is provided in the form of direct grants as well as loans from the European Investment Bank. It is envisaged that a total of ECU 2 300 million will be paid out between now and 1986.

Nevertheless, this policy has not yielded the expected results. Conceived in a period of economic growth, the policy took effect in a period of recession. It has not proved adaptable to the changed economic climate.

The generous industrial concessions have not led to the expected growth in exports from the Mediterranean partner countries. Consequently, there has been little impact on their pace of industrial development. In practice, the sectors in which the Mediterranean countries were able to boost their exports were just those sectors—such as textiles and steel—which the recession made sensitive in the European Community. To permit the orderly restructuring of its own industries, the Community found itself obliged to negotiate import restraint agreements.

Because of difficulties experienced in its own Mediterranean regions, the

Community has not been able to extend the concessions made for agricultural imports. The produce of the partner countries is frequently in direct competition with Community produce.

Far from narrowing the trade deficit of the Mediterranean countries with the Community as the agreements intended, the deficit grew from ECU 4 000 million in 1973 and 9 000 million between 1973 and 1980. This forced the partner countries to curb their imports, to the detriment of European exporters of machinery and other technical goods.

Growing unemployment in the Community has reduced opportunities for migrant workers and consequently the flow of remittances which the Mediterranean countries counted on to improve their balance of payments.

A new departure in Mediterranean development policy

There are, then, a multitude of reasons for European leaders to work out a new strategy for the development of the Mediterranean area. Despite Community efforts, the economic imbalance between the northern and southern parts of the Community itself has resisted correction. Cooperation agreements with non-Community Mediterranean countries have had limited success. The



The nature of Mediterranean agricultural production (fruit and vegetables, wine, olive oil etc) creates problems in enlarging the Community to include Portugal and Spain

imminent accession of two more southern European countries to full membership raises the prospect of increased competition between many Mediterranean products on Community markets. A new Mediterranean strategy must aim to foster an economic "catching up" by the Community's own Mediterranean regions. It must also promote the development of the other Mediterranean countries, while avoiding "poor man's quarrels" between these various countries and regions. It must ensure that the burdens of Spanish and Portuguese accession do not fall excessively on the weakest of the Community's partners. It must aim, in sum, to offer new opportunities for peace and economic revival to the Community as a whole by promoting the stability of this sensitive area and the imaginative development of new markets.

Integrated programmes for the Mediterranean regions of the Community

National and Community policies must give greater attention to the problems and the indigenous potential of the Mediterranean regions. The European Commission has outlined the principles of a new approach, aiming at balance and justice between all parts of the Community, and based on the restructuring of the Community budget which began in 1981. This approach is built around the concept of integrated development programmes, drawn up in partnership with the governments concerned. These programmes will be "integrated" in two senses. Firstly, they will make the greatest possible use of existing Community policies and funds, blending them with the measures adopted by the member states themselves. Secondly, they will cover all aspects of the Mediterranean economy, from agriculture to tourism, new technologies to protection of the environment. In view of the industrial recession they will give more weight than before to underpinning a high level of viable agricultural activity. At the same time, they will endeavour to generate local jobs for those who, despite these efforts, are forced to quit the land.

The relative importance of agriculture to the Mediterranean economy,

coupled with the need to improve competitiveness in advance of Spanish and Portuguese accession, means that agriculture will play a major role in the new programmes.

Improved competitiveness can only be achieved through a wide variety of actions, which take account of the diversity of the Mediterranean region. In areas where irrigation is traditionally employed, it may be necessary to encourage growers to switch from one variety of produce to another. In areas where new irrigation schemes are feasible, the Community can lend financial support. In other areas where the economic and social fabric of society is most threatened—in hilly or mountainous regions or on low-lying land not suitable for irrigation—the Community will attempt to increase yield from crops, flocks or forests. It will seek to encourage products, both new and traditional, for which markets can most easily be found.

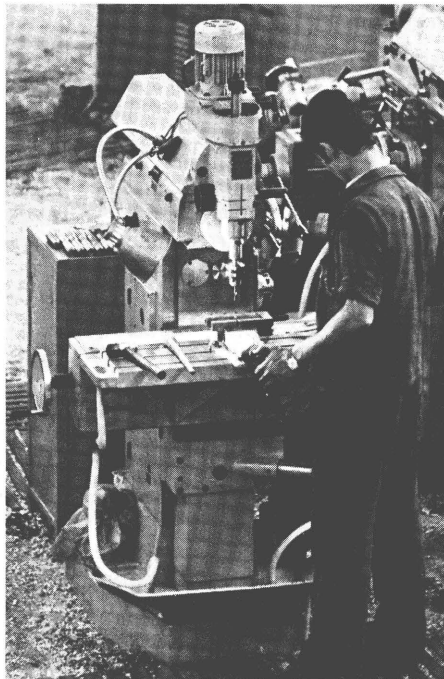
Throughout the region steps must be taken to upgrade the training of those employed on the land and to popularize new methods of production which will permit, where necessary, a fresh start to be made. Action is also needed to improve the processing and marketing of crops, notably through encouraging viable producer organizations.

Finally, efforts will continue to reform the common agriculture policy, without challenging the basic principles of "green Europe". Marketing arrangements must be strengthened, extended or adapted specifically to the needs of Mediterranean produce. To prevent the creation of new surpluses, quality products must be encouraged.

In the non-agricultural sector, action will be taken to generate alternative forms of employment by exploiting the development potential of individual regions.

Fisheries: the common fisheries policy must be extended to embrace measures suited especially to the Mediterranean. These should include the development of fisheries in new areas, the creation of protected zones, action against pollution of the sea, the promotion of inshore fisheries and fish-farming, and the improvement of harbour facilities.

Small, medium-size and craft en-



Industrial training in Tunisia. The EEC "must return to its 1972 commitment to allow customs and quota-free access to industrial goods from Mediterranean countries"

terprises: these are the stuff of which the Mediterranean economy is made. The Community should help them to widen their contacts with the outside world. This can be achieved by improving information services, making details of technical regulations more accessible and by developing awareness of market trends. Action should also be taken to promote modern methods; especially of management and to improve training.

Tourism: the Mediterranean area holds trump cards which have not always been well played. Special efforts are needed to promote rural tourism, to increase accommodation and to improve those tourist facilities which make the best use of the area's natural beauty and cultural heritage.

Energy: the high degree of dependence of the Mediterranean region on imported energy must be reduced. The Community should increase its contribution to development of solar and geothermal energy sources.

Transport and infrastructures: to remove the Mediterranean from the periphery of Europe and develop its potential as a commercial crossroads between north and south, improved transport infrastructures are

needed in every sector: sea, rail, air and road.

A new policy towards the non-Community countries of the Mediterranean basin

"The Community of 12 remains the indispensable outlet for the exports of Mediterranean countries, and is indeed their natural partner in development. It is in its best interest to avoid increasing their economic and social difficulties which might encourage the destabilization of the region. The Community should therefore prove itself a reliable partner to the Mediterranean countries, whose trade and aid policy can be counted on in a long-term view." This is one of the points underlined by the recent communication (June 1982) of the European Commission on "a Mediterranean policy for the enlarged Community". The comparative failure of past efforts and the prospect of the enlargement of the Community to include Spain and Portugal oblige the Community to draw up a new policy for the Mediterranean. This should progress gradually towards a more formal kind of cooperation between the different regions and should be built on a triple foundation.

Firstly, agriculture: Mediterranean produce has a limited export market, which is slow to expand. Surpluses are difficult to sell on world markets and, by the nature of the produce, can make little contribution to the fight against world hunger. This emphasizes the need to prevent permanent surpluses. It also demonstrates the paramount importance of the Community market for all the countries of the Mediterranean basin. Community action must, therefore, be developed in three ways:

— Consolidation of imports from the Mediterranean partner countries, permitting products covered by the agreements continued access to Community markets.

— Development of complementary agriculture policies in the Community and the partner countries. Firstly, the Community must control its own production trends to avoid damage to the partner countries. Secondly, it must do all in its power to coordi-

nate the timing of the production and the marketing of Mediterranean produce.

— Persuasion of non-Community Mediterranean countries to improve their trade balances, not by ceaselessly increasing exports but by reducing their dependence on food imports, as far as technical conditions and the labour market allow. It is therefore a question of helping these countries to develop agricultural potential where there is a shortfall at present, as well as of encouraging them to continue with the reconversion of the sectors in surplus.

Secondly, industry: the Mediterranean countries must be offered real opportunities to expand exports of the products they are best able to manufacture. These tend, at present, to be products, such as textiles, footwear and processed foodstuffs, which have been hardest hit by the economic crisis in Europe. But a Mediterranean policy cannot succeed if the Community closes the door to industrial goods from the partner countries. Limitations imposed in the textile sector are already much resented. The Community must therefore:

— return to its 1972 commitment to allow customs and quota-free access to industrial goods from the Mediterranean countries;

— create, along with this commitment, negotiating machinery which will allow genuinely concerted action when the need arises. Exchanges of information on market trends in sensitive sectors would give early warning of crises and allow effective measures to be taken when the orderly operation of the market is threatened. The Community's partners could then have renewed confidence in the operation of the agreements. They would be better able to plan their industrial development.

And thirdly, cooperation: the principle aim of a Community Mediterranean policy must be to assist the development of the partner countries while respecting their right to independent domestic and foreign policies. The Community should discuss with interested countries to what extent it can help them to achieve their own development targets. At the same time, it must try to foresee possible conflicts of interest



Publifot - WHO

A Mediterranean beach.

The area "holds trump cards which have not always been well played"

and to encourage a complementary development of the different economies of the partner states. This will inevitably involve a certain amount of economic reconversion on all sides. Like the Community's own Mediterranean regions, the non-Community countries in the area are therefore in need of increased financial aid. The Community must step up its assistance and it must also promote a flow of capital into the partner countries. This can be achieved through loans from the Community's own financial machinery and through mobilizing funds on world finance markets.

Cooperation must also be improved in the social field. A new influx of migrant workers into the Community is extremely unlikely. But the Community should increase its efforts to ensure equal treatment for workers from the Mediterranean countries. It must also improve training opportunities which can ultimately benefit the country of origin.

The development of Mediterranean policy is in the political and economic interest of the whole Community. It can help to maintain peace and to generate new markets. But it could also create a gulf between different parts of the Community. The developed north will be given opportunities to export, for example, large quantities of technical goods and cereals. On the other hand, the Com-

munity's Mediterranean regions will face increased competition just when they also face the bulk of the burden of the enlargement of the Community. Enlargement is another factor which, though positive in itself, could widen the economic imbalance between different parts of the Community. It is therefore evident that the creation of an external policy for the Mediterranean must also involve great efforts to bolster internal solidarity. Measures favouring the Mediterranean regions of the Community must be extended.

By simultaneously promoting the development of its own Mediterranean regions and the partner countries of the Mediterranean basin, the Community can reduce the risk of a conflict of interests. Implementation of such a policy is made particularly urgent by the imminent accession of Spain and Portugal. But it will be necessary in any event if Europe wishes to become a true Community, founded on solidarity and social justice, capable of economic expansion and wide international influence. Such influence is especially important in the Mediterranean, one of the most sensitive areas of the world and one of the cradles of human civilization. ○

The contents of this article do not necessarily reflect the official views of the institutions of the Community.

Books about Europe

EUROPEAN DOCUMENTATION — **The European Community's industrial strategy** — Office for Official Publications of the European Communities — 1982

Generally speaking, European industry is in quite good shape, but has sufficient thought been given to the future? Can Europe's economy continue to rely on a strong industry in order to function as it should and help maintain the high standard of living of Europeans? These are some of the questions raised in this booklet.

In the European Community as a whole, industry provides employment for 40% of the labour force and accounts for a slightly higher share of the gross domestic product.

According to industrial indicators, the European Community and most of its Member States are among the leading group of countries in the world. However, European industry has two basic weaknesses: as regards the production of basic raw materials, and as regards the advance technology sectors.

Moreover, there is still strong competition from industrialized countries outside the Community. The American challenge of the 1960s has been replaced by the Japanese challenge. In addition, newly-industrialized countries are now taking off industrially. The external pressure is therefore not relenting.

In the circumstances, what should the Community's future attitude be? The choice for Europeans is not between acceptance or refusal of change, but between a passive attitude, consisting of bowing their heads and grumblingly suffering the adverse effects of changes largely dictated by others, and a positive attitude seeking to control both the direction and the pattern of change.

For many reasons explained in the booklet, this positive attitude ought to give rise to an industrial strategy at European Community level, in order to supplement, reinforce and in some cases even direct the Member States' domestic industrial policies.

A vast range of instruments is available for this purpose.

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Pierre D'AMARZIT — **Essai d'une politique pétrolière européenne 1960-1980 (Trial of a European oil policy 1960-1980)** — Preface by Pierre Desprairies — Editions Techniques et Economiques (3 rue Soufflot, F-75005, Paris) — 174 pages — FF 90 — 1982

The author reviews twenty years of efforts within the Community, in an attempt to arrive at an oil policy. After an introductory chapter, the author examines the legal bases of the Community oil policy, the objective for an action framework, the problems of financing, the organization of the oil market, the supply policy and energy savings.

In conclusion, the author believes that the Community policy remains desperately limited. It is too often confined to declarations of intention and in the fixation of medium- and long-term objectives, whereas in the face of an increasingly uncertain international situation, the Community can no longer allow itself to act in a dispersed manner. In order to remedy the situation, Mr. Pierre d'Amarzit proposes a series of essentially technical actions (development of logistical means, efforts of research and rationalization of the utilization of oil) which must, however, serve as support to a Community energy policy. In this context, the author, who was an OECD consultant, says that this organization is the naturally privileged link for discussions to be carried out between the large oil-consuming countries.

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MATTEI — **Quell'idea di liberta (What idea of liberty)** — published by E.N.I., Rome — 230 pages — 1982

This volume, to which a large number of illustrations have been added, has been published to commemorate the 20th anniversary of the tragic death—27 October 1962—in a mysterious plane accident of Enrico Mattei, one of the men who had understood, as President Pertini explains

in his preface, that there was a need to seek a new type of relation between energy producing and energy consuming countries. This explains the fact that, in spite of three oil crises, ENI is today the eleventh industrial enterprise in the world, and the third among non-American firms.

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Bernard DUHAMEL — **La coopération trilatérale (Trilateral cooperation)** — Le Sycomore, 102, Bd Beaumarchais, 75011, Paris — 102 pages — 254 BF — 1982

The idea of a trilateral cooperation (Triangular cooperation or trilogue as it is known in various quarters) emerged in France in the mid-1970s following the quadrupling of oil prices and the transfer of capital to Arab oil producing countries. Trilateral cooperation calls for the association of Arab capital and European technology with Africa's raw materials to the benefit of all sides.

Until now this idea has not been put into practice and there is no doubt that, in order for it to become a reality, greater effort is required on the part of the Europeans who are certainly in a better position to bring Africa and the Arab world together: Europe has not only had historical links with both Africa and the Arab world, it has the European Community, which has already set up a framework of cooperation with Africa under the Lomé Convention.

As Bernard Duhamel points out in the introduction to this book, Europe has to choose between accepting American economic domination or counterbalancing it. For Europe to reduce America's influence it must impose a "regionalization of the world economy". It is the only way open to Europe in its wish to maintain its identity and political independence. But what other better way of regionalizing the world economy than the establishment of this trilateral cooperation? This book analyses the contributions Europe, Africa and the Arab oil producing countries can make to the development of Africa and the elimination of poverty.

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GRESEAR — **Du télégraphe au télétexte, les réseaux du profit** (Telegraph to teletext, the profit networks) — Collection Nord-Sud — Les Editions Ouvrières, 12, ave Sœur-Rosalie, 75621 Paris Cedex 13, France — 179 pages — FF 38 — 1982

A very dense network of communications, from telegraph through teletext, is being set up all over the world. This technological revolution translates the new forms of western and multinational domination of the Third World and is an essential knot in the north-south power balance. After contemplating the panorama of techniques and the firms that deploy them via their strategies of integration and diversification, it will be easier to understand the world-wide telecommunications structure. This is a real challenge for a new communications order.

Information without circulation is meaningless. It has to be passed on by the holder to the agent who uses it. And to be useable, information has to be accessible in a telecommunications network. If you agree with the American estimates suggesting that the number of intellectual workers exceeded the number of production workers in 1975 and that they will be increasing threefold in the eighties, you will understand that this army has to be able to communicate its flow of information by remote means.

The extension and integration of the data networks is therefore the key to establishment of the computer society that Jean-Jacques Servan-Schreiber calls the post-industrial society in his *Le Défi Mondial*. How are the networks set up and who is to produce the requisite equipment? In short, who are the builders of the post-industrial society? That is one of the questions this work sets out to answer.

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Jacques ATTALI — **Histoires du Temps** (Stories of time) — Librairie Arthème Fayard, 75, rue des Saints-Pères, 75006 Paris, France — 333 pages — Bfrs 570 — 1982

The prime aim of this book is to tell the story of an everyday subject, of its techniques, its forms and its uses.

"I should like, first of all, to provide a detailed history of time-measuring devices, from the first sundial to the strangest of articles we have today. And I should like to provide a history of the people who described the theory of them, their inventors and manufacturers and, going beyond this, to discuss the use, both innocent and devious, ordinary and extraordinary, which men make of them.

A story? Stories would be nearer the mark. For the forms of time intertwine in complex arabesques and intricate patterns. There are many stories about the past and many possible stories about the future.

Time, that fantastic ambition of mankind, that fabulous mystery of nature, is always dual. It passes and it starts again. And it is perpetually ambiguous. There is the multiple time of the multiple histories of men and things and the single time of all societies. The instrument that can establish ritual everywhere marks the appearance of the most daring machines and the most extraordinary theories of any period—yet it is a means of controlling society.

At each of the great crossroads in the history of power, the measurement of time, the herald, changes. Sundials, water-clocks, astronomical clocks, watches, ship's clocks and the factory clock machines reflect some of these great breakthroughs. And today, our future, its riches and its ruins, its hopes and its nightmares, are inseparable from the way we use time—in other words the way we use ourselves.

Here, then, are stories about time. They talk of penitence and rejoicing, of sacrifice and carnival and of violence and laughter. Let us hope that they will help a time for living, for tolerance and for liberty to dawn in each of us".

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Thomas RIIS — **Aspects of poverty in early modern Europe** — Publications of the European University Institute, Stuttgart — 308 pages — 1981

This volume contains a number of papers on the methodological prob-

lems involved in the study of poverty and urban development in early modern Europe, surveying critically the literature on the subject and examining certain types of sources. While it is quite evident that a universally valid method of quantifying poverty cannot be established, it seems possible to construct a model of the economic, demographic, social, political and psychological factors influencing the degrees of deprivation. The contributions dealing with poor relief in Italy and England shows, inter alia, that the myth of Protestant superiority in this field can no longer be maintained.

The contributors, eminent scholars from different countries, include Michel Mollat, Wim Blockmans, Wilfred Backerman, Carlo Cipolla and Charles Wilson.

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Pierre PASCALON — **Le système monétaire international** (The International Monetary System) — Les Editions de l'Épargne, 174, bvd Saint-Germain, 75297, Paris Cedex 06, France — 528 pages — FF 120 — 1983

The international monetary problem has been in the limelight on the international economic scene since the 1960s. But the subject, it has to be admitted, is still as mysterious to the public at large as it ever was.

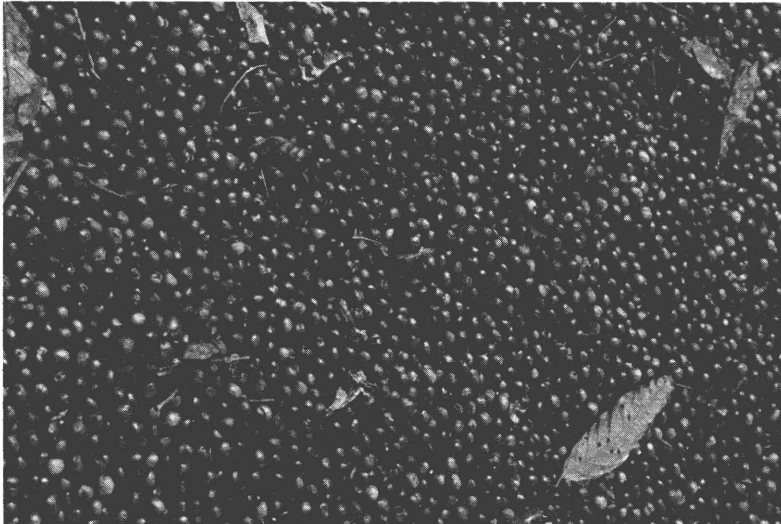
Why? Because most commentators confine themselves to a technical presentation of the international monetary problems when beyonds monetary history, there are waltzing parities to reflect the underhand dealings of the economic and political rivalries that they influence in their turn.

Seeking to destroy the power of fascination that the international monetary problems have over the man in the street means looking behind the technical quibbling, the esoteric vocabulary of the experts and the theoretical window-dressing that perpetuates the myth and paralyzes the will to understand and trying to shed light on actual political reality and the fundamental antagonisms that are all too often camouflaged in the literature on these questions.

That is the aim of this work. o

STABEX

Its financial balance, product coverage and current difficulties



Coffee and cocoa (right) are the main Stabex products

The purpose of this document is to present and analyse the results of the investigation carried out by the Commission into the main causes of the financial difficulties encountered by Stabex from year of application 1980 onwards; and also to make a number of comments on certain more organic features of the system, as revealed in the course of the investigation.

Throughout the period covered by the first Lomé Convention the total appropriation set aside for the system proved adequate to meet admissible requests for transfers. Even though for one particular year of application (1978) the aggregate amount of requests totalled more than the annual instalment available, it was manageable because of the unexpended balances carried over from earlier years, and the system was not only able to meet requests throughout the lifetime of Lomé I, but even left an unexpended balance of ECU 6 million when the Convention expired.

The situation changed radically in the first two years of application of Lomé II.

In the year of application 1980, the aggregate amount of admissible requests (ECU 261.1 million) exceeded the funds available (ECU 138 million) (1) by ECU 123.1 million, with the result that the overall cover rate was only 52.8%.

The same thing happened, but on a much higher level, in the year of application 1981, when the difference between admissible requests and funds available totalled ECU 341 million (2)—nearly three times the preceding year's—which meant a nominal overall cover rate of only 24.7%.

(1) Annual instalment for 1980 + balance from Lomé I + maximum advance on the 1981 annual instalment.

(2) Total admissible requests: ECU 453.1 million; funds available: ECU 112.1 million.

The fact that subsequently—thanks to the exceptional efforts made by both sides at the meeting of the ACP-EEC Council of Ministers in Libreville, and particularly by the Community and the member states—this rate was raised to 42.8% does not alter the substance of the problem: under Lomé II, for two years in succession the system has proved far from able to meet expectations.

Which of the various factors underlying this situation (the effect of the operational changes made to the system, particularly at the time of the changeover from the first to the second Convention; mechanical effects of the operation of the system; the impact of the world recession and the downturn in the trend of world prices for a number of key products) played the crucial role in engineering the difficulties encountered in years of application 1980 and 1981?

Are these the only factors to be taken into consideration when analysing the system's difficulties, or are there others, less obvious at first sight?

These two questions will be answered in the following pages.

Analysis of the factors leading to the difficulties encountered in years of application 1980 and 1981

Changes made to Stabex since its inception

Between 1975 and 1979, changes were made to the system to make it more flexible: (additions to the list of products (3), implementation of the "Fiji declaration" in

(3) Cloves, ylang-ylang, vanilla, gum arabic, wool, mohair, pyrethrum, sesame seed.

favour of Guinea Bissau and Cape Verde, extension of the "all destinations" derogation (4).

As these improvements were left untouched in the negotiations for the renewal of the Convention, it seemed worth calculating their impact on transfers for 1980 and 1981.

The results show that their influence was no more than marginal (ECU 6.3 million (5) out of an aggregate total for admissible transfer requests of ECU 741.1 million, i.e. less than 1%).

Major adjustments were also made when the Convention was renewed ("globalization" of requests for products in the same group, lowering of thresholds, new products (6), etc.). The impact of these adjustments was also calculated for each of the two years of application in question. The results are set out in the table below.

	1980	1981	Total
New provisions introduced upon renewal of the Convention			
— "Globalization" (article 25(3)(b))	10.—	34.8	44.8
— Lowering of dependence threshold	8.3	6.6	14.9
— Lowering of fluctuation threshold	—	—	—
— Additional 1% (article 39(2))	2.6	4.5	7.1
— New products	—	1.4	1.4
— Inclusion of intra-ACP trade (article 27) (*)	—	0.9	0.9
— Total impact of the above	20.9	48.2	69.1
— Total admissible requests	261.1	453.1	714.2
— Difference between admissible requests and funds available under the system	123.1	341.—	464.1

(*) Dominica: coconut products.

This table shows that:

Though not entirely negligible (8% in 1980 and 10.6% in 1981), the impact of the new provisions was, even in 1981, at a level that was compatible with the global equilibrium of the system. It was admittedly additional to other more powerful factors making for imbalance (which will be studied below) and hence brought extra pressure to bear on the system, which it could well have done without at such a difficult time. Nevertheless, the effect of the new provisions was not a determining factor.

Nearly half the impact in 1980—and nearly three quarters in 1981—is attributable to "globalization". This factor should therefore be borne in mind in the future, particularly for the purposes of calculating the overall appropriation if the system is renewed.

The lowering of the fluctuation threshold, on the other hand, does not appear to have had any significant effect.

(4) Cape Verde, Comoros, Lesotho, Western Samoa, Seychelles, Tonga: this brought the total number of ACP states covered by this derogation to 11 (5 in 1975).

(5) Of which ECU 4 million for new products and ECU 2.3 million under the "all destinations" derogation.

(6) Karite, nutmeg and mace.

But it would be necessary to look at a longer series of annual data (covering 1982-83 at least) before reaching any firm conclusion in this respect.

Effects of the world recession and of the sharp fall in the prices of commodities covered by the system

Sharp fall in prices. This is by far the most significant factor behind the difficulties which affected the system in 1980 and, to an even greater extent, in 1981.

At least, that is the inescapable conclusion if one looks only at the short-term economic situation.

The table set out below is revealing in this connection.

It is based on calculations carried out in order to determine how much of the aggregate amount of admissible transfer requests is due to the drop in the unit prices of exports and how much to the fall in the volume of exports. The method used is such that the results can be regarded as significant, within a maximum margin of error of 10%, and provides a means of isolating with sufficient approximation the specific role played by the fall in prices.

The calculations covered all requests considered as giving entitlement to a transfer, except requests involving less than ECU 1 million and requests relating to iron ore (this explains the difference in the totals from those given in the preceding table for years of application 1980 and 1981).

The results were as follows:

Year of application	Aggregate amount examined (*) '000 ECU	Broken down by			
		price		quantities	
		amount '000 ECU	%	amount '000 ECU	%
1975	74 786.5	206.1	0	74 580.4	100
1976	28 497.6	1 933.4	7	26 564.2	93
1977	28 798.2	—	—	28 798.2	100
1978	113 597.3	2 069.7	2	111 527.6	98
1979	57 480.8	1 487.6	3	55 993.2	97
1980	257 747.0	60 362.1	23	197 384.9	77
1981	450 401.3	291 170.0	65	159 231.3	35

(*) Amounts determined after consultations where appropriate (see article 39(3)), but before the general scaling-down (see article 34(2)) for 1980 and 1981.

The results show quite significantly the important part played by the "price" factor—which, being virtually insignificant up to and including 1979 (i.e. under Lomé I), became dominant in 1980 only to undergo a further dramatic increase in 1981. For that year the proportion of admissible requests attributable to the price factor (ECU 291.2 million) was more than double the system's shortfall in the preceding year (ECU 123.1 million)!

Furthermore, of this total of ECU 291.2 million, 59% (ECU 172 million) and 37% (ECU 108.9 million), i.e. 96% in all, was accounted for by cocoa products and coffee alone (7).

Whatever the cause of the relative decline in the prices of these two products—the world recession, the cyclical nature of the cocoa and coffee markets (8), or a longer-term trend towards stagnating or dropping prices, or even a mixture of these three factors—it cannot be denied that the main cause of the difficulties encountered by Stabex, notably in 1981, was the sharp downturn in the prices of the two products in question.

On the basis of moving averages, what affected Stabex in 1980—and even more in 1981—was the aftermath of events that occurred during the lifetime of Lomé I (sharp rise in prices between mid-1975 and late 1976, followed by an equally sharp fall between early 1977 and late 1978 in the case of coffee; a steady, substantial rise for cocoa between mid-1975 and mid-1977, followed by a corresponding slide from mid-1977 onwards (9)).

The fact remains that the recoil was severe and the system not sufficiently well-endowed to withstand it.



The price of cocoa, on which some ACP states' economies depend heavily, e.g. Ghana, the Ivory Coast and Cameroon, has been declining since 1977

Given the same causal relationship, could the pattern of moving averages have the opposite effect and act as a "damper" for years of application 1982 and 1983 and beyond? It would seem likely.

An attempt to provide confirmation will be made in the coming weeks on the basis of estimates at present being drawn up by the Commission.

Will the effect of this be sufficient, however, especially considering the parallel growth in absolute terms (see

(7) Compared with shares of 46.8%, 28% and 74.8% on the basis of the ratio between admissible requests for transfers for these products (i.e. ECU 210.8 million, ECU 126.4 million and ECU 337.2 million respectively) and the corresponding aggregate total for all products (ECU 450.4 million).

(8) Notwithstanding the fact that these two products are now covered by international commodity agreements embodying price stabilization mechanisms.

(9) See graphs in the annex.

table 2) of the share of admissible requests that is attributable to a fall in the volume of exports (ECU 197.4 million in 1980 and ECU 159 million in 1981)?

Here, too, more searching questions need to be asked.

In particular, what is the specific part played by the world recession in the falls recorded in export volumes? Is it substantial and significant, or should other factors or trends be looked at? The following paragraphs and the next section attempt to provide some answers to these questions.

Effect of the recession on ACP exports of products covered by Stabex. In order to pinpoint the incidence of this effect, a further analysis was carried out in order to break down into different sub-factors the data set out in the third column of table 2 showing the proportion of admissible requests attributable to a fall in export volume.

The analysis, based on a case-by-case examination, showed that three different sub-factors were involved:

- natural disasters: drought, floods, plant diseases, and so on;
- worsening of local production or export conditions;
- other reasons (including lower demand on the Community market).

The main results of the analysis are set out in the following table.

Year of application	Amount of requests attributable to a fall in export volumes (see table 2) (a)	Breakdown (10)		
		Natural disasters (b)	Production conditions (c)	Other reasons (d)
1975	74.6	22.1	23.6	28.9
1976	26.6	6.5	12.8	7.3
1977	28.8	4.0	15.9	8.8
1978	111.5	74.4	28.9	8.2
1979	56.0	7.0	46.4	2.6
1980	197.4	67.4	71.2	58.8
1981	159.2	42.2	71.5	45.6

Regarding the effects of a possible contraction of Community demand on the volume of ACP exports and the influence of those effects on total admissible requests for transfers, the following remarks can be made:

- leaving aside 1975, the figures in column (d) are of purely marginal significance, as was to be expected, up to and including 1979;
- the corresponding figures for 1980 and 1981, though larger, are nevertheless relatively limited;
- It was also necessary to look more closely at the make-up of these figures, and this was done, case by case, for the two years in question. On the basis of this

(10) The breakdown is deliberately given in absolute terms by value, as percentages could cause confusion, given the altogether unpredictable nature of the figures which could appear under the heading "natural disasters".

more detailed examination, the influence of the "recession" in the Community turns out to be much less for 1980 (ECU 18.8 million instead of ECU 58.8 million) (11), and just marginal for 1981 (ECU 7.6 million instead of ECU 45.6 million) (12).



ACP coffee, like cocoa, is in competition with that of South America, where the systems of production yield better results

The preceding observation must, however, be treated with appropriate circumspection: it is valid only for the "snapshot" of the actual situation for the years of application examined. It does not mean that the situation will not change in the next few years or that the effects of the recession currently affecting the European economies (13) will not begin to make themselves felt over the next few years (notably from the next year of application onwards, precisely as a result of the moving averages effect).

The factors leading to the financial difficulties encountered by the system in the first two years of application of Lomé II are several in number.

(11) Of this ECU 58.8 million, ECU 40 million were accounted for by a fall in the volume of coffee exported by the Ivory Coast, resulting from that country's compliance with export quotas set for the year in question under the International Coffee Agreement.

(12) Here too, ECU 38 million out of the ECU 45.6 million was due to the reductions made by Kenya and Papua New Guinea, for the same reasons and product as those referred to above.

(13) See the second part of the section on evolution of export products, Stabex 1970-1980 (in particular points 1 and 7).

(i) The impact of one of these factors, namely the changes made between 1975 and 1979, is altogether negligible.

(ii) Another factor which would appear to have been relatively unimportant, at least up till now, is the part played by the possible contraction of the European market as a result of the current recession. This factor could become more important in future, though its extent and duration remain to be determined.

(iii) Two other factors have played an important part, but without overstraining the system's normal resources: first, the concessions made in the Lomé II negotiations (notably the "globalization" of product groups), and also the essentially unpredictable consequences of natural disasters (see column (b) of table 3).

(iv) There can be no doubt at all, however, that the main culprit was the "recoil" caused by the twofold impact of:

the abrupt downturn of prices in 1977/78 (particularly for coffee and cocoa), coming as it did after equally sudden price booms, and the working of the moving average mechanism, which meant that it was only under Lomé II that the effects materialized of developments which had taken place well before, during the period of implementation of the first Lomé Convention.

It is to be hoped that this recoil can be gradually absorbed through the system's operating procedures. The extent to which it can be absorbed, and in what stages, nevertheless remains to be estimated before a realistic and considered conclusion can be reached on the prospects for balancing the system between now and the expiry of the Convention.

Further outlook: additional remarks

Is the foregoing analysis adequate? Are the factors examined the only ones that need to be looked at in a more detailed study of the difficulties encountered?

The starting point for the brief comments below is that the answer to both these questions is no, and that the Community—and the ACP states—would be running a risk in looking no further, even at this stage, than the conclusions set out in the preceding section.

The immediate cause of the imbalance affecting the system in 1980 and 1981—the effect of the "recoil"—is probably temporary, but the difficulties thrown up by the imbalance have deeper underlying causes which stem from trends in the economies of many of the ACP states.

Table 3 was compiled to show the part played by lower demand on the European market. As stated in the paragraph about the effects of the recession on ACP exports show that the part played by this factor has not been significant, at least up till now.

However, the same table (see column (c)) reveals another factor which, though present when the system was first implemented, does not seem to have been sufficiently noticed: *this is the deterioration of the ACP countries' competitiveness as regards certain commodities covered by the system, which largely explains the*

limited export performance of many of the ACP countries.

The significance and origins of this factor will be looked at in greater detail hereunder (evolution of exports of Stabex products, 1970-1980).

The examination of the data relating to the operation of Stabex as has just been done, is sufficient to point out that:

— The competitiveness factor has been of some significance in absolute terms right from the entry into force of Lomé I. The figures given in column (c) of table 3 are revealing in this respect. For example, even in 1980, when the effects of the sharp fall in prices first began to work through, the amount of requests attributable to a worsening of production and/or export conditions was still larger (ECU 71.2 million than that attributable to the fall in prices (ECU 60.4 million) (14).

— Quite apart from its significance in absolute terms, the factor has been fairly consistently present and on an increasing scale. In other words, a growing and substantial part of the system's resources has been called upon, even since the system was first implemented, not to remedy the adverse consequences of cyclical factors (natural and/or economic in origin: fall in prices, lower demand) but to meet the consequences of situations of a more structural nature (see the second part of this document).

The question is whether the system will be able to continue to bear these costs, particularly as the importance of this factor is likely to increase relative to that of other factors giving rise to requests for transfers, simply through the way the system works (15).

It is true that requests attributable to sharp falls in prices should gradually taper off and that the trend towards stagnation of prices should also help to bring down the reference level for the main products. The danger that the balance of the system might come under pressure cannot be ruled out, however, given the increasing part that could be played by the "worsening of production or export capacity" factor, and the impact of the various unforeseeable disasters which could occur.

This is obviously a point where careful consideration needs to be given to both the short- and medium-term implications and the possible longer-term developments.

The second part of this document endeavours to present a number of pointers in that connection. The first section charts the ACP countries' export earnings from the sale of Stabex products and analyses the factors and causes behind these developments; and the second section looks at the major prospects in the short, medium and long terms, as far as they can be determined, by product and by country, on the basis of the studies and projections which are presently available.

(14) See column 2 of table 2.

(15) As export earnings are the product of unit prices multiplied by the quantity exported and as prices rose steadily until 1977/78, there were many instances of falls in exports—some of them alarming—which did not come within the scope of the system until 1980 or even 1981 because the fluctuation thresholds had not been passed. Since then the situation has changed and, allowing for the working of moving averages and a trend towards stagnating or dropping prices, admissible requests of this kind should become more numerous in the coming years.

Exports of Stabex products over the period 1970-80

Earnings and prices of exports to the Community

During the 1970s the ACP states' earnings from exports of the main agricultural commodities covered by the Stabex system showed, on aggregate, a brisk 14.25% annual increase over the decade as a whole; total ACP exports to the Community, however, grew at a rate of 17.8%. This meant that exports of the main Stabex products declined, as a percentage of the total, from 40% to 31% over the period in question. The change is attributable to the increase in earnings from oil exports.

In terms of individual products, cocoa and coffee did best (up 20% a year), and tea and rubber also did well. The rise in earnings from exports of Stabex products was largely the result of the steeply rising prices over the decade as a whole. The annual rate of price increase for all products covered (with the exception of oilcake) was over 10%, and as much as 20% for cocoa products and 15% for coffee.

Comparing the movement of prices for each commodity with that of the index of unit values of oil-importing developing countries' exports as a whole (up 12.5%), we find that the prices obtained for ACP countries' exports of cocoa, coffee, bananas, hides, rubber and wood were above the average for developing-country exports other than oil, while countries exporting cotton and oleaginous products (particularly groundnut oil, palm oil and oilcake) fared less well.

A comparison of those figures with the unit values index for the non-oil developing countries' imports, which rose by an annual 16.5% over the decade, shows that only exporters of cocoa (up 20%) recorded any improvement in their terms of trade; for other products there was a deterioration.

The worsening terms of trade for these ACP exports is not attributable to trade with the industrialized countries (whose unit export values index rose by 11.8% a year), but to the rising price of imported petroleum products (16).

Movement of international export prices

The two waves of price rises for Stabex products during the 1970s show up clearly on the graphs in the annex.

The first price explosion, a result of the overheating of the world economy at the beginning of the decade, continued until 1974 and gave way to the 1975 recession.

The second, mainly affecting coffee and cocoa prices, started in 1976 and peaked in 1977. It was triggered off not by the general economic climate but by the total or partial withdrawal from the world market of major suppliers of those respective commodities: Brazil, whose coffee crop was blighted by a frost in 1975 which crip-

(16) Over the same period (1970-80), the EEC's terms of trade declined by around 16%, also because of the rise in oil prices.

pled its exports for several years, and Ghana, whose cocoa production collapsed in the latter half of the decade.

The UNCTAD indices show no decline in the agricultural commodity exporting developing countries' terms of trade (in current dollars) *vis-à-vis* the industrialized countries over the decade, but except for cocoa exporters their terms of trade with the rest of the world did worsen because of their oil imports.

An analysis of prices based on the UNCTAD figures therefore confirms the picture suggested above, under the heading "earnings and prices of exports to the Community", by the Community's own external trade figures.

Exports to the Community by volume

In volume terms the trend of ACP exports of Stabex products over the decade was poor (see table 2).

Only two products, coffee and tea, the former much more important in value terms, showed any export growth. Cocoa, another major commodity, stagnated. Exports of all other products fell off, some very sharply—groundnuts and groundnut oil, oilcake, hides and skins, and timber.

The European market for Stabex products has been poor, admittedly. The only growth in EEC imports (all sources) was for coffee (up 2.4% a year), oilcake (6.8%), cocoa (0.9%) and palm oil (0.9%). Imports of all the other products fell. Except in the case of coffee, however, ACP exports have either grown more slowly than European imports or declined more quickly, as the case may be, which means that despite the ACP countries' easier access to the Community market they are losing market shares either to industrialized countries or to Latin American or Asian developing countries.

ACP states' market shares in the Community

The annexed tables show the trend of ACP market shares in comparison with those of other developing regions, i.e. Latin America (minus the Caribbean countries, which are covered by Lomé) and Asia.

Table 3 shows that the ACP countries have increased their share of the Community market for coffee at the expense of Latin America, and for tea and cotton at the expense of Asia.

The fall in Latin America's share of the market for coffee is directly due to the severe frosts which devastated Brazilian plantations.

By the end of the decade Brazilian output had picked up again, but the country did not recover all of its 1970 markets; African countries (Ivory Coast and East African countries), Indonesia and other Latin American countries had moved onto the Community market to fill the gap.

The higher ACP market share for cotton, corresponding to a decline in imports from Asia, is attributable to the fact that Asian countries are increasingly processing their own cotton. The same applies to hides, skins and leather, where Latin America's market share has de-

clined. But as table 1 shows, ACP exports of those products have declined in volume terms. The African countries have managed to increase both production and exports of tea, on the other hand, but unfortunately this has gone hand in hand with a fall in real prices on the world market.

In other commodities the ACP countries' performance has been poor.

Latin American and Asian countries are gaining footholds on the cocoa market. The increase in exports from Ivory Coast has not been enough to enable Africa to make up for the loss of the Ghanaian and Nigerian shares of the market.

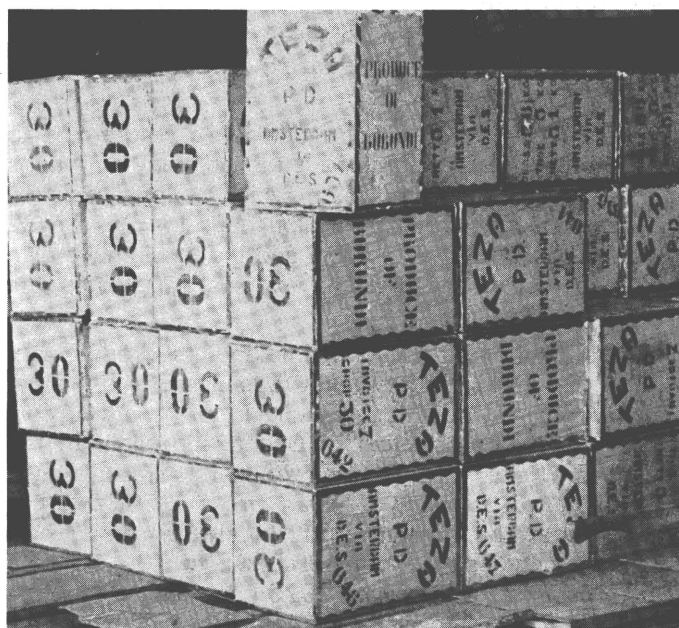
Elsewhere—in oleaginous products, wood, rubber, bananas—the decrease in the ACP states' share of the markets is due to the fact that ACP products, particularly from Africa, have become less competitive on world (and European) markets, either because competitors have invested heavily or because there have been problems with the availability or quality of ACP products.

ACP states' shares of world markets

Before looking more closely at these two reasons for the decline in ACP exports (competition or domestic problems), it is worth seeing whether the ACP countries have performed better or worse on world markets than in Europe.

The figures and analytical tools available only show the ACP performance on all industrialized markets (OECD), or alternatively Africa's performance on the world market (World Bank).

With all the usual caveats regarding comparisons between different statistical series, it seems fairly safe to say that ACP exports, and African exports in particular, have done best on the EEC market, less well in the OECD as a whole and worst of all on the world market.



Even if exported in the form of finished products, as here in Burundi, ACP tea still does not provide regular revenue to its producers; and Stabex no longer compensate for all the losses

Thus table 5 shows a decline in Africa's share of world markets for most commodities (with the exception of tea, but including coffee, for which its share of the EEC market increased), and also reveals that its world market shares have fallen faster than its shares of the corresponding EEC markets.

The figures for OECD markets fall somewhere between the two poles.

At this stage it is difficult to quantify or even suggest reasons for this "concentric" pattern (Community / rest of Europe + USA + Japan / rest of world). The fact is that the African countries have increased their dependence on the Community market over the decade, and this is a matter for serious consideration for the future.

Considering both the general economic trend and the level of *per capita* consumption already attained for many Stabex products, the European market would seem, on the face of it, a great deal less promising than many others such as Japan, the USA, the Gulf countries, the Eastern bloc countries or the Latin American or Asian developing countries.

In addition to the African countries' over-reliance on the Community market, another cause for concern is their failure to do more to diversify their agricultural exports; they are increasingly dependent on exports of a small number of commodities: coffee, cocoa, cotton, sugar and tobacco (see table 6).

The weakening of Africa's competitive position

There are a number of reasons why Africa lagged behind during the 1970s.

International competition

Encouraged by the favourable trend of prices in the 1970s, many Latin American and Asian countries rapidly expanded their production and exports of tropical products.

Coffee. After 1975 Brazil undertook a programme to rehabilitate its plantations (and establish new plantations in areas protected from frost), which enabled it to increase production from 21 million bags in 1977 to 32 million bags in 1981. Colombia and Indonesia have also increased their production and exports at a faster rate since 1975.

Cocoa. Although Africa maintained its predominant role on the world cocoa market (because of the growth of Ivory Coast production, which virtually made up for the big falls in production in Ghana and Nigeria), the decade saw the rise of new producers: Brazil, whose production rose in five years from 250 000 t to 350 000 t at the beginning of the 1980s and which intends to increase it from 600 000 t to 700 000 t by 1990; Malaysia, which since 1973 has doubled the area given over to cocoa bean cultivation and which has fertile soil enabling it to cultivate the product under oil or coconut palms, thus significantly offsetting production costs; and Ecuador, which more than doubled its exports between 1970 and 1980.

Bananas. The volume of Africa's exports has declined considerably (from 395 000 t in 1970 to 272 000 t in 1980) while alongside the traditional Central American exporters, which were increasing their exports fairly steadily, new producers emerged on the world market such as the Philippines (100 000 t exported in 1970, 920 000 t in 1980) and Colombia (from 262 000 t in 1970 to 670 000 t in 1980).

Oleaginous products. Palm oil illustrates best the turn about in production shares and trade flows in recent years. In 1965 Africa accounted for 73% of world production, Asia 23% and Latin America 3%; in 1980 the shares were Asia 68%, Africa 27% and Latin America 4%. Malaysia, which has been increasing its production by more than 20% per annum since 1961 (and which now accounts for more than 60% of world exports) is primarily responsible for this reversal.

By comparison, despite the performance of the Ivory Coast, which has increased its production more than tenfold in 20 years, African production has virtually stagnated (1.8% annual growth between 1970 and 1980) and Africa is now a net importer, rather than a net exporter, of palm oil.

The same kind of situation can be seen when vegetable oils are taken as a whole, the annual export growth rate over the decade being 12.7% overall for the Asian developing countries, 25% for Latin American developing countries (of which 35% for Brazil) and negative for Africa (-3.5%).

The same phenomenon has occurred in the case of oilcake, where Africa's production has stagnated and its exports have declined (-4.8% per annum over the decade) while its competitors—notably Brazil and Argentina—have considerably expanded both their production and exports.

This rapid survey, which could also have included tropical wood, natural rubber and cotton—three commodities where exports from African countries are declining in the face of competitors who are managing to increase their exports of unprocessed products, while at the same time expanding the share of production processed locally—shows an Africa confronted by extremely dynamic competitors which are able to institute ambitious development plans, assert themselves on most world markets and oust the least competitive producers.

Domestic factors and reasons for the decline in world production

In the face of such formidable competition Africa seems to have been unable to develop policies (in areas such as research, production, processing, penetration of market, diversification) to enable it to maintain or increase its overall share on international markets.

The main deficiency over the past decade seems to have been essentially at the production level.

The overall table must not be allowed to conceal the fact that a number of African countries—Cameroon, Ivory Coast, Kenya, Malawi, Rwanda, Upper Volta, etc.—have been successful in increasing and/or diversifying their export crops while not jeopardizing the growth of their food production.

Except in the case of tea (where the acreage has been extended and high-yielding clonal varieties introduced) and tobacco (17), two areas where it has substantially increased its share of world production (18), Africa fell behind in the 1970s in the case of all other major commodities covered by Stabex.

The growth of production has been either poor (bananas, copra, palm oil), stagnant or declining (coffee, cocoa, cotton, groundnuts, etc.), while Africa's performance has been consistently far worse than that of other developing regions. This phenomenon can only have been accentuated by the increasing emphasis on production for domestic consumption.



Jamaican bananas

ACP bananas enjoy some protection in France and the United Kingdom, but they also face production problems

The overall results referred to above should be seen in a global context, which has been inauspicious for Africa's agricultural production generally and reflects a tendency towards slow growth which started back in 1964. Tables 1 and 2 in the annex show that since that year growth rates for a number of agricultural products intended for export or local consumption (with the notable exception of tea) have been lower than those observed for developing countries as a whole and, generally speaking (except for tea, sugar and rice), lagged behind population growth rates.

The general reasons for the decline in exports are therefore inextricably linked with those responsible for the critical state of agriculture as a whole in African countries, which have been referred to in many documents published by international institutions: the effects of political disturbances; drought; the low priority given to agriculture by many governments and aid donors; questionable investment; policies which fail to offer adequate incentives (official producer prices too low); inefficient production back-up (collection, input, distribution) and inadequate involvement of peasant farmers, etc.

(17) Not covered by Stabex.

(18) It should, however, be borne in mind that today these two commodities still account for only a very small share of Africa's agricultural exports.

The fact that the producer prices for export products have generally been fixed at excessively low levels (19) is probably largely responsible for the stagnation of yields or the abandonment of certain lines of production in favour of subsistence crops.

Towards the end of the decade, the problems outlined above were aggravated by the consequences of the lack of foreign exchange on the organization of production, of collection and packaging of products; furthermore, the organization has been affected by the sometimes sharp decline in necessary inputs.

The present situation and the outlook for the future

The preceding account has shown that, despite relatively high world prices during the 1970s, the overall trend of the African countries' agricultural exports was relatively unfavourable in terms of both production conditions (producers' incomes, organization of production, yields) and export competitiveness and diversification. This overall assessment should not, however, obscure the undoubted success of certain countries or the progress made in the case of certain products, such as tea and tobacco, which may not yet be decisive in terms of export earnings but are encouraging nevertheless.

The world recession following the second oil shock therefore hit a system of production which was in a parlous state after several years of stagnation or slow growth. Its two effects—reduction of demand and depression of world prices—had a profound impact on all ACP exports.

(19) The World Bank report "Accelerated Development in Sub-Saharan Africa" has made it apparent that—even taking into account the low level of international prices—a reduction in the levy charged by governments on the main export products and an improvement in the effectiveness of collection and exportation structures would have allowed an appreciable increase in producers' incomes.



Timber is one of the main ACP exports covered by Stabex. Prices and export levels are on the decline

1. In terms of demand (judging by the 1980 and 1981 data—only partial figures being available for 1982) the fall in imports has often been substantial in the case of products affected by the state of the European industrial economy, such as wood, cotton, hides and skins, and rubber; the same has applied to oleaginous products. European demand for coffee and cocoa has not weakened, however (up 6.5% per annum on average in 1980 and 1981 for cocoa, up 1% for coffee).

The Stock management (important because reflecting short-term developments) probably influenced these trends.

In the case of products intended for industry, high interest rates led importers to reduce their normal stocks to a minimum, which had two cumulative effects: it accentuated the fall-off in demand and led to the withdrawal of producers who were less reliable in terms of product quality or failed to deliver on time. The same phenomenon seems to have occurred in the case of coffee. For all these products the ACP have again suffered a slight decline in their market shares since 1979.

For cocoa, however, it would seem that the very depressed world prices caused industrialized countries to increase their imports, especially in 1981, and it was the ACP countries that benefited, with the result that they returned to a satisfactory level of exports in 1981 (750 000 t to all OECD countries) and advanced slightly in market share terms.

2. The recession has had a strong impact on prices. In current dollars, on a basis of 100 for 1979, the 1981 prices were 74 for coffee, 63 for cocoa, 87 for palm oil and 75 for copra. Of the Stabex commodities, only groundnut oil (in 1981) and cotton (in 1980) enjoyed favourable prices⁽²⁰⁾.

3. The consequences of this situation were extremely serious, as is illustrated by the volume of requests for Stabex transfers for 1980 and 1981 and the use made by the ACP countries of the various IMF credit facilities, particularly the compensatory financing facility, with drawings in 1981 and 1982⁽²¹⁾ exceeding 750 million SDR. This situation is particularly alarming since many ACP countries have reached the maximum limit (100% of the IMF quota) authorized by the system and therefore no longer have this safety net should the recession continue. Thus, although they are less apparent that Stabex's "financial inadequacies", the shortcomings of compensatory financing are no less acutely felt by the beneficiary countries.

4. It is clear that the domestic repercussions of the recession will be considerable. There is risk that foreign exchange shortages and dwindling government revenues will again aggravate the conditions of production (operation of cooperatives, organizational structures, input distribution, collection and marketing), reduce producers' incomes and cut supplies to country areas of the consumer goods exchanged for the cash income derived from the production of export crops—as has happened in

certain countries over the past decade. Hence there is a clear risk of withdrawal into a subsistence rural economy and/or a parallel economy, which would accentuate the process of foreign exchange and tax revenue losses. The case of Ghana during the 1970s is a good illustration of how serious this risk is.

This risk seems to have been clearly perceived by the governments of the countries concerned. At the highest political level it has been realized how important it is, both nationally and internationally, to have an agricultural sector which can provide a satisfactory level of self-sufficiency in food and a source of foreign exchange that is often irreplaceable in the short term. There are many examples of willingness to reform the structures of which the effectiveness could be criticised and to practice a policy of incentives for producers without artificially setting food crops against export crops.

The real difficulty stems from the fact that these reforms should be implemented at a time when the international economic climate is unfavourable. It is more necessary than ever to follow up and to increase the support which the international aid will have to provide, complementing the efforts to be made by the countries themselves.

5. The situation with regard to international commodity agreements is in many respects far from satisfactory. Insofar as Stabex products are concerned, the Cocoa Agreement did not manage—for a variety of reasons—to keep prices within the set range. In the case of the Coffee Agreement, however, agreement was reached in the latest negotiations (mid-1982) on an export quota allocation which, it should be pointed out, is not unfavourable to African countries. As a result, prices started to pick up at the end of 1982. But although this agreement has been a justified success, it is still threatened by the constraints involved in holding stocks (any production exceeding the quota must be consumed or stocked on the spot or exported to countries not party to the agreement) because the cost is borne by the producer countries, which means that there is an obvious risk of failure to abide by the rules.

Clearly the international community must seek to strengthen these world agreements, despite the difficulties caused by the recession.

While the present difficulties are well appreciated it is hard to see what solution other than that of world agreements could check the excessive price fluctuations that have been with us for nearly 10 years now, or prevent the wholesale partition of world trade into different regional markets, which would be against the long-term interests of producers and consumers alike.

6. The fact remains that for the immediate future the most important parameter will be the growth of the world economy and its impact on demand for commodities, import behaviour and prices.

In this connection, the latest forecasts of most national or international institutions are pessimistic with regard to 1983. The estimates for world commodity prices published by the World Bank in July 1982 (see table 8) are hardly encouraging—and those are already being revised downwards to take account of the latest growth forecasts published at the end of the year by the OECD,

(20) For coffee and cocoa, the fact that prices, which stood at all-time highs during 1976-77, have now tumbled is attributable more to an apparently lasting supply surplus than to the impact of the world recession on demand, which has hardly contracted at all since 1980.

(21) Thus covering deficits between 1980 and 1982.



Cotton cultivation in Senegal

Finished cotton products can compensate for the low prices of raw ones; ACP states must ensure quality and quantity

which are down on the mid-1981 projections. This leaves little hope in the immediate future for commodity exporters, particularly those products for which specific demand would tend to react somewhat slowly to a general economic recovery.

(Recovery may well have a more rapid effect on the prices of minerals or agricultural products intended for processing than on that of tropical beverages, bananas or oleaginous products).

These latest forecasts obviously do not take into account the very latest more positive developments such as the fall in interest rates and the trend of the dollar exchange rate.

7. Longer-term prospects. The World Bank's latest long-term projections, which are probably coloured by the prevailing air of pessimism and by the analysis of the unfavourable pattern of developments in Africa over the decade (Berg Report), are hardly encouraging, either for the prices of those commodities which are important for African exports or for Africa's share of the markets in the commodities it produces and exports (22).

These projections must of course be treated like all long-term projections: they draw a possible, closely-argued picture of the future. However, given the thorough analyses and reasonable assumptions on which they are based, in particular the 3.9% average annual growth for the world economy between 1983 and 1990, they will clearly influence the choices of decision-makers in industrialized countries and developing countries alike.

From these projections and the analyses made in the foregoing chapters, certain elements appear to be sufficiently well-founded to support the following preliminary indications.

The long-term market and price prospects differ fairly radically according to the commodity grouping:

- (i) commodities for which the world market is bound to grow because of increasing demand in the developing countries: sugar, oleaginous products, tea and cotton;
- (ii) commodities, such as coffee and cocoa, for which demand is concentrated in the industrialized countries,

(22) "Price prospects for major primary commodities".

for which growth prospects are poor and for which, in addition, competition between the three developing continents may be fierce.

"Among the food products, beverages have the least favorable price prospects. Potential supplies from coffee and cocoa already in the ground or being planted are such that the prices of these products are likely to remain depressed during the rest of the decade. Any further expansion of supplies will have even more drastic effects on prices and export revenues, since the demand for these products responds only slowly and weakly to falls in price. The West African countries, which are most dependent on these exports and have on the whole fewer production alternatives than the Latin American producing countries, are likely to suffer the most from these market conditions. Competitive production and export efforts between these two sets of countries during the 1980s could be disastrous".

Africa is often a net importer with regard to the first product category: this is particularly the case with sugar and oleaginous products.

Conversely, a significant share of its exports today fall into the second category: coffee and cocoa account for 15% of the ACP states' exports to the Community (including petroleum products) and 50% of the agricultural exports covered by Stabex. (See the annexed statistics).

Annex: statistics and graphs

Table 1. — EEC imports of main Stabex products from ACP states
(at current values)

Product	Value of imports in current \$ '000		Average annual growth rate (%) over the period		
	Average 1971-72-73	Average 1979-80-81	Value	Price	Volume
Wood	466 912	866 910	+ 8.0	+13.0	- 4.4
Raw/roasted coffee	387 738	1 680 821	+20.1	+14.8	+ 4.6
Cocoa (all products)	369 851	1 556 965	+19.7	+19.7	0.0
Cotton	132 139	239 258	+ 7.7	+10.9	- 2.9
Oilcake	106 046	118 946	+ 1.4	+ 7.4	- 5.5
Groundnuts in shell	98 104	30 429	-13.6	+12.9	-23.6
Groundnut oil	94 868	121 651	+ 3.2	+11.0	- 7.1
Fresh bananas	95 146	189 617	+ 9.0	+14.0	- 4.4
Tea	65 058	181 767	+13.7	+10.0	+ 3.4
Hides	52 836	94 462	+ 7.5	+14.1	- 5.7
Palm oil	41 124	76 780	+ 8.1	+11.4	- 3.0
Rubber	38 720	101 801	+12.8	+13.1	- 0.2
Total products listed	2 263 713	6 565 010	+14.2	-	-

Sources: SITC — Rev. 1 — UN Geneva (DG 1).

Table 2. — EEC imports of main Stabex products (volume)

Products	Imports from ACP			All imports
	Average 1971-72-73 '000 tonnes	Average 1979-80-81 '000 tonnes	Average yearly growth over period (%)	Average yearly growth over period (%)
Wood	4 415 114	3 085 530	- 4.4	-2.5
Raw/roasted coffee	367 066	527 161	+ 4.6	+2.4
Cocoa beans	454 726	450 739	- 0.1	+0.7
Cotton	167 836	132 613	- 2.9	-2.6
Oilcake	862 931	544 412	- 5.5	+6.8
Groundnuts in shell	334 699	39 277	-23.6	-3.5
Groundnut oils	210 225	116 696	- 7.1	-1.5
Fresh bananas	509 448	355 602	- 4.4	-1.3
Tea	65 278	85 069	+ 3.4	-0.8
Hides and skins	29 194	18 193	- 5.7	-4.3
Palm oil	155 503	122 348	- 3.0	+0.9
Rubber	81 624	80 384	- 0.2	-0.1

Sources: SITC statistics — Rev. 1 UN Geneva.

Table 3. — ACP market shares in EEC (9) imports Trend over decade (volume) %
(a) average 1971-72-73 —
(b) average 1979-80-81

Products		ACP	America	Asia	Total LDC
Wood	(a)	68.4	6.1	24.7	100
	(b)	59.2	6.0	34.2	100
Raw/roasted coffee	(a)	32.6	60.8	3.8	100
	(b)	38.8	54.6	6.3	100
Cocoa — all products	(a)	93.3	5.5	0.1	100
	(b)	86.4	9.9	3.7	100
of which cocoa beans	(a)	95.4	3.3	1.0	100
	(b)	88.8	7.4	3.8	100
Cotton	(a)	32.5	34.9	21.4	100
	(b)	34.5	40.3	15.9	100
Oilcake	(a)	21.9	48.1	27.5	100
	(b)	6.6	66.4	26.4	100
Groundnuts in shell	(a)	89.4	3.1	4.8	100
	(b)	34.6	49.9	10.7	100
Groundnut oil	(a)	69.4	30.5	0.0	100
	(b)	44.7	53.3	1.8	100
Fresh bananas	(a)	25.3	60.7	0.0	100
	(b)	19.5	67.8	0.4	100
Tea	(a)	27.4	3.1	63.6	100
	(b)	38.5	4.3	52.5	100
Hides and skins	(a)	29.4	37.5	20.8	100
	(b)	31.9	24.1	36.3	100
Palm oil	(a)	25.3	0.0	74.6	100
	(b)	18.5	0.2	81.2	100
Rubber	(a)	11.9	0.1	87.8	100
	(b)	11.6	0.1	88.3	100

Sources: SITC statistics — Rev. 1 UN Geneva.

Table 4. — ACP market shares in OECD imports Trend in 1970s (volume) %

(a) average 1971-72-73 —
(b) average 1979-80-81

Products		ACP	America	Asia	Total LDC
Wood	(a)	20.6	3.0	76.0	100
	(b)	20.8	3.4	75.6	100
Raw/roasted coffee	(a)	27.0	63.1	4.2	100
	(b)	26.8	64.6	8.1	100
Cocoa — all products	(a)	82.2	16.8	0.8	100
	(b)	74.8	21.3	3.9	100
of which cocoa beans	(a)	83.5	15.6	0.7	100
	(b)	79.0	17.5	3.4	100
Cotton	(a)	19.5	46.9	19.2	100
	(b)	24.2	46.0	19.7	100
Oilcake	(a)	19.6	48.0	29.6	100
	(b)	6.7	66.4	26.4	100
Groundnuts in shells	(a)	82.4	8.2	6.7	100
	(b)	38.6	43.1	14.8	100
Groundnut oil	(a)	65.3	32.8	0.1	100
	(b)	43.8	54.2	1.8	100
Fresh bananas	(a)	9.4	74.2	10.3	100
	(b)	6.4	76.2	13.4	100
Tea	(a)	22.8	3.3	69.2	100
	(b)	32.6	5.5	57.9	100
Hides and skins	(a)	29.7	41.7	17.1	100
	(b)	34.6	29.2	28.8	100
Palm oil	(a)	17.5	0.0	81.7	100
	(b)	11.9	0.2	87.9	100
Rubber	(a)	9.9	0.2	89.8	100
	(b)	7.0	0.2	92.8	100

Sources: SITC statistics — Rev. 1 UN Geneva.

Table 6. — Sub-Saharan Africa: composition of agricultural commodity exports

Products	1964-66 %	1969-71 %	1978-80 %
10 most important products (1)	81	80	85
5 most important products (1)	62	65	73
Coffee, cocoa, cotton	46	54	63
Coffee, cocoa, cotton, sugar	51	58	69
Coffee, cocoa, cotton, sugar, tobacco	56	61	72

(1) In terms of export value in each period.

Source: "Sub-Saharan agriculture", Dr Singh, World Bank, seminar paper, Oxford, September 1982.

Table 5. — World exports of main Stabex products
Comparison of African, Asian and American developing countries' performance

		Volume				Percentage			
		Africa	Asia	America	LDCs	Africa	Asia	America	LDCs
Coffee	1970	13.8	3.7	32.4	53.5	25.8	6.9	60.6	100
million bags	1980	14.3	6.4	37.2	59.1	24.2	10.8	62.9	100
Cocoa	1970	984	—	280	1 296	75.9	—	21.6	100
'000 tonnes	1980	851	—	428	1 393	61.1	—	30.7	100
Tea	1970	109	552	—	693	15.7	79.7	—	100
'000 t.	1980	162	657	—	869	18.6	75.6	—	100
Cotton	1970	684	463	923	2 686	25.5	17.2	34.4	100
'000 t.	1980	474	530	663	2 079	22.8	25.5	31.9	100
Oilseeds (oil equiv.)	1970	641	1 250	227	2 476	25.9	50.5	9.2	100
'000 t.	1980	513	4 595	1 553	7 349	7.0	62.5	21.1	100
Oilseeds (cake equiv.)	1970	1 069	1 693	1 708	4 810	22.2	35.2	35.5	100
'000 t.	1980	652	2 220	8 346	11 308	5.8	19.6	73.8	100
Palm oil	1970	178	694	—	877	20.3	79.1	—	100
'000 t.	1980	129	3 228	—	3 411	3.8	94.6	—	100
Groundnuts (shelled)	1970	614.6	155.9	57.0	828.6	74.2	18.8	6.9	100
'000 t.	1980	95.0	86.9	102.1	381.6	24.9	22.8	26.8	100
Groundnut	1970	276.1	8.1	74.5	358.7	77.0	2.3	20.8	100
'000 t.	1980	87.5	47.5	213.9	365.6	23.9	13.0	58.5	100
Bananas	1970	395	389	4 750	5 601	7.1	6.9	84.8	100
'000 t.	1980	272	1 083	5 294	6 655	4.1	16.3	79.5	100
Tropical wood	1970	8.8	33.9	1.6	49.4	17.8	68.6	3.2	100
(million m ³)	1980	8.4	44.0	2.0	63.4	13.2	69.4	3.2	100
Natural rubber	1970	201	2 561	—	2 779	7.2	92.2	—	100
'000 t.	1980	143	3 098	—	3 251	4.4	95.3	—	100

Sources: World Bank: "Price prospects for major primary commodities" — Vols II & III — 1982; FAO trade statistics, Vols 29 (1970) and 34 (1980).

Note: The World Bank calculations relate to all African countries, but for the purposes of this table the substantial exports from non-ACP African countries have been deducted. The figures for coffee do not include Angola, and those for cotton do not include Egypt.

Table 7. — Production of the principal commodities covered by Stabex
Comparison of trends in African, Asian and American developing countries

Commodities		Volume				Percentage			
		Africa	Asia	America	LDCs	Africa	Asia	America	LDCs
Coffee (1)	1970	22.1	5.5	36.2	64.3	34.4	8.6	56.3	100
	1980	19.2	9.3	50.4	79.8	24.1	11.7	63.2	100
Cocoa (2)	1970	1 115	2	384	1 540	72.4	0.1	24.9	100
	1980	927	30	546	1 555	59.6	1.9	35.1	100
Tea (2)	1970	119	951	—	1 139	10.4	83.5	—	100
	1980	185	1 275	—	1 640	11.3	77.7	—	100
Cotton (1)	1970	1 328	3 884	1 589	7 295	18.2	53.2	21.8	100
	1980	1 213	5 120	1 629	8 546	14.2	59.9	19.1	100
Oleaginous products	1970	3 076	9 479	2 134	15 993	19.2	59.3	13.3	100
(oil equiv.) (2)	1980	5 650	17 529	5 269	31 980	17.7	54.8	16.5	100
Oleaginous products	1970	3 830	19 064	4 169	27 903	13.7	68.3	14.9	100
(cake equiv.) (2)	1980	3 781	23 031	18 770	46 962	8.1	49.0	40.0	100
Palm oil (3)	1970	1 128	770	74	1 972	57.2	39.0	3.8	100
	1980	1 365	3 437	177	5 080	26.9	67.7	3.5	100
Natural rubber (2)	1970	224	2 653	—	2 914	7.7	91.0	—	100
	1980	184	3 531	—	3 753	4.9	94.1	—	100

(1) Millions of bags

(2) '000 tonnes

(3) Metric tonnes

Sources: World Bank "Price prospects for major primary commodities" — Vols. II and III — 1982.

Table 8. — Trend of world prices, in current dollars, for the main Stabex commodities

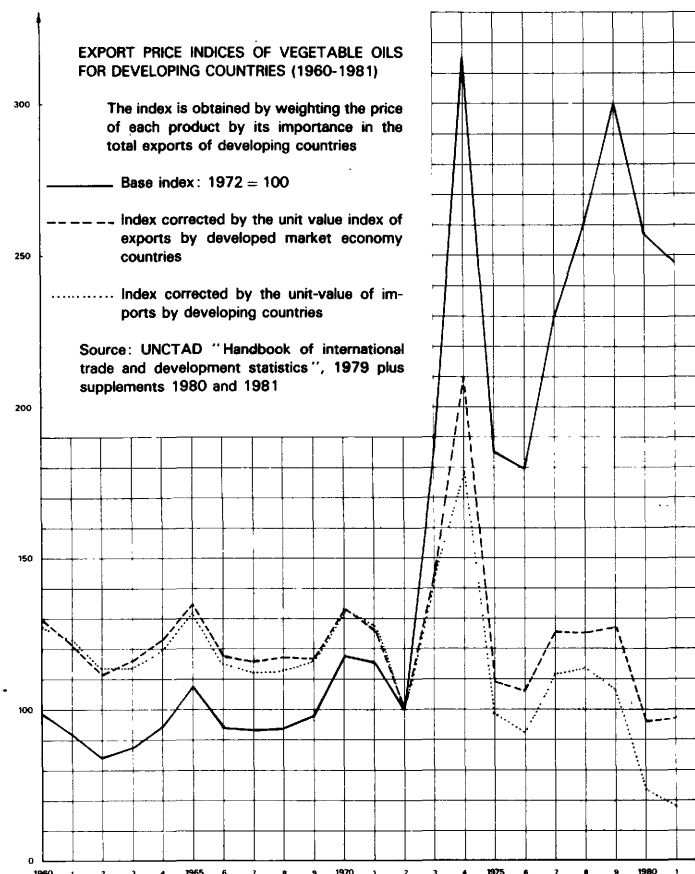
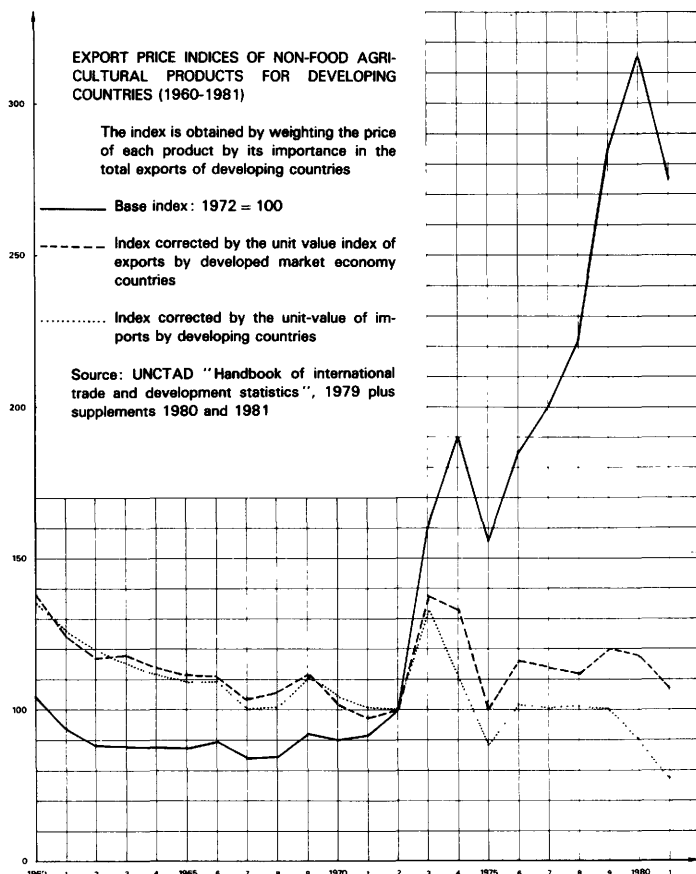
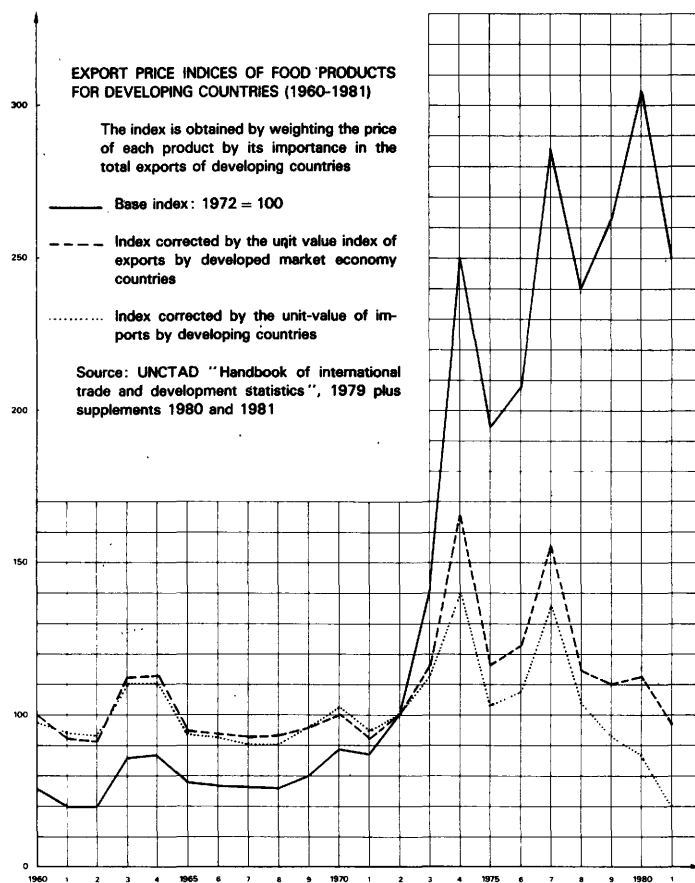
Commodity	Unit	1975	1979	1980	1981	1982 (1)	1983 (1)	1985 (2)
Coffee	cent/kg	144	383	343	283	312	311	332
Cocoa	cent/kg	125	329	260	208	170	180	185
Tea	cent/kg	139	216	223	202	203	208	217
Bananas	\$/tonne	247	326	379	401	411	422	445
Palm oil	\$/tonne	434	654	584	571	510	560	729
Groundnut oil	\$/tonne	857	888	859	1043	680	730	1180
Copra	\$/tonne	256	673	454	379	345	390	620
Cotton	cent/kg	122	170	206	187	170	205	254
Rubber	cent/kg	66	142	162	125	115	135	170
Wood (lauan)	\$/m.3	59	160	193	145	150	165	208

(1) Estimates.

(2) Projections.

Sources: World Bank "Price prospects for major primary commodities" — July 1982.

The above table shows the sometimes spectacular fall in prices since 1979 of the main ACP export products. Estimates until 1985 are uncertain and take account neither of inflation nor of trends in the prices of manufactures. The rise in the dollar does not cover these losses — Ed.



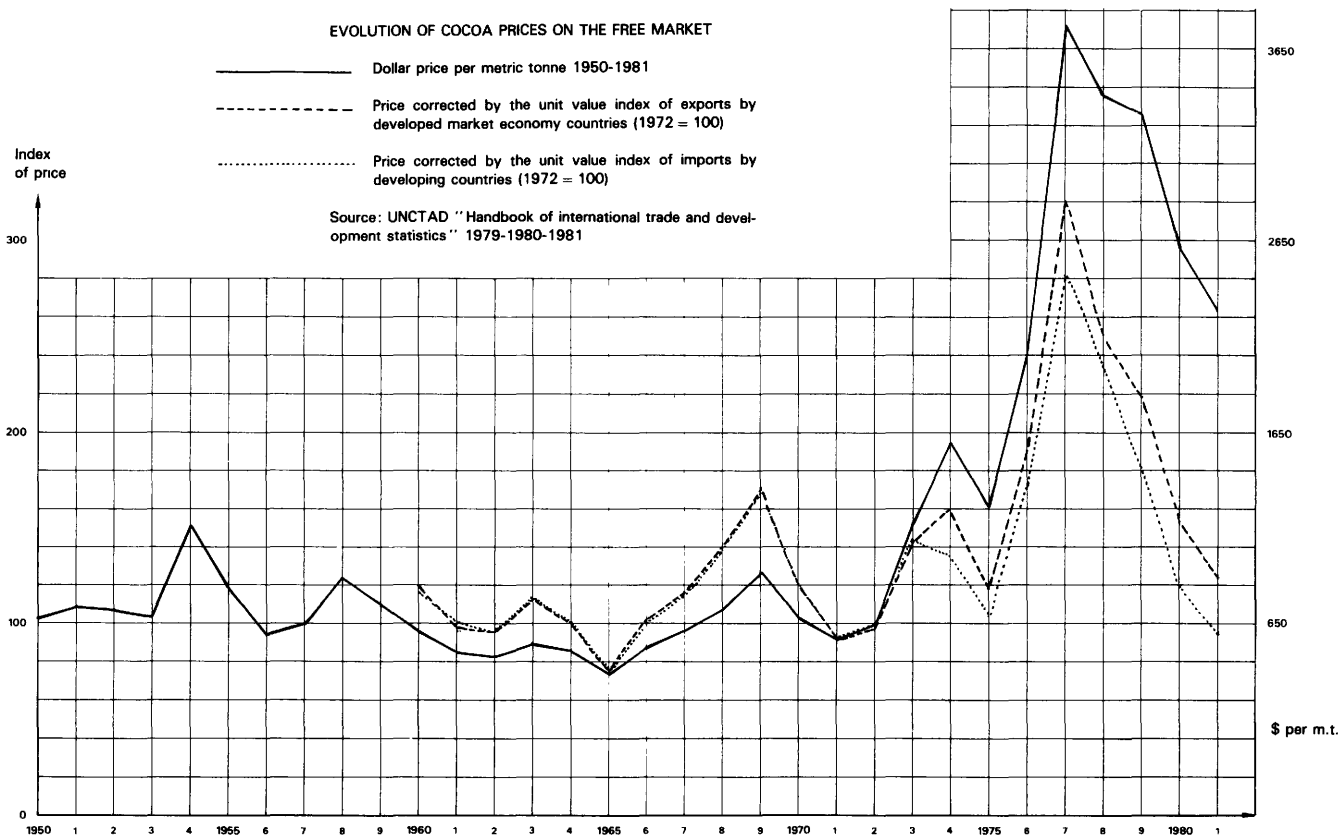
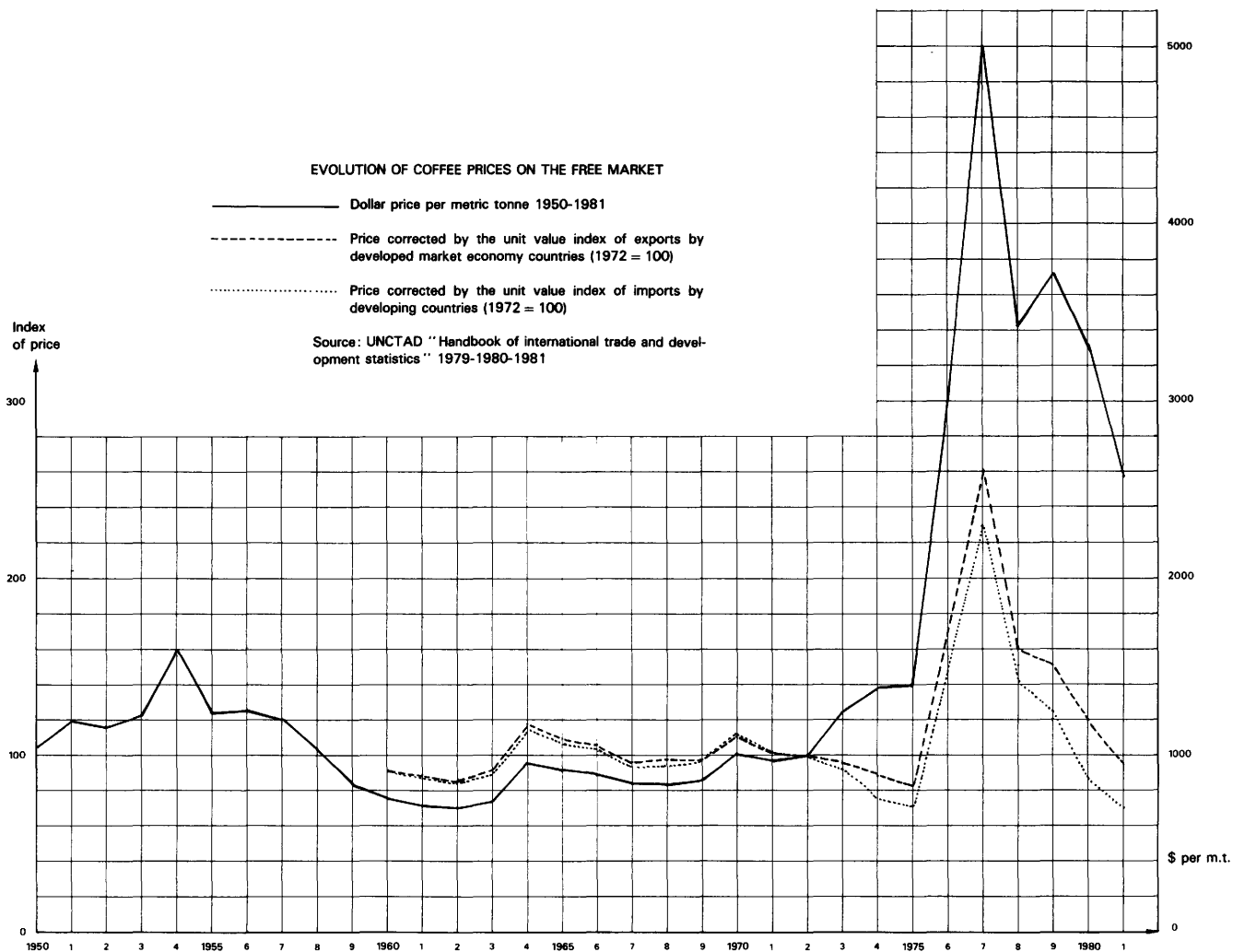


Table 9. — Growth of production of selected commodities, 1964-80

(average annual percentage change in volume)

	Sub-Saharan Africa			Devel- oping countries	World
	Low income	Middle income	Total		
Coffee	1.0	-0.3	0.4	0.8	0.8
Cocoa	-3.5	1.9	-0.5	0.9	0.9
Tea	4.4	10.5	7.0	3.4	3.4
Sugar	3.3	3.5	3.4	3.8	2.5
Meat	2.2	3.5	2.7	3.7	3.3
Bananas	1.3	1.3	1.3	2.3	2.2
Cereals	1.4	2.1	1.7	3.0	2.8
of which rice	2.3	4.6	2.8	2.9	2.8
wheat	0.8	4.1	1.8	4.8	3.1
maize	1.7	3.5	2.6	3.3	3.8
sorghum	2.3	0.7	1.6	4.5	3.2
Palm oil	0.1	3.7	2.5	9.3	9.2
Coconuts	0.7	2.7	1.1	2.2	2.2
Groundnuts	2.8	-4.4	-0.8	0.6	0.8
Cotton	0.0	6.1	1.5	1.5	1.5
Sisal	-5.6	-5.6	-5.6	-2.9	-2.9
Rubber, natural	0.3	1.8	1.5	3.6	3.6
Tobacco	6.1	-1.0	1.4	1.9	1.3
Population (annual growth)	2.6	2.7	2.7	2.2	1.9

Source: World Bank, economic analysis and projections department; FAO production yearbook tapes.

Table 10. — Yields of major crops

Crops	Average annual yields (metric tonnes per hectare)			Growth rates %
			1978-80	1961-80
	1981-83	1969-71		
Cocoa beans				
World	0.27	0.35	0.35	1.34
Developing countries	0.27	0.35	0.35	1.34
Sub-Saharan Africa	0.26	0.34	0.30	0.72
Coffee				
World	0.44	0.47	0.49	0.70
Developing countries	0.44	0.47	0.49	0.71
Sub-Saharan Africa	0.37	0.40	0.33	-0.31
Tea				
World	0.86	0.83	0.95	0.42
Developing countries	0.84	0.79	0.91	0.24
Sub-Saharan Africa	0.78	1.15	1.34	2.94
Groundnuts				
World	0.87	0.92	0.96	0.71
Developing countries	0.85	0.88	0.91	0.50
Sub-Saharan Africa	0.83	0.77	0.78	-0.52
Seed cotton				
World	0.92	1.07	1.86	1.85
Developing countries	0.69	0.88	1.01	2.28
Sub-Saharan Africa	0.43	0.57	0.57	2.10
Tobacco				
World	1.09	1.14	1.27	0.85
Developing countries	0.87	0.92	1.07	1.17
Sub-Saharan Africa	0.70	0.71	0.81	0.38
Sugar cane				
World	48.25	53.98	56.54	0.83
Developing countries	46.22	52.36	55.36	0.96
Sub-Saharan Africa	50.13	59.12	61.09	0.98

Source: World Bank, FAO production yearbook tape.

Table 11. — Agricultural land use in Sub-Saharan Africa (1 000 square km²)

	1970	1979	Annual rate of growth 1970-79 (percent)
<i>Low income</i>	719	783	0.95
Benin	16	18	
Burundi	12	13	
Cape Verde	(*)	(*)	
Central African Republic	18	19	
Chad	29	32	
Comoros	1	1	
Equatorial Guinea	2	2	
Ethiopia	133	137	
Gambia	2	3	
Ghana	26	28	
Guinea	16	16	
Guinea-Bissau	3	3	
Madagascar	24	30	
Malawi	21	23	
Mali	17	21	
Mozambique	30	31	
Niger	27	33	
Rwanda	7	10	
Sao Tome & Principe	(*)	(*)	
Sierra Leone	15	18	
Somalia	10	11	
Sudan	117	124	
Tanzania	48	51	
Togo	14	14	
Uganda	50	56	
Upper Volta	22	26	
Zaire	59	63	
<i>Middle income</i>	607	643	0.64
Angola	35	35	
Botswana	12	14	
Comeroon	60	69	
Congo, P.R.	6	7	
Djibouti	(*)	(*)	
Gabon	3	5	
Ivory Coast	28	39	
Kenya	21	23	
Lesotho	4	3	
Liberia	4	4	
Mauritania	3	2	
Mauritius	1	1	
Namibia	7	7	
Nigeria	299	304	
Reunion	(*)	(*)	
Senegal	48	52	
Seychelles	(*)	(*)	
Swaziland	2	2	
Zambia	50	51	
Zimbabwe	24	25	
Total sub-Sahara	1 326	1 426	0.81
Comparator countries			
Bangladesh	91	91	
Guatemala	15	18	
Haiti	8	9	
Indonesia	181	195	
Philippines	96	99	

(*) Less than 500 square kilometers.

(1) Arable land + land under permanent crops.

Source: FAO, FAO Production Yearbook (1980).

ACP memorandum on the Stabex system

After examining the Commission's note analysing the difficulties of the Stabex system in preparation for the ACP-EEC special session of the Council of Ministers, the ACP group has also drafted a memorandum on the problems facing the present system, which we publish below.

A special ACP-EEC Council session on Stabex had been requested by the ACP states on two occasions following the large amounts of transfer reductions that were made of the 1980 and 1981 years of application.

The amount of transfer rights totalled ECU 261 107 143 whereas the resources available to meet these rights were ECU 137 975 905, i.e. a deficit of ECU 123 131 238, hence a 52.84 % cover rate.

The ACP-EEC Committee of Ambassadors, in pursuance of its mandate from the ACP-EEC Council which met in Luxembourg on 9 and 10 April 1981, convened on 19 June that same year and decided to reduce transfer amounts as follows:

- 40.49 % for least-developed ACP states, i.e. a 59.51 % cover rate;
- 52.64 % for the other states, i.e. a 47.36 % cover rate;
- transfers lower than ECU 1 million were not reduced.

At the Libreville Council session, the problem of insufficient Stabex resources for the 1981 year of application was raised again with more stress. In fact, for the year in question, transfer rights amounted to ECU 453 107 631, whereas, the funds available, including a 20 % advance on the 1982 instalment, amounted to ECU 112 100 000, correspond to a mere 24.7 % of the rights.

In the face of this situation, the Council decided to increase the available resources by ECU 70 753 710, of which 40 million was to come from accrued EDF interest and was to be used to finance development projects likely to be implemented as soon as possible.

And so the available resources reached ECU 182 853 710 whilst the transfer rights, minus the ECU 25 787 209 for replenishment, amounted to ECU 427 320 422.

The ACP-EEC Committee of Ambassadors decided by written procedure on 5 August 1982 that:

- transfer requests less than ECU 1 million should be fully met,
- the rate of reduction for least developed countries should be 53.5 % i.e. a 46.5 % cover rate, and
- the rate of reduction for the other ACP states should be 58.1 %, i.e. a 41.9 % cover rate.



Gathering cotton, one of the products covered by Stabex

The ACP-EEC Council mandate

In Libreville, the ACP-EEC Council of Ministers gave the Committee of Ambassadors the following mandate:

"The ACP-EEC Council of Ministers instructs the Committee of Ambassadors to carry out, in the letter and the spirit of the Convention, a thorough examination of the Stabex system with a view to preparing the deliberations of the special meeting of the Council of Ministers convened to this end".

The ACP position

The ACP states have identified the following issues for discussion by Council:

- (1) insufficiency of Stabex resources,
- (2) method of calculating Stabex transfers including the conversion of currencies into ECU, and the method of cross-checking EEC statistics with ACP statistics on exports,
- (3) balance of transfers due, but not effected under the Stabex transfer system,
- (4) replenishment of Stabex resources,
- (5) difficulties experienced in the implementation of articles 23, 38(2) and 39,
- (6) inclusion of new products, and other current ACP requests.

Insufficiency of Stabex resources

The current crisis facing the Stabex system is mainly due to the fact that the resources are inadequate to meet all the transfer rights as provided for by the Convention. The overall deficit amounts to ECU 367 597 950, which represents 53.4 % of all transfer rights, i.e. more than two-thirds (66.8 %) of the Stabex fund envisaged for the whole span of the Convention.

On examining the overall transfer rights for the first two years of application—ECU 688 427 565—the total exceeds the amount earmarked for the Stabex system. These elements of comparison clearly bring out the problem of insufficiency of resources and it is necessary to seek adequate solutions to it in order to ensure that the

system functions efficiently in fulfilling the objectives set for this important chapter of the Convention. In its resolution on Stabex adopted on 12 May 1982, the European Parliament emphasized the *highly political nature* of this issue by stating that, apart from the credibility of the system, the Community's policy of development itself would be seriously compromised.

Furthermore, the ACP-EEC Consultative Assembly, meeting in Luxembourg from 23 to 30 September 1981 and in Rome from 3 to 6 November 1982, expressed concern over the deficit in the Stabex system and called upon the ACP-EEC Council of Ministers to seek "durable solutions that would guarantee financing and eliminate structural inadequacies so that Stabex could remain an important and essential factor of ACP-EEC cooperation capable of attaining its objectives". It would therefore be necessary for Council's deliberations to culminate in *positive decisions*.

After a close examination of the issue, the ACP have presented the following proposals to the Community aimed at seeking ways and means of remedying the problem of insufficiency of resources.

- (a) Financing out of the EEC budget [the European Parliament has said it would be ready to revise its budget to take account of the Community's obligations as far as Stabex is concerned.
- (b) Community member states could be invited to make voluntary contributions to help meet the Stabex deficit.
- (c) Interest on EDF funds should be used, as was the case when the deficit in transfer operations was partly met for the 1981 year of application.
- (d) The amounts of resources not transferred during the two years of application should be credited to the states concerned; these credits should be paid later, when the resources become available; they could eventually be used in reimbursing the resources transferred in the framework of the system or used in financing projects.
- (e) Investing the Stabex resources and using the interests accrued thereon for increasing all the system's resources.

Method of calculating Stabex transfers

As was decided by the ACP-EEC Stabex sub-committee, the latter should be informed of the outcome of the deliberations of the private ACP-EEC experts group which would re-examine the method of calculating Stabex transfer amounts. The ACP group feels that the group should be given a mandate to consider:

- (1) the methods of calculating the reference level,
- (2) the methods of converting ACP currencies into ECU, and vice-versa, and
- (3) the impact of exchange rates fluctuations on transfers.

Balance of transfers due

This issue is linked with that of insufficiency of Stabex resources and should be examined accordingly. The ACP states consider as still payable in the future any part of their transfer rights which have not been fully met. The part of any rightful transfer which has not been met should therefore be credited to the state in question, and paid in the future.



EDF
Groundnut production in Upper Volta, a country which has received compensation for its export losses from this crop

Replenishment of Stabex resources

The procedure which the Commission used to examine cases of ACP states required to effect replenishments was not satisfactory to the ACP states. The way in which the Commission applied the ACP-EEC Council's Libreville decision was a violation of the provision of article 21 (4) of the first Lomé Convention. The ACP states hope such a situation would not arise again.

Difficulties in implementation

The ACP states are still worried about the problem of the interpretation of the texts of the Convention in particular certain provisions relating to Stabex. This problem arises frequently when the Stabex transfer amounts are being calculated. The provisions of article 38(2) of the second Lomé Convention have, somehow, justified the principle of limiting compensation to losses incurred under all destination exports. For instance, if an ACP state registers a loss in all-destination exports lower than the loss in exports to the Community, the Commission would consider the latter as the right to transfer. With regard to the objectives clearly defined under article 23(1) of the Convention, the right to transfer should be determined on the basis of the deficit in earnings from exports to the Community whether this deficit is higher or lower than the deficit in earnings from all destination exports.

Conclusions

In presenting this memorandum, the ACP group is convinced that the proposals contained herein would ease the Council's deliberations and help it reach a satisfactory compromise, thus safeguarding the credibility of the Stabex system, which remains one of the new instruments of cooperation between the ACP and the EEC. In examining the issues identified, the Council should be invited to resolve, as a matter of priority, the problems relating to the insufficiency of resources together with that relating to the transfers balance due but unpaid, and the method of calculating Stabex transfer amounts. ○

The Caribbean Food Corporation

EDF aid for Caricom food plan

With an average annual per capita food import bill of US\$200 and only 56% of the population receiving the internationally recommended minimum daily level of protein intake, the Caribbean Community and Common Market (Caricom) region is a clear candidate for a strategy designed to raise local agricultural production and reduce the level of nutritional deficiency.

Hence the regional food and nutrition strategy (RFNS), to which all 12 countries and territories of Caricom, a group that stretches from mainland Belize in the north through the Caribbean archipelago to mainland Guyana in the south, have pledged their active support.

The RFNS will be a coordinated attack on the growing deficit in regional food production, aimed at improving the standards of caloric consumption in the region.

The background to the Caricom leaders' decision is a disturbing one.

The major problems facing the region's population of five million include:

- Declining food and agricultural production.
- Worsening terms of trade and a drop in real export earnings.
- Low income levels and marked income inequalities, allowing a high percentage of the population only marginal access to essential foods.
- High rates of unemployment.
- Balance of payments difficulties (1980 regional food imports estimated at US\$700 million).

An 11-man group of experts, led by Caribbean Development Bank (CDB) president William Demas and appointed by Caricom's Council of Ministers to suggest solutions for the 1980s, put the food situation in the following perspective:

"The agriculture sector has performed unsatisfactorily. It has not been realizing its substantial potential for contributing to economic development.

"In many territories, production and exports have been declining, while imports of food have been expanding at a fast rate.

"In the last decade, the region became a net importer of food and agricultural products, worsening the balance of payments which had been under pressure from other sources.

"The weakness of agriculture has gravely aggravated unemployment and urban congestion and contributed to high levels of malnutrition.

Eight basic objectives

"The RFNS, as proposed by the Caricom Secretariat and accepted in principle by regional agriculture planners and government representatives at the beginning of 1982, will involve a general assault on the situation from all sides, with eight basic objectives in view."

1. To increase the production and availability of regional food. It will not be possible, or even desirable, to eliminate all imported food. But certainly products that can be grown and marketed in Caricom will be given priority.

2. To increase the consumption of nutritionally important items, especially by the so-called "at risk" groups — children under two years of age, pre-school children, school children and expectant nursing mothers. The intention is that the average daily per capita intake of calories and proteins by these groups should reach the Caricom recommended daily allowance by 1990.

3. To build up a food reserve of basic items in the Caricom region, so that in time of natural disaster (hurricanes, floods, earthquakes, etc.) enough basic nutrition will be available for the affected populations. Food storage depots will be established in various parts of the region.

4. To achieve a general raising of the nutritional level of mothers and children of all ages and physical con-

ditions (that is, in addition to the pregnant and nursing mothers mentioned in objective 2). Since women and children comprise two-thirds of the entire Caricom population of five million, their importance as a special target group can not be underestimated.

5. More 'health' than 'food' related. Caricom planners consider the two closely interwoven and equally important to the attainment of overall RFNS goals. It is directed at reducing the incidence of those diseases associated with a lack of nutrition — measles and whooping cough (communicable), anaemia, hypertension and diabetes (non-communicable).

Environment-related diseases, such as gastro-enteritis, will also be included in this programme.

6. Again, this is oriented more towards education than food but, as with objective 5, there is perceived to be a link between the two.

This objective involves raising Caricom youth awareness of the importance of eating local food, of agriculture as a career and of the relationship between the way they maintain their environment and their own health. Curriculum development, textbooks and materials production, and teacher training will all be stressed in pursuit of this RFNS goal.

7. To provide the skills needed in support of the regional food and nutrition strategy by narrowing the communications gap at all levels. Machinery for explaining the purposes of the food programme, and how they will be achieved, will be set up and such standard communications avenues as workshops, seminars and media exposure intensively utilized.

8. To achieve efficiency in the implementation and management of the RFNS by improving the existing decision-making process in agricultural development and establishing such useful tools as management information systems.

As the RFNS planners are well aware, most of the objectives adopted will have to be tackled primarily at national government level within the Caricom system, there being as

yet no "regional" Caricom administration able to take overall responsibility for food supply and nutrition.

Creation of the CFC

The recent heads of government conference in Ocho Rios, Jamaica (November 1982) endorsed the change of nomenclature to the regional food and nutrition strategy as well as the sub-sector programming approach, and accorded high priority to the implementation of the proposals under this strategy.

An important regional (supra-national) agency has been created to play a role in the realization of production goals of the RFNS — the Caribbean Food Corporation (CFC).

Based in Port of Spain, Trinidad, the CFC has an authorized capital of TT\$100 million and initial paid-up capital of TT\$10 million. Its first managing director, R.A. Fuller, was a senior civil servant in his native Belize and has wide experience in public and private productive enterprises.

All 12 member governments of Caricom have now enacted national legislation to enable the CFC to operate in all states. It was only in 1980 that the corporation began its start-up phase and got into its stride to fulfill its regional mandate. With the endorsement by the heads of governments of the RFNS, at their meeting in November 1982, and the high priority placed on the implementation of this strategy, the CFC will now make more significant strides. It is designed to approach the food objectives from a regional standpoint.

The corporation expects to remain a "lean and hungry" organization at all times, with activities in all regional states. It will pursue a coordinated and integrated system approach in its operations as an investment development holding company, offering a full range of specialized activities in the food sector from project promotion, financial purchasing including venture capital investments in projects (commercial, developmental and pilot), and essential regional services.

The CFC will strengthen the coordination of its activities with the Caribbean Agricultural Research and Development Institute (CARDI), which has research and extension stations in Caricom member states and with the West Indian Shipping Corporation (WISCO), particularly with regard to facilitating shipping among the LLDCs in the eastern Caribbean and Belize. The Caribbean Agricultural Trading Company (CATCO) established by the CFC will continue to play an important role in the regional marketing of agricultural outputs, and in the marketing and delivery of inputs to ensure a reliable and timely delivery of goods to farmers in the Caribbean.

"It is clearly obvious to me", Mr Fuller feels, "that because the 12 member states of Caricom face similar problems in trying to get their agricultural production going, it will be too costly for each to reinvent the wheel and go their own route. Agriculture is the obvious sector to effectively promote regional cooperation in production and trade."



Confidence stirs private investors

Originally, the CFC was charged by Caricom governments with concentrating on import substitution and development-related agricultural activities, under a protected market regime. The dominant political mood in the region at that time was towards public sector control of productive activities, with the CFC using government funds and international loan capital in support of its endeavours.

In 1981 the CFC board of governors directed the corporation to pay increased attention to financially-oriented project investments and to mobilizing private capital in the cause of the RFNS, with its own financial input being used as a catalyst to complement the efforts of national governments and donor sources. Some donors have gone along with the CFC's decision to direct its energies at commercial ventures, complementary to its "developmental" activities, and consider it an approach with which they can work.

Its three-year investment programme (1981-84) can boast of having attracted funding commitments and co-investors for 19 project activities in agriculture, and to have started work on four: a food marketing initiative (Catco); a fishing venture (Antigua Fisheries Ltd.); a pilot rice, peas and beef project (Caricom Farms Ltd. in Belize); and a fruit rehabilitation scheme for Dominica Limes.

Of eight production enterprises, six have secured regional private sector participation — which allows Mr Fuller to conclude that CFC has "gained the confidence of private investors in Caricom."

The Catco project is a good example of that. It was set up in mid-1982, as a partnership with a leading Jamaica food distribution company, Grace Kennedy, and other regional private sector companies, with CFC holding a 51% majority share. Its prime purpose is to upgrade the food crop marketing function in the eastern Caricom area in particular.

As Mr Fuller pointed out: "We decided that one of the best approaches was from the marketing end, working back to develop production opportunities."



The CFC and private investors have set up a fishing company in Antigua

Catco's initial thrust has been to get food products moving out of farms in Caricom's smaller and agricultural-oriented territories into the larger consuming markets of the bigger states, such as Trinidad and Tobago and Barbados. In due course it will stimulate actual production of nutritional items such as carrots, bananas, tomatoes, onions and beef, in all of which there is a large regional deficit.

Apart from the TT\$ 10 million from its governmental shareholders, the CFC has no money of its own and its resources must come from grants or soft term loans from international donors, who have accepted the idea that assisting Caribbean agriculture through the CFC is one of the best ways of giving a boost to regional development as a whole.

High among the CFC's major benefactors is the EEC, which has agreed to earmark no less than US\$20 million through the EDF under Lomé II arrangements. This is for financing the corporation's participation in food-related projects, which forms part of the RFNS. The first funding agreement of US\$2 million, for investment in small and medium-scale enterprises in Caribbean states, was approved by the EEC Commission last September.

The CFC has earmarked 11 agricultural activities for financing on an orderly basis with EEC funds. They are:

- Technical assistance for project identification, development and implementation; (already agreed — ECU 450 000)
- funding for an experimental Caricom farming pilot project in Belize (ECU 1.82 m);
- regional livestock projects such as broiler production, sheep and goat foundation stock (1st decision ECU 2.82 m — chicken hatcheries);
- agricultural input distribution programme for small farmers through Catco (financing of ECU 2.3 m foreseen);
- a facility to produce improved artisanal fishing vessels for the eastern Caribbean;
- a regional seed programme to link and improve the main production centres for better coordination;
- the training of regional personnel in seed activity and further research by Cardi in this area;
- the development of regional fisheries production activities;
- regional tree crop production;
- the development of wauna, edible oil (palm oil), in Guyana;
- and the rehabilitation on a pilot basis of a corn and soya production facility in Guyana. o

The metamorphosis of a fish project

The *Courier* recently interviewed Mr Malungu Ramazani, people's commissioner for the Fizi constituency in Zaire, about an EDF fish development project with which he is associated. The project is one of the EDF's success stories. It illustrates the fact that the planning and execution of projects destined for the welfare of the ordinary man cannot be solely the responsibility of government officials: any well-meaning citizen, and, more particularly, the beneficiaries of such projects, can be associated with them right from the start. Whenever this has happened the story is the same satisfaction all round.

It all began in 1976 when Mr Ramazani asked the European Commission if the fishery development project, which was allocated some ECU 500 000 in Zaire's fourth indicative programme, could be moved several hundred kilometres from its proposed site. He believed that the project would be much more effective between the towns of Bukavu and Kalemie. The Commission investigated and found that, indeed, conditions, were more favourable in the area for traditional fishing. It there-

fore accepted Mr Ramazani's proposal on condition that the Zairean government formally made the request, as the Commission in principle does not deal directly with individuals. Mr Ramazani approached the Zairean government with his suggestion, which accepted and transmitted it back to the Commission.

However, after a mission of inquiry in which Commission officials and the delegation in Kinshasa as well as Zairean government officials took part, the original idea of an integrated fishing centre at Kalemie was abandoned in favour of the provision of fishing materials—nets, lamps, etc.—to local fishermen. These, they concluded, were more urgently needed by the fishermen. The provision of materials fitted in with the EEC's policy of favouring traditional fishing in its overall strategy of rural development and food production.

The problem was how to manage the project in an area where the government-owned Office Nationale de Pêche was absent. It was necessary either to establish an office to buy and distribute the materials, which would imply a delay in launching the project, or simply launch the project right away, basing it on whatever local support available. "We opted for a system which consisted of creating three local committees composed of representatives of the beneficiaries and Roman Catholic and Protestant clergymen, with me serving as an intermediary between them and the EEC delegation in Kinshasa and the Zairean authorities", Mr Ramazani explained.

The three committees set up were based on the three communities within the zone of the project. Each community elected a representative, who had to be a professional fisherman, because it is upon him that the committee relies in identifying the materials the local fishermen prefer and also in gathering data on production. The committee, on the other hand, is responsible for organizing the fishermen into teams and for providing them with materials. The services of everyone involved are provided free of charge, according to Mr Ramazani.



Bergschmidt

A young girl sells some little sardines, a fish variety widespread in Lake Tanganyika

Distribution of materials

The way the materials are distributed is exemplary. With only 180 fishing nets, for example, foreseen for the first phase of the project and far more requested, criteria for the distribution of materials had to be found. Again, the fishing communities provided the answer: it was decided that the materials should be given to persons designated by the 150 or so clans in the zone of the project, persons judged capable of utilizing the materials for the general good and who could pay for them. The Committee was disposed to selling them on credit, but everyone preferred to pay for them in cash. A fisherman, however, must have a fishing licence delivered by the government: it is an indispensable condition. So there was no question of the rich coming out better off. The system the communities used in choosing the right candidate was such that no distinction was made between the rich and the poor and the prices of the materials were moderate enough for any fisherman to afford. Fishing licences, understandably, are easy to obtain so long as the applicant can prove



Bergschmidt

Two fishermen at Baraka with their catamaran, equipped with poles for net lifting

that he has the qualities of a fisherman.

Since the project got off the ground in August 1981, some 179 teams have been set up. Of these, 150 have commenced fishing at the moment of writing. Each is equipped with two boats, ropes, one net and four lamps.

Evaluation results

In January 1982 an evaluation of the project was made and it was found to be operating successfully: over 250 tonnes of fish were being produced per month on average. This figure must by now have increased.

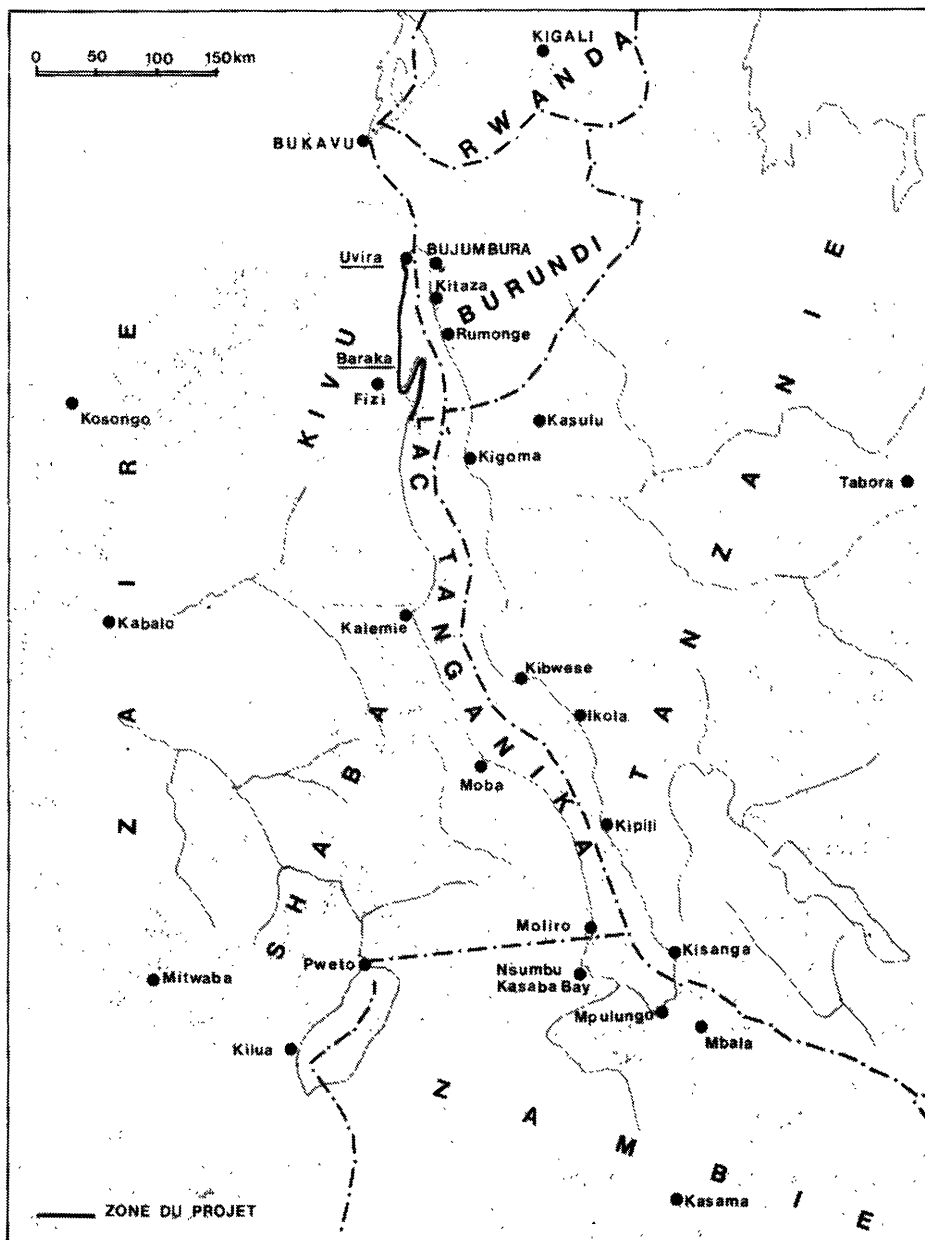
It should be noted that the project is situated south of Kivu, in one of the most populated regions of Zaire, which suffers from malnutrition. So the objective of the project is not so much to allow the population to preserve jobs that were in danger of disappearing, because of lack of materials, and to generate income for their own development as to meet their animal protein requirements. Mr Ramazani pointed out: "before the project, this region was importing salted fish from Spain. This is gradually being stopped. We estimate that when we have set up the 450 teams foreseen under the projet, they should bring in some 1000 tonnes of fish per month. This will still be insufficient for the needs of a region that has a population of 5 million. But I think it will easily meet the deficiencies that are currently met with imports". So in terms of conservation of foreign exchange the project is certain to make a marked contribution to Zaire's balance of trade (a saving of up to 1.9 m Zaires in foreign currency), even though, it must be admitted, in terms of the national budget it will make no impact.

More materials have been bought and are being distributed along the same lines. There are no dangers of overfishing at the moment on Lake Tanganyika, which is well stocked. Estimates of the maximum quantity of fish in it vary from 250 000 to 500 000 t.

A new dimension

The project, however, is facing an important problem—that of distribu-

LAKE TANGANYIKA AND THE ZONE OF THE PROJECT



tion. A part of the distribution is done by roads which, according to Mr Ramazani, are being maintained, thanks to government services. However, as the project is at the side of the lake, the most convenient means of transport is by boat. Unfortunately boats are not available in suitable form and sufficient numbers.

So the project is taking a new turn. "We want to launch another project which will involve constructing boats, not only for fishing but also for transportation of fish and people", says Mr Ramazani. "With the intermediary of the CID we have spoken to a British firm which specializes in building small boats. They are prepared to go into partnership

with us. The Commission has agreed to give us assistance within the framework of technical cooperation and we are negotiating with the Zairean Development Bank in order to buy equipment to construct a boat-building yard. It is now merely an administrative formality before this project takes off".

As already indicated, the management of this project is being done by members of the three committees free of charge at the moment. So no expenditure has been incurred on services. The income from the sales of materials is being put into a bank and will be reinvested. Mr Ramazani says the ultimate objective is the creation of cooperative units. o A.O.

"Nothing is going to keep the Caribbean back"

Edna Manley (*) on Caribbean culture

► *Mrs Manley, you were a leading figure in the creative arts in the Caribbean during the years of the fight for self-government. What was it really like in those days trying to chart a different course from anglosaxon stereotypes?*

— That is a very interesting question. Our fight was really due to the fact that such culture as might have come here had been totally destroyed during the years of slavery: the arts, particularly the fine arts, had been destroyed. We had an educational system which was almost entirely run by English teachers, male and female, and we had absolutely no appreciation of it. In the literary movement we had English teachers, homesick for their own land, idealizing English poetry, English plays, the great giants of English literature like Shakespeare and Wordsworth. These were taught and raised to a pinnacle of glory in the minds of the children, who were naturally sensitive. Very talented young people were writing about flowers that are only seen in England, about snow, about the cold winters, and writing very feelingly about them, but when you asked them whether they had ever seen snow, they said "no". Only the elite went abroad in those days for their holidays. Everyone else lived his or her life here, where we had the drama of drought and of a fight for survival: intense heat, rains, floods, hurricanes, everything could make the most dramatic literature, but they were writing about English roses and snow. This, somehow, left a pattern that motivated people to crush or suppress the system. When self-government came, there was a cry to be totally free of British colonialism.

Now, this was not an easy thing to break. I noticed, however, that for the first time, young people were coming



Edna Manley

around who spoke the truth, to tell Caribbeans that their literature was not an expression of themselves, but that of somebody else's experience. We had some wonderful fights over it, some wonderful and dramatic moments like when, all of a sudden, the poet George Campbell (1) wrote "I am negro, a mechanical beast of burden, but now, oh my God, I am tired, tired". You see, this came as a shock. But this was what the young people saw. In the fine arts, the pictures they saw, in the gallery for example, were those of the white governors, of white parsons and their wives; they never saw a Jamaican face, no matter how talented, even if by then there were famous Jamaican lawyers and doctors. Their presence hadn't seeped through into the fine art.

(1) George Campbell, who is 67 years old, is a Jamaican poet. He happened to be paying a visit to Mrs Edna Manley when this interview was conducted.

So we had to release the artist who saw the image. We said long ago, 40 years ago, "black is beautiful". We don't have to hear it from America now. That is their battle cry now, but we had it 40 years ago. We began to paint and there was excitement that a little group bought those paintings, though a bigger group said, "oh my dear, awful! Black people don't look beautiful". So in a nutshell, that was the fight.

► *What was Marcus Garvey's role in all this?*

— Well, Marcus Garvey came a bit later than the period I am talking about. I think Jamaicans did not appreciate him in the way they might have done from the start. Although we are a black country, 90%, we didn't have the urge, except for a few of the masses, to go back to Africa. I think Garvey is second to nobody in his influence in the Caribbean. In Jamaica they rate him very high, they deeply appreciate him now.

► *So his basic message was a return to Africa.*

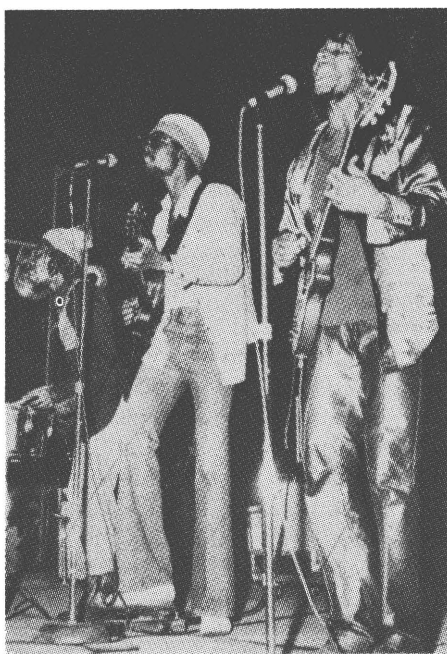
— Well, that was the confusing thing. When you read what he wrote you realize that the man had a mind, but it wasn't quite getting through. The effect of Garvey was that the black man suddenly mattered, suddenly could be strong, suddenly could speak in a voice that not only Jamaica but America, Africa and the world heard. That was his contribution and that is, after all, culture. I knew him, but not well, and I don't know whether he was interested in the fine arts. He certainly was interested in writing, in literature and in the use of language.

Being ourselves

► *It was your husband who, in 1959, was responsible for the creation in Jamaica of a ministry responsible for cultural affairs. What were his main objectives?*

— Almost entirely they were based on the principle that a people cannot be themselves until they can express themselves. He felt it was true of every aspect of life. The

(*) Mme Edna Manley is the mother of the former Jamaican Prime Minister, Michael Manley.



A Jamaican reggae band

craftsman turning out something had to have standards. Painters must paint and show Jamaica and Jamaicans. To be whole, to be really a whole man, you must understand the world you live in and have the ability to see beauty in yourself, importance in your way of life, your way of doing things as distinct from other people's, and not be allowed to feel inferior because you prefer coffee to tea, or rum to whisky. He believed this and he was a tremendously artistic person. He loved music, the arts, dance and read tremendously. To him these were what mattered.

► *In a plural society such as the Caribbean, can one actually speak of a Caribbean cultural identity, or a Jamaican cultural identity for that matter?*

— That is a question for the experts. When you talk about plural society you need an anthropologist, or a sociologist, not a simple wood carver like me. I think that, having had what came here destroyed, the Caribbean character has slowly found its way back. We have had the courage to be ourselves, to identify with the thing that we naturally respond to. I mean, put carnival on and Trinidad will go mad for a period of three days and three nights. Carnival is a very important expression of Trinidad. It is quite different from Jamaica or Barbados, which means that there are certain things done differently and there must be something to be different about.

The creative arts

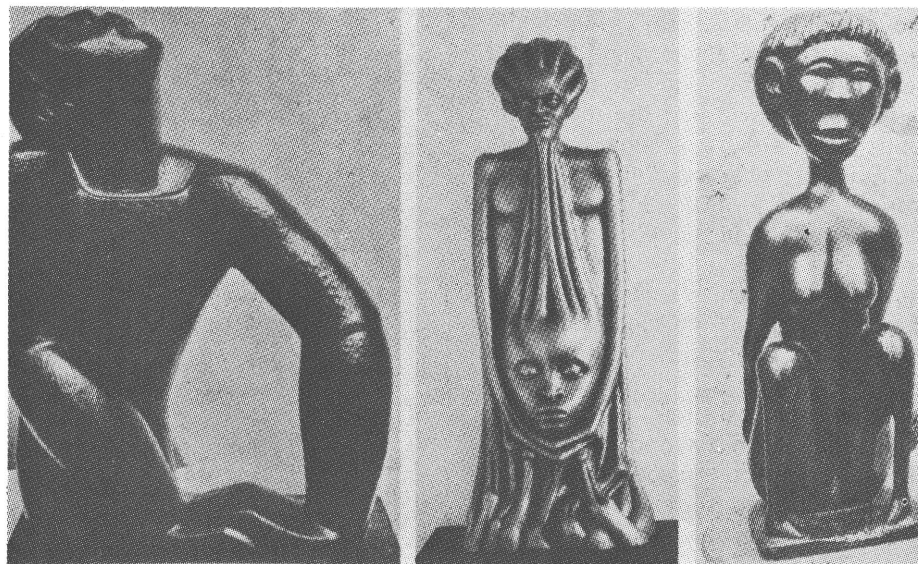
► *Music is one area in which the Caribbean is known all over the world, thanks to its reggae and calypso, and can justifiably claim a certain kind of identity in it. The African presence, however, is predominant, but can the same be said of dance, theatre and painting?*

— No, I don't think that any of the other arts are as near to the people and as near to the African root as music. Our dance is very Caribbean. The same is true of theatre. Both are not absolutely the root-conscious thing from Africa. It has been moulded and remoulded. The same thing can be said of painting. You hear sometimes reggae and calypso juxtaposed. Reggae is a modern thing. It is Jamaican. It is a modern reaction to the thing that is us. Calypso comes from the past. It emerged from slavery, when they sang, as they used to do in Africa, down the street. They would sing to pull the legs of public figures, witty and sharp songs which did not have the bouncy quality that reggae has. But we have got a movement. Our singers are pop artists, call them that. It is not a very good name for it, but never mind, it is folk singing. In it there is complaint, there is an expression of suffering and of protest. A man like Bob Marley, with his songs, wanted to change things, wanted things to be different. He was the person who carried reggae all over the world and if you've not heard Bob Marley, never saw him, you've really missed something. He had a spiritual quality. In his songs he talks about

suffering and how one tries and tries but nothing gets better. That is reggae at its best and its roots are here. But it is, I would say, a gentler thing, which is probably why reggae went so far, even in its savage criticism of the injustice of the world. Bob Marley managed to do it without bitterness. I suppose that was why he succeeded. They couldn't bang the door in his face. You know, when you over-protest, all the doors immediately slam. But when Marley protests, somehow people leave the door open because they love the music and in the process hear what he is saying.

On dance, of course, we have the plural society. We have the belly shakers for the night clubs and the belly shakers for the stage. Dance has a wonderful leadership here. It has developed a wonderful esthetic. It moves and carries people with it. Every year we have what they call pantomime, a rip-roaring comedy with a bit of a fairy tale, always pulling the legs of the public figures, but it has been cast in the Jamaican mould, so that it is really us, even if the root is more British.

Painting: well, I had the most extraordinary experience over the fine arts. In the early days it was always crushed, but people were quietly carving and painting and you would swear they had been to Africa or had seen an African art book, but 40 years ago, only a few of us had art books or a collection of books on Africa. So there was really something naturally African. Only a few people were involved. Now it has grown. We

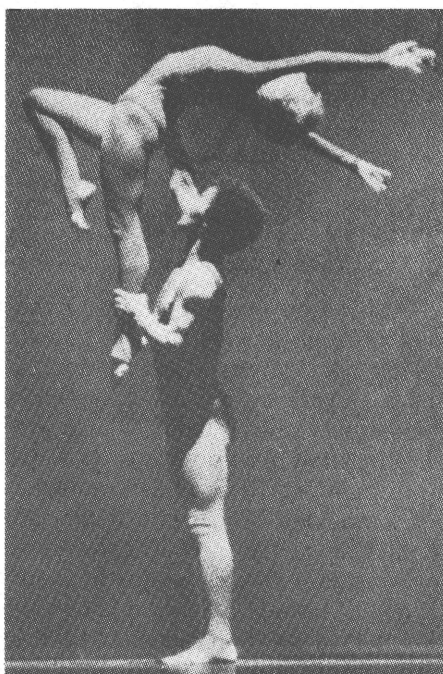


Examples of Jamaican visual arts: from left to right, the works of Edna Manley, Christopher Gonzalez and Kapo

have a really strong movement, about five or six professional art galleries in Kingston; and in spite of the recession, works are being bought. The banks have taken it up. The big lawyers' offices, which used to have only European paintings on their walls, now have Jamaican ones as well. In our homes, although there are other paintings, Jamaican paintings are predominant. As someone who has worked on that side of the movement for many years, 40 years, I feel I will die a happy woman. It has really flowered.

► *You are a very well known sculptress. What is the general theme of your works?*

— Well, as a youngster, I carved animals of all sorts, horses, lions, etc., and then, when I came to live in Jamaica, the whole picture changed. My mother was a Jamaican, born in Jamaica. She was coloured, and she lived in England with her husband who was an Englishman (who was here before going to England), so I grew up knowing Jamaica. She was homesick, she couldn't afford to come back. She'd married a parson, he died and she had an awful time bringing up her family. But she would tell us stories, she would sing songs and tell us all the witty folk things that you would hear when in Jamaica, and as I stepped from the boat into Jamaica, I knew that this was what was going to be my work, something that I had to find a way to express. I went on exhibiting in England for a while, and then, when the self-government movement began, I said I won't exhibit again abroad. I was going to work here. I started teaching, started a free art class, and we had the most fantastic results—a marvellous time! We did not teach everybody that they had to go abroad to study and to exhibit. We said: "let us have our galleries here, let us have our art schools here". I was partly responsible for the founding of the school of art and—I think everybody would say—it is very Caribbean. I don't know whether one can talk about one's own work. I am a wood carver, I've carved enormous pieces of wood. I've just finished something, late last year: I was terribly angry over the treatment of children, the shooting of children, the raping of children, and I did a thing I hadn't done before. I just



Jamaican ballet

flung everything aside and I did this mother in agony, with those starved children in agony, being killed and being given no chance at all. I have called it the "ghetto mother". It is down at the art gallery in Kingston. I carved negro rows in 1936 just before our revolution blew up. This is my world, I don't exhibit abroad very much and I don't bother with it, although it matters in a way because something you really had to fight for had to get recognition: recognition for people who have everything and

were being frustrated by people who have nothing but power to hold you down. This turned me into a real fighter.

► *Have you any worries about cultural evolution in the Caribbean? Are you optimistic?*

— I have worries, but I never have a lack of faith, I never lose my faith. The worries that I have I see every country in the world worrying about—unemployment, for instance. It is not only part of my culture, this poverty and struggle to live, it is part of everybody's. I mean, how many million unemployed are there in England and in America, and what about the ghettos and the violence? And when they say, "oh You Jamaicans are terrible people", I say, "but listen, we are exactly like everybody else, everybody is doing it". If I feel a little shaky about it, I remember it is a world problem. Nothing is going to keep the Caribbean back. I remember, as a youngster, thinking of Greek civilization, Greek culture, and those islands in that wonderful blue Mediterranean sea. I used to say then that one day the Caribbean would be the heart of the world, with its islands in the middle of the Caribbean sea. ○

Interview by
AUGUSTINE OYOWE

Illustration photos were taken from the book "Cultural Action and Social Change: the case of Jamaica". Courtesy of IDRC.



Members of the National Dance Theatre Company. Jamaican dance "has developed a wonderful esthetic"

True culture

by Henri SANSON (*)

The ideas in this paper are based on culture rather than on development. Instead of insisting on the need to adapt development models and techniques to different cultures, I shall demonstrate how it is also up to these cultures to adapt to the demands of development—even if this means holding themselves up to question.

What do we mean by culture here? Culture is treated not so much as a universal thing or a special type of identity; it is considered from the point of view of its aim... And what is it for? Human fulfilment (for the individual, the community and mankind in general), fulfilment thanks to what is now called development, which is nothing other than the result of the work man performs in both socio-economic and socio-cultural matters.

It is presented as a system not so much to be dissected here, as to be understood in its dynamism, aimed at fulfilling man through a greater mastery of nature and greater freedom of spirit... And what is culture? It is a means of serving man. But, because it is only a means, it must not, when termed national, be considered sacred. And that it does serve man is no reason, when terming it universal, to think it banal.

It is surely right to question whether culture should be considered as an object, as something made up of knowledge and products, information and creation, that is to be analysed and defined and classified and understood. What about considering culture as an asset, to be distributed via education, communication, cooperation and international reorganization? Provided, however, it is not forgotten that culture, produced by different groups of mankind, is diverse and that its constituent parts are not easily interchangeable and

are ill-suited to commercial kinds of exchange.

It is surely right to look at culture as a form of national identity and to assert that each people has the right, not just to culture, but to its own culture, and that all peoples have the right to cultural pluralism. Provided, however, the nations abandon their attempts at making their respective cultures antagonistic absolutes. Let us put an end to the war of cultures.

And it is every bit as justified—and, if the truth be known, more illuminating—to wonder about the aim of culture. Here culture stops being a fairly ordinary thing, to be known and shared, caught on film or passed from hand to hand. Equally, it stops looking like something sacred, not just to be defended and extended, but spread and, where need be, imposed. When its aim is borne in mind, culture becomes a complex but coherent instrument, produced by man for man with a view to the vocational fulfilment of each individual and each human group. Today, in order to achieve its aim, culture is leaning on this new, latter-day instrument: the (sometimes exaggerated) development of goods and services. And today, it can be fairly defined as a mastery of things and a liberation of mankind. Everything seems to suggest that it was given to provide us with greater mastery of our practical conditions of existence and to enable us, within these conditions, to have greater freedom to shoulder our responsibilities towards what we call self, the world and God.

Freedom and mastery

A cultured person, one of my friends used to say, is someone who has the experience of his past. Yes indeed, it is someone who has looked at his past and derived sufficient wisdom from it to accept things as they are and to behave discerningly in the events and meetings of this world.

A nation is cultured when it has enough skill and intelligence to organize its existence in the light of its deepest aspirations and to bring forth happiness from suffering, peace from war and joy from anguish.

Mankind is uncultured while we submit to the law of the jungle. We emerge into the field of universal culture once we become brotherly enough to solve our problems, not just for the benefit of the strongest, but for the benefit of all and of the weakest first and foremost.

A cultured person is someone who has become free enough to break with old habits once they are outmoded, to break with tradition when it becomes a constraint and to break with so-called natural alliances when they interfere with the prompting of the spirit.

A cultured people is one which has become free enough to allow itself to hold up to question, not just its models and techniques, but, if need be, its original culture and, ultimately, its national identity.

Mankind will never be able to call itself cultured until it is free enough from its own self to be open to constant renewal.

True culture cares nothing for cultures. And it is particularly disdainful of those cultures that assume they are ends in themselves. True culture well knows that cultures are nothing more than mediations that should enable the man who is to become the man he is not yet. True culture now knows that cultures, like civilizations, are mortal. Culture serves a plan for existence for which there is no model—or rather, one which has constantly to update the old models. In this way, it holds within it its own negation.

But, you will say, how is it possible to stay true to oneself if one is continually changing? One is always true to oneself when it is *through oneself* that one stays the same or becomes different.

Cultural cooperation for development should not just be striving for a greater mastery of material things and the greater freedom of mankind, but for greater freedom of the spirit towards the different cultures within which we each are shaped.

Today it is fashionable to complain about those development models and techniques that are currently the most common. Should we not also join together for a constructive criticism of our respective cultures? The same is true of culture as is true of development. It is for people, not the other way about. o

(*) Father Sanson is a research worker at the Centre National de Recherche Scientifique (France). This paper was presented at the international colloquium on culture and development, Valle d'Aosta (Italy), 18-19 October 1982.

Gilbert ETIENNE — **Développement rural en Asie** (Rural development in Asia) — IEDES — Collection Tiers Monde — 269 pages — 1982

This work, a summary and an outline, sets out both to bear witness and to plead a case. Thirty years ago, in 1952, the author went on his first trip to Asia, to India and Pakistan, and shortly afterwards he visited Afghanistan and China. He has returned many times since, seeing the same peasants and the same countryside and broadening his horizons all the time.

His first aim is to observe the people, to understand them and to be understood. He spends month after month in the small towns and villages, questioning peasants, often in their own language, and he wanders along the paddy fields, noting the landless peasant's humble possessions and the relative opulence of the big landowner. At the same time, he sees rural development as part of a much greater whole—the government, the authorities and the national, urban and industrial economy.

In spite of their diversity, the countries he studies never escape from the formidable equation of number of people and quantity of resources. This old problem is more topical than ever it was, regardless of ideological considerations, and it is a particularly delicate issue as far as the two giants of Asia, China and India, are concerned.

The picture he paints, a fresco of almost 2 000 million people, is of a particular place and time. Does he see the situation as negative? Is the future a disastrous one? It has often been said in learned calculations, flamboyant publications and international conferences. This is where the author's evidence comes in. Failure and disappointment should not be allowed to mask what has actually been achieved. Economies that have been stagnant for years are being revived, but at variable rates; there are advanced rural areas where poverty is on the decline, and there are other, less active areas...

In conclusion, the author outlines a future that is possible if fashionable slogans and catch-phrases are cast

aside and the experts who meet to talk about the poor, instead of with the poor, are brought to book.

"Ignorance and stupidity are important factors in history", Raymond Aron said only recently. He was talking about France, but his words could easily apply to other countries too.

On what note should we end? Smile until a latter-day Molière brings out "The expert in spite of himself"? Give in to discouragement or, worse, to the somewhat stupid and even pretentious feeling of being misunderstood? Or continue unrelenting, with no illusions, but with some of the Hindu wisdom which recommends action without desire?

o o o

Guy ROCHETEAU — **Pouvoir financier et indépendance économique en Afrique: Le cas du Sénégal** (Financial power and economic independence in Africa — the case of Senegal) — Editions Karthala, 22, bvd Arago, 75013, Paris — 386 pages — 1982

This work describes the creation of financial and industrial capital in Senegal. It poses a number of important questions. What is the real power of financial capital? What does the transnationalization of the financial circuits mean to the developing countries? Guy Rocheteau outlines two periods in this respect, roughly corresponding to the two decades that followed independence.

The first decade largely verified the theory of peripheral capitalism, whereby the relations of dependence inherited from the colonial era make it impossible to form autonomous capital. During this period, Senegalese industry was only able to develop thanks to external contributions, essentially from France, which were made to meet aims external to the country's interest. The author mentions, in particular, the role of merchant banks such as Paribas and the Suez financial company, and trading houses like SCOA and CFAO.

In the second decade, there was a profound change in the financial structures. The Senegalese national forces and the state first and fore-

most increased their capacity for intervention. Particular note should be taken of easier access to bank credits for SME, credit liberalization, a broader issuing policy, diversification of international public assistance and the development of cofinancing. This trend led to greater autonomy in the financial decision-making centres and it took practical shape in the second agreement of the West African monetary union in 1973.

This work is not just a valuable document on the Senegalese economy. It is an example of how to proceed, of the methods that should be used to get a sound grasp of the fundamental problem facing the nations of Africa today—that of financial power and economic independence.

o o o

Allen COOK — **Akin to slavery: prison labour in South Africa** — International Defence and Aid Fund, 104 Newgate Street, London EC1 — 77 pages — £ 0.50 — 1982

Hidden behind a veil of press censorship there are, on any one day, thousands of black prisoners serving their sentences on white-owned farms, forced to work for months and even years at a time for private farmers who are also their jailers. Most of these prisoners have been convicted under the pass laws which prohibit Africans from being anywhere without the necessary stamps in their 'reference books'.

The prison labour system was exposed in the late 1950s in a series of scandals that rocked South Africa, until laws were passed to prevent any further publication of information about prisons, prisoners, or the farms on which prison labour was used. Technicalities, procedures and terminology relating to the prison labour system were altered, and it disappeared from public consciousness, both in South Africa and abroad, where the horrors that had been revealed had prompted the formation of anti-apartheid movements.

This book shows that the substantial use of prison labour by private individuals and state departments, far from having been abandoned, remains an integral part of the apart-

INDUSTRIAL OPPORTUNITIES

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CID

"JOINT VENTURE AGREEMENTS ARE QUITE POPULAR AT THE MOMENT" - Dutch Minister

In the course of his opening address to CID's first promotion meeting in the Netherlands, Mr. F. Bolkestein, Dutch Minister of State for Foreign Trade, remarked that "so-called joint venture agreements are quite popular at the moment and this is the sort of investment agreement most pursued by CID". The meeting took place in The Hague on 17 March 1983. It was organized in cooperation with the Netherlands Development Finance Company (FMO), the Dutch Christian Employers' Association (NCW) and the Dutch Entrepreneurs' Association (VNO).

The minister reviewed the investment climate in ACP countries for an audience of 58 Dutch industrialists and a dozen others from Dutch employers' organizations, financial institutions and ministries. He said: "Dutch industry has much to offer to developing countries, but a certain hesitation to invest must be overcome, especially in the present poor economic climate". The minister added that ACP-EEC cooperation, like the process of European integration itself, must be considered in a long-term perspective. He observed that as his country did not have such strong ties with ACP countries as some other EEC states, this meeting was a particularly important one in

order to focus Dutch industry on this group of developing countries.

AREAS OF CONCERN

The minister referred to some of the areas of concern to the investor in developing countries: political stability, supplies of raw materials, marketing prospects, the balance of payments position, taxation policy, regulations on wages and prices and employment, the demands of national development policies, repatriation of capital and indemnification against expropriation.

To allay some of these fears, the minister suggested that "existing possibilities for insurance schemes for foreign investments—on a nat-

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ional or international level—could be extended".

He also said that a degree of clarity and a certain uniformity in investment requirements might be desirable and that "one could well imagine that this may become a matter for special attention during the coming negotiation of a new ACP-EEC convention".

GROWING MARKETS

A positive view of ACP investment prospects came from another speak-

Continued on page 2

At the CID promotional meeting in The Hague (left to right): Drs W.A. Zuidhof, (Secretary Commission for Developing countries of VNO/BCW), Mr. Y.B. de Wit, (Managing Director FMO), Mr. F. Bolkestein, (Dutch Minister of State for Foreign Trade), Mr. C. de Waal, (Dutch member CID Advisory Council), Mr. Jens Mosgard (Director CID) and Mr. John Magombo (Manager Industrial Studies Division CID).



Continued from page 1

er, Mr. Y.B. de Wit, Managing Director of the Netherlands Development Finance Company (FMO). Mr. de Wit said that ACP markets were growing because of rising populations and that in view of their economic potential they will, in the long run, be worthwhile for EEC investors.

Mr. de Wit said that the aim of FMO is to promote the growth of industry and good business in developing countries and FMO, he said, would work "in partnership" with CID. His advice to Dutch industrialists who are thinking of investing in a developing country was to first of all find a good partner; and CID, he added, is a good vehicle for identifying partners because of its knowledge of countries and sponsors and because of its established access to institutions in the various ACP countries.

LABOUR-INTENSIVE OPERATIONS

Mr. Jens Mosgard, Director of CID, outlined his organization's priorities and described the assistance it provides. He pointed out that large enterprises, because they are often promoted by multi-national companies, do not need CID assistance. Priority is therefore given to small and medium-sized enterprises (SMEs).

Mr. Mosgard reminded Dutch industrialists that today many European industries are handicapped by labour-intensive equipment and rising labour costs. He said that such industries should seriously consider transferring their labour-intensive operations to an ACP country, while keeping their capital-intensive operations in Europe. Such redeployment could well save an industry from closure and simultaneously open up a wider market based on its production in an ACP country.

The Hague meeting was chaired by Mr. Cornelis de Waal, the Dutch member of CID's Advisory Council. After the meeting CID staff held twelve in-depth discussions with a number of Dutch industrialists who showed an interest in such diverse projects as a hotel in Nigeria, fish processing in Mauritania, and meat processing in Upper-Volta. Three joint-venture agreements are likely to result. A meeting also took place at the Hague headquarters of FMO where there was a fruitful exchange of views on the financing of projects. ■

PROMOTIONAL WORK IN THE EEC

GREECE HAS MUCH TO OFFER TO ACP INDUSTRY

In some ways Greek industry is well placed to enter into industrial cooperation with ACP sponsors. However, in some respects it is handicapped. These are the conclusions of CID's first mission to Greece led by Director Jens Mosgard last March.

Greece already has a strong presence in a number of African countries where Greek farmers and business people have adapted themselves to ACP ways; in addition, Greek industry is small-scale and is based on technologies more suited to ACP conditions than to Northern economies. Still on the positive side, low levels of wages and salaries provide Greek industry with certain advantages.

On the negative side, Greece—like Ireland and Luxembourg—does not have a development finance institution which could take equity in an ACP/Greek project or which could offer loans and guarantees with favourable conditions.

The mission to Greece prepared the ground for a full-scale project promotion meeting which will take place in Athens on 14 June. This meeting, which is being coordinated by the Federation of Greek Industries, will be held in the conference room of the Athens Chamber of Commerce and Industry.

Meetings were held, during the mission, with a number of organisations with whom CID hopes to establish close working relationships.

These include:

- the Federation of Greek Industries
- the Athens Chamber of Commerce and Industry
- the Organisation of Small and Medium-Sized Enterprises (EOMMEX).

There was an exploration of areas in which Greek industry could participate with ACP sponsors. These areas cover solar panels, ship building and repairs, tourism, fish processing, general metal and engineering industries, cement, fruit juice, aluminium and steel.

The CID mission also met Mr. Varfis, Secretary of State for EEC Affairs at the Ministry of External Affairs, to discuss CID's role. During this meeting there was some discussion of the need for a specialized Greek development finance institution to help finance ACP/Greek joint ventures. This topic was also raised in meetings with the Governor of the Greek Development Bank and the General Manager of the Commercial Bank of Greece.

Greek industrialists interested in attending the June meeting in Athens are invited to contact CID or any of the three organisations mentioned above. ■

ATTENTION EEC INDUSTRIALISTS NEW INVESTMENT OPPORTUNITIES (INCLUDING ADAPTED TECHNOLOGIES)

European industrialists interested in creating new investment opportunities may make free use of CID facilities to channel their proposals to industrial promoters and entrepreneurs in African, Caribbean and Pacific (ACP countries).

For six years CID has sought out industrial projects in ACP countries and has brought them to the notice of EEC industrialists. However, we can also work the other way around, bringing EEC industrial investment proposals to ACP countries.

CID has many lines of communication to the ACP industrial world. Through missions, local antennae, publications, promotion meetings

and other contacts, CID can ensure that industrial investment proposals from EEC firms are brought to the attention of the right people in 63 ACP countries.

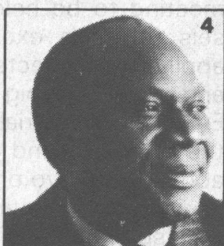
Maybe you have an adapted technology to offer, or perhaps you would like to attract attention to a joint-venture idea. We can help by publishing your investment idea, or otherwise circulating it, in ACP countries.

If you wish to have your proposals considered by ACP entrepreneurs or to be informed of their projects in advance of this year's promotion meetings, contact us now and we will send you a registration form. ■

PROFILES

CID DEPUTY DIVISIONAL MANAGERS

In the September-October 1982 issue, we presented profiles of CID's divisional managers; in this issue we continue with the idea of introducing CID professional staff, for the benefit of those who may wish to use our services.



Wolfgang ULBRICH (1)
Deputy Manager
Industrial Studies Division
Born 1941 in Germany.

M.A. degree in Economics (Universities of Heidelberg and Mannheim, Germany). ■ Diploma in development planning and project evaluation (German Development Institute Berlin). ■ Two years as managing partner of small ceramics firm (Germany). ■ Two years with German Africa Association as Head of Industrial Promotion Department and another four years as the association's regional representative in Kenya. ■ Two years in Geneva with SIFIDA—an international investment and finance company for Africa. ■ Two years with the Directorate General for Development of the European Commission.

He joined CID in 1977 and believes that CID's main role should be the mobilization of the know-how and capital of smaller EEC firms, for industrial joint ventures in ACP countries. But he insists—because of the unfavourable investment climate both in Europe and the ACP countries—that CID can succeed only through an imaginative, unbureaucratic and highly professional approach, backed by appropriate manpower and financial resources.

Jean RAZAFINDRASOAVA (2)
Deputy Manager
Technical Operations Division
Born 1941 in Madagascar.

Degree in physics (University of Grenoble, France). ■ Engineering Diploma specialising in economics and business administration (Ecole Centrale des Arts et Manufactures, Paris). ■ Fellowship in project analysis at the Economic Development Institute of the World Bank. ■ Nine years, including four as the Director, at the industrial promotion and development office of the Ministry of Economy and Commerce (Madagascar).

In Madagascar, he says, industry was not a traditional activity for local businessmen, therefore the job of attracting them to the idea of industrial development was at first a difficult one. His move to CID in 1977 was a natural continuation of his work in Madagascar. At CID he has been concerned with the transfer of technology, training, and assistance to existing industries. One of his tasks is to diffuse information on adapted technologies for small and medium-sized industries. It is his responsibility to assist ACP promoters who wish to implement projects based on these technologies.

Joop STEKETEE (3)
Deputy Manager
Industrial Promotion Division
Born 1930 in the Netherlands.

Doctoral studies in organic chemistry (State University of Leiden, Netherlands). ■ Two years in the Netherlands army as motor transportation officer. ■ Eleven years with Philips first in industrial research and later as a production manager. ■ Five years as director of a textile factory (Ivory Coast). ■ Five years as director of cable factories (Indonesia and Turkey).

He joined CID in 1981 and is responsible for 14 East African countries. He screens requests for assistance originating in these countries with the aim of selecting projects for presentation in the best possible way to EEC investors.

In the past he enjoyed his direct involvement with the running of factories in developing countries and regrets that today he handles so many widespread pro-

jects that he cannot be on the spot to help ACP promoters prepare their proposals. However, he says that CID's network of ACP antenna organisations is building up and expects that they will be able to give more and more assistance to ACP project promoters.

Armand MVONDO (4)
Deputy Manager
Administration Division
Born 1942 in Cameroon.

Degree in law specialising in commercial, administrative and international law (University of Paris). ■ Ten years in France as administrative and financial adviser to an office equipment company. ■ Two years with a sugar company as Head of Purchasing (Cameroon). ■ Two years with a major paper pulp company as Head of Administration Division (Cameroon).

He joined CID in late 1982 and was the last person to be recruited under the second Lomé Convention. He values the wide contacts afforded by an international organisation and believes in the importance of CID's role in aiding international cooperation and the transfer of technology. To illustrate what the transfer of technology can achieve he refers to the paper pulp company for whom he worked in Cameroon. This company was set up with imported technology and eventually perfected its own techniques for bleaching paper to such a degree that it felt it wise to patent them. Armand Mvondo believes that the transfer of technology can achieve the same evolution elsewhere and that CID can help in this process.

PACIFIC PROMOTION MEETING

EXPERTS SEEK INDUSTRIAL PROJECTS

CID is organising a project promotion meeting for ACP Pacific States to take place in the Pacific during the first half of November 1983.

The meeting will place special emphasis on agro-food, fishing, building materials and wood-based industries. Roving experts have been visiting all eight ACP Pacific countries since the end of April 1983, with a view to identifying sponsors with industrial projects. They will subsequently substantiate these projects for promotion at the November meeting. CID will invite up to 20 sponsors of the most promising projects from the region to attend the meeting and to personally present their projects. Project sponsors who are not invited may have their projects presented for them.

EEC firms who declare a definite interest in investing in any of these projects

will receive an invitation to the November meeting. These firms will be able to meet the Pacific sponsors in private consultations to discuss projects and to study joint ventures or other forms of cooperation. They may afterwards visit the country of their potential Pacific partner. CID professional staff will be at hand to advise on possible CID assistance, to explore areas of cooperation between all parties, and to ensure active follow-up.

Interested EEC firms should contact CID between June and September 1983, giving as much information as possible on their present activities, the sectors in which they are interested, and the type of cooperation they would envisage. ■

ACP INDUSTRIAL DEVELOPMENT

THE DIFFICULT TASK OF ASSISTING SMALL STATES

Over a third of ACP states have populations of less than 500 000. Most of these are also in the low income group of less than US \$600 GNP per capita. Their small markets and low purchasing power for industrial products severely limit the scope of industrialisation for local consumption.

Export-orientated industries in small states are thus denied the vital home base that a buoyant local market usually warrants. They miss out on industrial infrastructures such as vocational training programmes, testing facilities, service industries, industrial estates and fiscal incentives.

CID Director Jens Mosgard, and Area Head for Caribbean and Island ACP states Daniel Nairac, completed a mission in the Caribbean in February 1983 which took Jens Mosgard to Trinidad and Tobago, Jamaica and Grenada. He was joined in Grenada by Daniel Nairac, who had visited Barbados, and went on to visit Antigua and Barbuda and Belize. These missions were part of the build-up to CID's Caribbean project promotion meeting to be held in Brussels in June 1983. It brought home the challenge which island states and small ACP states in general represent for CID.

INDUSTRIAL POTENTIAL OF SMALL STATES

Fortunately, most of the small states possess development potential in the form of raw materials and low labour costs. Each state will usually have some basis for industry both for local consumption and for export—such as wood, fish, spices, bananas, bauxite, sea shells or coconuts. This potential is mainly, apart from bauxite, in the small and medium-sized range, capable of creating employment with comparatively little investment. However, because of the lack of industrial infrastructures, it is usually difficult to start up such industries.

THE CASE OF ONE SMALL STATE

One specific island with a population of around 100 000 and a GNP per capita of some US \$800, has very little purchasing power. Industries therefore have, to a very large extent, to be export-orientated. The island obtains revenue at the moment from exports of unprocessed nutmegs, bananas and cocoa. Other principal resources are fish, tourism

and enough wood to cover its own major requirements.

The following specific needs were identified on this island and CID should in principle be able to provide some assistance:

- nutmeg oil production — new plant for export;
- cocoa powder — small capacity new plant — local consumption;
- expansion and improvement of agro-industry making juice/preserves;
- establishment of small meat processing plant and piggery;
- expansion of perfume plant based on local spices;
- establishment of a new saw mill/wood industry;
- assistance to expand vertically the operations of a successful garment-exporting factory;
- participation in development of tourist hotels and service industries;
- assistance in improving processing facilities for artisanal fisheries and establishing new ones;
- expansion for export of a successful furniture-making operation;
- improvement of existing nutmeg processing plant;
- assistance to expand a successful export-orientated handicraft industry;
- identification of export marketing channels for a new cut flower project;
- assistance in locating and valuing secondhand plant for cigarette manufacturing.

(CID inspected most of the existing industries mentioned in this list).

The list clearly demonstrates the variety and particularly the extent of the need for assistance in a small country of 100 000 inhabitants that cannot even justify its own industrial assistance organisations.

In such cases, CID will try to assist whenever a properly substantiated request is received. But to date very few such requests have been received.

CID can in fact be of little assistance—due to its weak "presence" in the region—in helping to substantiate projects, or to provide direct in

situ technical assistance, or to eventually follow projects through all the traditional obstacles that hinder implementation.

In the case of the Caribbean states, CID sent out a Roving Expert during March to help substantiate projects for its Caribbean promotion meeting to be held in June in Brussels; but this exercise can only be applied to projects of a certain size and which are big enough to attract European industrialists. In the case of the small island state mentioned above, only two or three of the listed projects could qualify.

Despite the fact that this state was recently the object of a very constructive World Bank report and that its business community appears to approach problems of industrialisation in positive and constructive cooperation with the government, its small market and its lack of an industrial infrastructure will not make it easy for CID to attract joint-venture partners. Not unless CID can offer more technical assistance than it can usually afford, and can direct the projects to sources of soft finance.

For some projects CID may provide technical information, liaison with suppliers of technical know-how or equipment and, possibly, identification of marketing partners.

CID may also provide short-term training or expertise for a small number of projects as has already done in two cases. CID may decide to do this if it is convinced that the expertise or training can really overcome a development problem instead of just solving one bottleneck problem to have another one appear afterwards.

The small state will nevertheless be left very much alone with a long series of development problems and no institutions to handle them.

WHAT CID SHOULD BE ENABLED TO DO FOR SMALL STATES

Although today CID can in principle provide some help as outlined above, it may be imagined that if CID were to split up the 2.5 million ECU it has available for interventions this

year among the 63 ACP states and their 300 million inhabitants, the small island state in our example would be entitled to intervention assistance up to a maximum of 40 000 ECU. This calculation is made on the basis that all countries receive an equal share.

However, if we based our calculation on a per capita distribution of CID funds, there would be less than 1 000 ECU per year available to this state. And this would be supposed to cover CID's expenses for participating in studies, training, expertise, search for information, etc.

The Lomé Convention says that CID is to give priority to least developed, island and landlocked states. It can clearly be seen that CID has a dilemma under these circumstances. Not even 40 000 ECU per annum for our small island state would carry CID's assistance very far. It could only cover searching for partners, assistance in negotiations, mediation, the solving of bottleneck problems and maybe a little study assistance. Although these in themselves are functions whose importance one should not underestimate, vastly more could be achieved if extra funds were available to CID.

HOW CID COULD IMPROVE ITS ASSISTANCE WITH EXTRA FUNDS

If funds were available through CID for soft loans plus risk capital for equity participation, many smaller ACP industries could attract the interest of European industrialists. If CID also had access to more plentiful technical assistance funds it could provide direct inputs in the form of paid services from European industries, in order to get smaller ACP industries started.

An important asset, particularly for a small state, would also be the presence, at least in the region, of an experienced industrialist (CID's proposal for an Industrial Cooperation Experts Programme). He could provide direct in situ assistance, overcoming various traditional problems relating to the management, financing, planning and organisation of production.

Such a locally based industrial expert could be much better able to exploit the presence of CID in Europe and its capacity to identify know-how and create contacts, etc., for the benefit of local ACP companies. Not least, such an expert could help plan mixed government/private indu-

stries, created as nuclei for further development with a specially large financial input for the training of foremen and technicians. Such nuclei would consist of a cluster of industries managed from a central facility. They would provide general services and inputs to a larger number of smaller satellite industries which would have complementary raw materials and similar marketing and processing problems.

The industrial expert could in this way help create enterprises with sufficiently large output to entice a worthwhile contribution in management and know-how from a European joint venture partner and to justify significant Government aid for training.

CONCLUSION

It is possible that the granting of such an aid capacity to CID may be discussed for the post Lomé II convention. Meanwhile, in the absence of any yardstick other than common sense to guide its efforts, CID will endeavour to devote to small ACP states as much of its resources as its limited funds allow, in an effort to effectively apply the priority imposed by the current convention. ■

FINANCING JOINT-VENTURES

INCREASED CID EFFORTS TO RAISE INVESTMENT FINANCE

Helping to raise equity investment and loans for ACP projects is an important aspect of CID's work. For this purpose, CID maintains close contact with a number of sources of finance both in the industrialized countries and the ACP states.

Due to the aggravating foreign exchange problems of most ACP countries, it has become increasingly difficult and sometimes impossible to raise investment funds, in particular for smaller and medium-sized industrial projects in Least Developed Countries (LDCs). Even in normal times, concessionary loan finance is only exceptionally available for industrial projects and Government guarantees are not usually available for loans to private investors. Moreover, additional constraints have arisen in recent years:

- export credit facilities in EEC countries have been drastically cut down or even cancelled due to the shortage of foreign exchange in ACP countries;
- credit restrictions in some ACP countries make it impossible to finance working capital by way of local short-term borrowing;
- the internationally high level of interest rates has pushed up interest

rates on loans from most ACP development finance institutions to 13% or 15% per annum;

- due to the high cost of capital in industrialized countries, potential EEC investors tend to limit their equity exposure in ACP joint ventures; and development finance institutions have a tendency to provide loans instead of equity.

CID currently making intensified efforts to mobilize new sources of finance, as far as possible on concessionary terms, for new projects as well as rehabilitations. Priority in this is given to smaller projects in Least Developed Countries. Systematic approaches are made to financial institutions inside and outside the Lomé Convention countries.

A CID delegation led by Dr. I. Akinrele (Deputy Director), visited the World Bank, IFC and specialized UN funds last March. Agreement was reached on joint efforts to raise in-

vestment finance for a number of the projects presented by CID.

CID also attended a meeting with Arab funds in Milan from 11 to 13 February. There are also plans to visit national and multilateral Arab development finance institutions, as well as the OPEC fund in Vienna.

CID has negotiated agreements for closer cooperation with SIFIDA in Geneva, and EDESA in Zürich. These two international investment and financing institutions specialise in Africa.

Although a reinforced interest in ACP investments on the part of IFC and other financial institutions may lead to some new financing possibilities, the oil funds have yet to show an opening for projects promoted by CID. The greatest constraint, however, is the very limited availability of concessionary finance to the least favoured countries, for medium-sized projects. ■

TRAINING FOR MALI

MAINTAINING A TRANSPORT FLEET

Road transport is very important to the Malian economy. Yet Mali, in common with many ACP states, is short of highly skilled technicians capable of completely stripping down and overhauling car and lorry engines. One CID project will help Mali to overcome this shortcoming.

CID is currently funding Hassim Hanne from Mali, while he completes a training course in Antwerp, Belgium. The course will teach him to use the high precision machinery required to recondition an old engine to its original specifications.

After his training 21 year old Hassim will work in his father's garage in Bamako, Mali, repairing cars and lorries. They are now expanding into the demanding area of complete engine rebuilding.

This project began at the West Africa Industrial Forum held in Dakar in November 1982 (partly organised by CID), where Hassim's father met representatives from Germany Motoren Rebuilding. This is a large group, based in Antwerp, which specialises in engine rebuilding for all types of cars and lorries. The two companies have reached a joint venture agreement, initially for technology transfer.



Hassim Hanne, trainee from Mali (left), receives a follow-up visit at the Antwerp garage from Gary Aylmer who takes care of training at CID.

As a first step Hassim is working in the repair shop as an apprentice carrying out all the complex work under the supervision of Mr. Vermeiren, the General Manager. At the end of this period he will be able to completely overhaul an engine and this includes performing these operations:

- stripping and re-assembly
- re-grinding crankshafts
- re-boring cylinders
- re-grinding cylinder heads
- valve rectification

Hassim will become skilled in the accurate measurements and testing

necessary to produce an engine able to meet the original power output and capable of giving thousands of kilometres of service over arduous conditions.

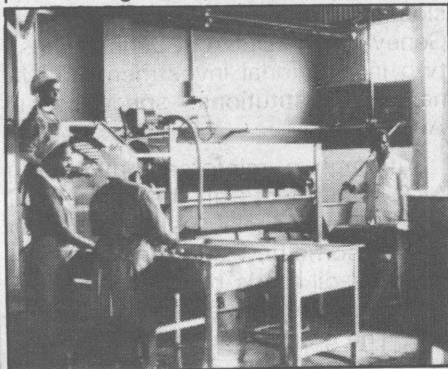
An overhauled engine costs a fraction of the price for a new engine and can be ready in two or three days. This CID project will therefore reduce the amount of foreign exchange required to maintain Mali's vital transport fleet. ■

REHABILITATION OF EXISTING INDUSTRY

PRACTICAL HELP FOR KENYAN CANNING FACTORY

Industries throughout ACP countries seek CID's help in solving a wide range of technical problems.

One recent case involved a food processing company in Kenya. Its



Work in progress at the Kenyan vegetable canning factory which was rehabilitated with CID assistance.

canning production line was experiencing difficulties in reaching the required output. Also, the product handled—green beans—was suffering from colour changes which affected its marketability.

CID found a Belgian expert who made a mission to the factory and was able to introduce a number of improvements immediately. The plant layout was altered and additional sterilising capacity was used to remove a bottleneck in the processing operation. A second obstacle—a lack of process water (suitably treated for the suppression of bacteria)—was dealt with by providing additional tankage. Production was raised towards the management's target figures.

The problem of discoloration remained. This was finally traced to rusting in the cans because of the

sterilisation methods used. A combination of remedies was recommended, including a change in the temperature cycle for can sterilization. Also recommended were the use of laquered can tops and the removal of down draughts from boiler chimneys.

This technical help enabled the product to meet the stringent EEC requirements for foodstuffs. Thus a potential market has been opened for the producers.

CID extended its advice to a programme of product diversification so that the canning line could be used throughout the year even when green beans are not available for processing.

There are plans for further association with the Kenyan company to find European partners to develop it and its EEC markets. ■

ADAPTED TECHNOLOGY

EGG TRAYS FROM WASTE PAPER

There is no longer any need to import expensive plastic egg trays. A simple plant which has been extensively tested can make egg trays, egg cartons and fruit packing trays from waste paper.

This plant makes paper on a scale of about 60 kg per 8-hour shift. The normal input is waste paper. The final product is sheets of paper or boards 85 x 65 cm in size. These can be formed into three dimensional packaging. This is done using special dies while the paper or board is still wet.

For a single unit the work force is 3. But three units re-

quire only 7 people. A single plant requires 7 square meters of space and two electricity points providing 300 watts. A typical landed cost for the plant is US \$ 2 500.

Average production cost per carton or tray is US \$ 0.18-0.7.

This adapted technology has been successfully operated in several countries. ■

ACP sponsors are invited to contact CID for further details of any technology outlined in this section. CID can help with implementation.

Adapted technologies suit the socio-economic conditions of ACP countries. They answer the needs of small to medium-sized firms and their hallmarks are: low investment levels, the use of local raw materials, an output which satisfies a basic need of the local population, high employment in relation to investment, technical simplicity and ease of implementation.

An inventory of adapted technologies has been prepared by CID for the benefit of ACP sponsors. It is available to them on request.

EEC industrialists who have developed adapted technologies can benefit from CID's services for the circulation of their technologies in ACP countries.

OFFERS FROM EEC FIRMS

ACP ENTREPRENEURS PLEASE REPLY



ACP entrepreneurs are invited to contact CID, quoting the reference number, in response to any offer outlined in this section. ACP entrepreneurs must supply CID with background information about their industrial and commercial activities. They must also provide a short assessment of the viability of the proposed project, giving details of the potential market.

Organisations reprinting these offers in their own publications, are asked to ALWAYS include the CID reference numbers.

Processing galvanized sheets

Belgian offer — Ref. 83/33 a

A major Belgian producer of galvanized sheets and sections is interested in establishing contacts with ACP sheet consumers with a view to setting up coating or processing plants (surfacing, profiling, corrugating, re-cleaving).

The Belgian company is open to various joint venture possibilities.

In replying, ACP firms should indicate the tonnage which they would envisage producing annually.

Optical laboratory and the manufacture of spectacles

Belgian offer — Ref. 83/36 b

A Belgian optometrist-optician is seeking an ACP partner to set up a plant to manufacture social-assistance-type spectacles. It would be established along with an optical laboratory.

The output could meet the demand created by prescriptions issued by the local ophthalmological services. This project would provide a transfer of technology

and the product would have high added value.

The project, with an investment of about 500 000 \$US and a capacity of 400 pairs a year, could not only satisfy domestic demand for social-assistance-type spectacles, but would provide real possibilities of eventual exportation to the African market. The Belgian promoter has already worked in Africa as a technical adviser.

A new concept in animal feedmills

Dutch offer — Ref. 83/34 a

A Dutch company has developed a new concept for producing animal feedstuffs in compact feedmilling units. These units can be assembled very quickly on site and arrive in containers in pre-assembled segments. They have capacities in the range of 1 to 20 tonnes per hour. They would suit the needs of isolated rural areas.

The Dutch company wishes to establish factories for the production and assembly of its feedmills in ACP countries by investing in joint ventures with local entrepreneurs. It is also willing to give all necessary technical and management as-

sistance. Locally available materials would, as far as possible, be used in the production.

The feedmilling units can process (into animal feedstuffs) local raw materials such as straw, alfalfa, grass, and the feed-parts of sugar cane, in addition to maize, barley, soyabeanmeal, etc.

The company has the know-how to provide recipes for feed-mixes based as much as possible on locally available raw materials and which are adapted to the requirements of cattle, poultry, pigs, goats, and sheep. This would save the foreign exchange used for imported raw materials.

Making and assembling electricity generators

Belgian offer — Ref. 83/32 a

A Belgian manufacturer of generating sets with outputs ranging from 5 to 2 000 KVA is looking for ACP partners with plenty of commercial experience to assemble and manufacture its products in ACP countries.

The minimum investment required is around 4 million Belgian francs. The company is open to joint venture arrangements. ■

OFFERS FROM ACP SPONSORS

EEC INDUSTRIAL PARTNERS WANTED



EEC industries are invited to contact CID, quoting the reference number, in response to any offer outlined in this section. CID will answer questions on any item and will indicate the kind of assistance it can provide. EEC industries should give a brief description of their operations; and, in relation to the proposed project, they should state the kind of involvement which they envisage.

Organisations reprinting these offers in their own publications, are asked to ALWAYS include the CID reference numbers.

NEW PROJECTS

Clothing company wishes to restructure Senegal — Ref. 83/25 a

An existing Senegalese company producing approximately 400 000 items per year (baby garments and vests) seeks a financial, technical and commercial partner to restructure its operations.

The company has about 7% of the overall capacity in its sector in Senegal. It sells 80% of its production on the domestic market.

Restarting metalworking operations Senegal — Ref. 83/26a

A Senegalese financial institution needs a technical and financial partner to restart production in an existing metalworking

plant. Modification and/or diversification of production can also be considered.

The plant is located in the Industrial Free Zone of Dakar. This zone offers significant financial incentives and can be used as a base for exporting to other countries in the Economic Community of West African States (Ecowas).

Alternatively, the plant could be rented or sold on terms to be negotiated.

A complete file, including the list of equipment, is available from CID. ■

Buttons for the domestic market Nigeria — Ref. 83/24 a

A Nigerian private sponsor wants to manufacture buttons from acrylic sheets and urea-formaldehyde powder. Production would be mainly for the domestic market.

At full capacity the estimated output should be 288 000 gross per year (acrylic) and 96 000 gross/year (urea-formal-

dehyde). The envisaged investment is US \$720 000 including buildings and working capital.

The local sponsor is looking for a European partner to update the pre-feasibility study, to assist in the choice of plant and machinery, and possibly to take an equity participation.

STILL UNDER PROMOTION

The projects listed in the table below have lately been promoted by CID through promotion meetings, or via "Industrial Opportunities", or by approaches to individual companies. This list has also, as usual, recently been distributed to over 100 EEC-based organisations with whom CID enjoys a privileged relationship. As these projects are under active promotion, EEC industrialists are invited to contact CID in the normal way, for fuller information on any project which interests them. ➤

INDUSTRIAL CATEGORY	REFERENCE	COUNTRY	NATURE OF PROJECT	WHAT ACP SPONSOR MAINLY SEEKS
FOOD AND DRINK	83/3a	Jamaica	Essential oils and roasted coffee.	Joint venture including know-how.
CHEMICALS AND PHARMACEUTICALS	83/11a	Fiji	Bulk bagging of fertilizer.	Joint venture including know-how and technical assistance.
	83/27a	Mali	Soap production.	Technical assistance.
LEATHER, PLASTIC AND RUBBER	82/61a	Mauritius	Leather items for export.	Joint venture including marketing.
	83/18a	Nigeria	Olumu leather works.	Joint venture including marketing.
	83/28a	Nigeria	Button manufacturing.	Joint venture including know-how.
	82/70a	Kenya	Expansion and diversification of a rubber articles unit.	Joint venture including marketing.
	83/10b	Kenya	Marketing of tanned wool skins in Europe.	Marketing partner.
TIMBER	82/31a	Grenada	Forest industry complex.	Joint venture including know-how and marketing.
	83/12a	Ghana	Wooden toys.	Joint venture including know-how and marketing.
	82/74a	Fiji	Furniture production.	Joint venture including know-how
	83/2a	Fiji	Joinery and furniture manufacturing.	Joint venture including know-how
TEXTILES AND CLOTHING	83/4a	Mauritius	Garments.	Joint venture including marketing.
METALWORKING : MECHANICAL AND ELECTRICAL	83/17a	Benin	Galvanized sheets, metal construction sheet metalworking pipes (rehabilitation).	Joint venture including know-how.
	83/29a	Zimbabwe	High quality castings.	Joint venture including know-how.
SERVICES	83/30a	Nigeria	Photofinishing (colour processing).	Joint venture including know-how.
	83/20a	Tanzania	Packaging (Karastasi associated industry).	Joint venture including know-how.
	83/31a	Tanzania	Printing (Karastasi associated industry).	Joint venture including know-how.

OPERATIONAL SUMMARY

No. 16 – May 1983

(position as at 16 April 1982)



EEC-financed development schemes

The following information is aimed at showing the state of progress of EEC development schemes prior to their implementation. It is set out as follows:

Geographical breakdown

The summary is divided into three groups of countries, corresponding to the main aspects of Community development policy:

- the ACP countries (Africa, the Caribbean and the Pacific), which signed the multilateral conventions of Lomé I (28 February 1975) and Lomé II (31 October 1979), plus the OCT (overseas countries and territories) of certain member states of the EEC, which get the same type of aid as the ACP countries;
- the Mediterranean countries (Maghreb and Mashraq), which signed cooperation agreements with the EEC in 1976 and 1977;
- the non-associated developing countries of Asia and Latin America, beneficiaries since 1976 of annual aid programmes.

The information within each of these groups is given by recipient country (in alphabetical order).

Note

As the information provided is subject to modification in line with the development aims and priorities of the recipient country, or with the conditions laid down by the authorities empowered to take financial decisions, the EEC is in no way bound by this summary, which is for information only.

Information given

The following details will usually be given for each development scheme:

- the title of the project;
- the administrative body responsible for it;
- the estimated sum involved (prior to financing decision) or the amount actually provided (post financing decision);
- a brief description of projects envisaged (construction work, supplies of equipment, technical assistance, etc.);
- any methods of implementation (international invitations to tender, for example);
- the stage the project has reached (identification, appraisal, submission for financing, financing decision, ready for implementation).

Main abbreviations

Resp. Auth.: Responsible Authority
Int. tender: International invitation to tender
Acc. tender: Invitation to tender (accelerated procedure)
Restr. tender: Restricted invitation to tender
TA: Technical assistance
EDF: European Development Fund
mECU: Million European currency units

Correspondance about this operational summary can be sent directly to:

Mr. Franco Cupini
Directorate General for Development
Commission of the European Communities
(ARCH.25/1-1)
200, Rue de la Loi
B-1049 Brussels

who will pass on requests for information to the services in charge of projects.

Sectoral Index

<p style="text-align: center;">AGRICULTURE</p> <p>Irrigation and soil development, infra-structures, improvement</p> <p>Coffee, tea, tobacco, cereals, earth-nut, ground-nut, maize, sugar, coton, palm-tree, coco-tree, rice, gum-tree, potatoes, citrus fruit, hevea</p> <p>Seed and crop protection, environment</p> <p>Agro-industry</p> <p>Forestry</p>	<p>Burundi, Cameroon, Cape Verde, Dominica, Ghana, Guinea Bissau, Equatorial Guinea, Guyana, Kenya, Malawi, Mauritius, Mauritania, Niger, Rwanda, Senegal, Sierra Leone, Solomon Islands, Somalia, Sudan, Suriname, Chad, Upper Volta, Zambia, Zimbabwe, Egypt, Bangladesh, Burma, Indonesia, Sri Lanka, Thailand, The Philippines, Dominican Republic, Haiti, Nicaragua, Honduras, Bolivia, Costa Rica, India</p> <p>Burundi, Centralafrican rep., Comoros, Ethiopia, Guinea, Jamaica, Liberia, Mauritania, P.N.G., Solomon Islands, Senegal, Somalia, Surinam, Zaire, Zambia, Bangladesh, Burma, Thailand</p> <p>Benin, Kenya, Mali, Mauritius, Uganda, Niger Basin Authority, Egypt, Mozambique, Bangladesh, Bhutan, The Philippines</p> <p>Burundi, Solomon Islands, W. Samoa, Sao Tome, Togo, Morocco, Thailand, Yemen (Arab Rep.)</p> <p>Gabon, Guinea Bissau, Nigeria, New Caledonia, Niger Basin Authority</p>
<p style="text-align: center;">STOCK FARMING-FISHING-PISCICULTURE</p> <p>Improvement</p> <p>Veterinary actions</p> <p>Processing industry</p>	<p>Benin, Burundi, Centralafrican rep., Ethiopia, Gabon, Ghana, Malawi, Mauritania, P.N.G., St. Lucia, St. Vincent, Sierra Leone, Upper Volta, Vanuatu, CARICOM, Tunisia, Angola, Mozambique</p> <p>Jamaica, Kenya, Niger, Sudan, Uganda, Zambia, New Caledonia, Southern Africa, Kenya-Gambia-Senegal, Eastern Africa, ICIPE</p> <p>Bahamas, Somalia, French Polynesia, Angola, Indonesia, India</p>
<p style="text-align: center;">RURAL HYDRAULICS</p> <p>Wells, bores, pumps, pipes, small dams</p>	<p>Benin, Botswana, Cape Verde, Guinea, Guinea Bissau, Mali, Niger, Senegal, Sierra Leone, Swaziland, Togo, Nepal, Pakistan</p>
<p style="text-align: center;">TOWN WATER SUPPLY AND SEWERAGE</p> <p>Water supply, pipes, drinking water</p> <p>Sewerage, waste water, collectors, pumping stations, treatment</p>	<p>Cape Verde, Comoros, Djibouti, Guyana, Mauritania, Niger, Rwanda, Somalia, Tanzania, Uganda, Zaire, Zambia, Zimbabwe, New Caledonia</p> <p>Cape Verde, Gambia, Guyana, Senegal, Cyprus, Egypt</p>
<p style="text-align: center;">SOCIAL CONSTRUCTIONS</p> <p>Houses, schools, hospitals, buildings, laboratories</p>	<p>Benin, Burundi, Cape Verde, Centralafrican rep., Chad, Congo, Djibouti, Ethiopia, Gambia, Guinea, Guinea Bissau, Guyana, Kenya, Malawi, Mali, Mauritius, Mauritania, Rwanda, Senegal, Seychelles, Somalia, Sudan, Suriname, Tanzania, Uganda, Zimbabwe, CEAO, CERFER, OCAM, OAPI, CIADFOR, Forum Fisheries Agency, Madagascar-Seychelles, Eastern Africa, SADCC, CARICOM, Egypt, Jordan, Malta, Yemen</p>
<p style="text-align: center;">TRANSPORTS AND COMMUNICATIONS</p> <p>Roads, bridges, airports, railways, ports</p>	<p>Benin, Cameroon, Cape Verde, Comoros, Congo, Dominique, Fiji, Grenada, Guinea, Guyana, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Mauritania, P.N.G., Rwanda, Senegal, Sierra Leone, Somalia, Sudan, Tanzania, Tonga, Zaire, Anguilla, Neth. Antilles, Cayman Isl., Turks & Caicos, Gabon-Sao Tome, Guyana-Surinam, Senegal-Guinea, Swaziland-Lesotho, CARICOM, Tanzania-Uganda, Pakistan, Nicaragua-Honduras</p>
<p style="text-align: center;">TELECOMMUNICATIONS</p> <p>Radio, telephone, satellites, hertzian</p>	<p>Ethiopia-Sudan, UAPT, Malta</p>
<p style="text-align: center;">ENERGY</p> <p>Power stations, dams, electrification</p>	<p>Burundi, Cape Verde, Ethiopia, Jamaica, Kenya, Niger, Rwanda, Somalia, Surinam, Uganda, Upper Volta, Zaire, Zambia, O.M.V.G., Rwanda-Zaire-Burundi, Togo-Benin, Turkey</p>
<p style="text-align: center;">NEW AND RENEWABLE ENERGY</p> <p>Solar, wind-wills, biomass, gas, geothermics</p>	<p>Guinea, Senegal, French Polynesia, Rwanda-Zaire, South-Pacific (SPEC), Pakistan</p>
<p style="text-align: center;">MINING</p> <p>Soil survey, research, geophysical survey,</p> <p>Infrastructure, production, processing plants</p>	<p>Mauritania, Senegal, Zimbabwe, Congo-Gabon-OLADE</p> <p>Upper Volta, Zambia, Turkey</p>
<p style="text-align: center;">MAPPING</p> <p>Soil-Air</p>	<p>Benin, Congo-Gabon</p>
<p style="text-align: center;">INDUSTRY</p> <p>Plants, productions</p>	<p>Burundi</p>
<p style="text-align: center;">TRADE - INDUSTRY - TOURISM - INVESTMENTS PROMOTION - MANAGEMENT - MARKETING - S.M.E. TRAINING</p>	<p>Barbados, Botswana, Cameroon, Fiji, Guinea, Jamaica, Kenya, Lesotho, Madagascar, Mauritius, P.N.G., Rwanda, Senegal, Solomon, Somalia, Sudan, Togo, Uganda, Vanuatu, Zambia, Zimbabwe, S.A.D.C.C., CARICOM, Algeria, Lebanon, Indonesia, Thailand, ADB, ASEAN, Andean Pact, Central American Isthmus, Non associated developing countries.</p>

ACP STATES

★ Denotes new projects

BAHAMAS

★ **Animal feeds pilot project.** Resp. Auth.: Ministry of Agriculture. Estimated cost 0.412 mECU. Works, supplies and T.A. Date foreseen for financial decision June 83. 5th EDF.

BARBADOS

Trade Promotion Programme. Resp. Auth.: Barbados Export Promotion Corporation. 0.175 mECU. T.A., Trade promotion, Training, Research. 5th EDF.

BENIN

Djougou-Porga road. Resp. Auth.: Ministère des Travaux Publics. Intermittent road improvements over 180 km. Economic study: SEDES Consultant (F). Technical study: BELLER Consultant (D). 4th EDF.

Dassa-Parakou road. Resp. Auth.: Ministère des Travaux Publics. 0.7 mECU. Rein-statement and asphaltting of the road (210 km). Economic study: Technosynthesis (I) and Carrara (ACP). 4th EDF. Works 5th EDF.

Upgrading of health service infrastructure in Porto Novo Hospital. Resp. Auth.: Ministère de la Santé Publique. Porto Novo: renovation and construction of the hospital building and equipment. New technical and architectural studies to be prepared. Short list done. 4th EDF.

Parakou polytechnical complex. Resp. Auth.: Ministère de l'Enseignement Moyen, Général, Technique et Professionnel. Total estimated cost 6.9 mECU. Construction of 8 000 m² of pedagogical and administrative buildings and hostels. Supplies and equipment. Technical and architectural study: Arch. VINOUE (Local). Project on appraisal. Date foreseen for financial decision 1st half 84. 4th EDF.

Cotonou maternity hospital. Resp. Auth.: Ministère de la Santé Publique. ±1 mECU. Works: Acc. tender. Equipements: int. tender in '83. Date foreseen for financial decision: 1st half '83. 4th EDF.

Continuation and extension of fishery development project. Resp. Auth.: Ministère des Fermes d'Etat, de l'Élevage et de la Pêche. 1.7 mECU. T.A.: C.T.F.T. (F). Project in execution. 5th EDF.

Livestock development in the Borgou region. Resp. Auth.: Ministère des Fermes d'Etat, de l'Élevage et de la Pêche. 3.5 ECU. Numerical and stabilizing cattle improvement for meat production increase. Date foreseen for financial decision June 83. Project on appraisal. 5th EDF.

Geological mapping and mining research between 9th parallel and Ocean. Resp. Auth.: Ministère de l'Industrie et de l'Artisanat. 3.640 mECU. National mineral resources development. Drawing up a geological chart, surveys, supplies. Project on appraisal. Date foreseen for financial decision April 83. 5th EDF.

Rural Hydraulics. Resp. Auth.: Ministère de la Santé Publique and Ministère des Travaux Publics. Estimated cost 4.5 mECU. Water points. Establishing a maintenance service. Nationals training. Works, supplies and T.A. Int. tender for wells and supply of pumps

launched August '82. Project in execution. 5th EDF.

★ **National Parks development and environment protection.** Resp. Auth.: Ministère du Développement Rural. Estimated cost 4 mECU. T.A. and equipment for roads and T.A. for scientific actions and Fauna and Flora protection. Date foreseen for financial decision June 83. Project on appraisal. 5th EDF.

BOTSWANA

Trade promotion. Resp. Auth.: Ministry of Commerce and Industry — Trade Promotion Unit (TPU). 1.1 mECU. TA, marketing studies, training. 5th EDF.

Villages Water Supplies. Resp. Auth.: Ministry for Mineral Resources and Water Affairs. Planning Study; short-list already drawn up. Project on appraisal. 5th EDF.

BURUNDI

Consolidation of tea production. Resp. Auth.: Ministère du Plan. 8.9 mECU. To increase productivity and to improve quality production of tea projects previously financed. TA foreseen for 6 years, '81 to '86: A.H.T. (D). Crop inputs: int. tender '83 to '84. Project in execution. 4th EDF.

Institut Universitaire de Sciences de l'Éducation (IUSE). Resp. Auth.: Ministère de l'Éducation Nationale — 0.7 mECU. Construction and equipment of educational buildings (general teaching classes, laboratories, workshops). Architectural and technical studies: TETRA Consultants (Lux). Evaluation study; DURIAU (B). Project on appraisal. 4th EDF.

Rural development of East Mpanda. Resp. Auth.: Ministère de l'Agriculture. Development of 5 950 ha of land — irrigation, construction of a road network, socio-economic infrastructure, for a population of 5 320 families (of which 3 835 are to be installed). Duration 7 years. Estimate 50 mECU. Cofinanced project. Foreseen funding: IFAD — Local — AFD — OPEC — PAM. Project in execution. Discussion on EDF participation. 5th EDF.

High altitude foodcrop production. Resp. Auth.: Ministère de l'Agriculture. First phase (4 years), estimate 8.3 mECU. Cofinanced project. Production of selected seeds, their distribution and commercialization of surplus products, fertilizer and plant health products, training. Foreseen funding: Local 0.4 mECU — USAID 4.1 mECU — EDF 3.8 mECU. Int. tender 1st half '83. T.A.: SOMEBU-AGRER (ACP-B). Project in execution. 5th EDF.

Livestock development project. Resp. Auth.: Ministère de l'Agriculture. Estimated Cost: ±1 mECU. Supply of equipment and T.A. Study: SEDES Consultant (F). Project on appraisal. 4th EDF.

Remera tea factory. Resp. Auth.: Ministère du Plan. Tea factory building for 600-700 tons/year. Project stage: identification. 5th EDF.

Tora region electricity supply. Resp. Auth.: REGIDESO. 3 mECU. Construction of medium voltage electric lines. Int. tender foreseen in 1st half 83. Date financial decision March 83. Supervision of works: short-list not yet drawn up. 5th EDF.

Bujumbura naval ship yard. Resp. Auth.: Ministère des Transports. Study on hand by I.P.G. (D). 4th EDF.

Rwegura. Hydro-electric power station. Resp. Auth.: Ministère de l'Énergie des Mines et des T.P. Estimated total cost 71 mECU. EDF part estimated at ±8 mECU. Foreseen cofundings with KFW (D), CCCE (F), BAD, Kuwait Funds. EDF part for electromechanical equipment. Prequalification launched November 82. Int. tender in 1st half '83. Date foreseen for financial decision May 83. 5th EDF.

Faculty of Agronomy. Technical and architectural study. BRUSA-PASQUE (I). Project on appraisal. 5th EDF.

CAMEROON

Douala-Yaoundé road. Resp. Auth.: Ministère de l'Équipement. Construction of a modern road and new bridge (±311 m) over Dibamba-river. Estimated cost: 220 mECU. Cofinancings: Af.D.B. ABEDA, FRANCE, EDF, NETHERLANDS, KUWEIT, IDB, WORLD BANK, CANADA. Local. EDF: part for the bridge. Supervision of work financed by non EDF donors. Works: int. tender launched in August '82 for the bridge. Date financial decision March 83. 4th and 5th EDF.

Rural development in the Benoué upper valley. Resp. Auth.: Ministère de l'Agriculture and Ministère de l'Urbanisme et de l'Habitat. (Mission de développement de la Benoué - Garoua). Estimated total cost 22.4 mECU. EDF 12.880 mECU, France 1 mECU. Local 7 mECU. Strengthening, continuation and extension current operations. T.A.: NEDECO (NL). Supplies: int. tender launched August '82. Project in execution. 5th EDF.

Rural development in Logone and Chari departments. Resp. Auth.: Ministère de l'Agriculture. (SEMRV). Continuation and extension current operation, study on hand: Hydroplan (D) - 5th EDF.

Trade promotion programme. Resp. Auth.: C.N.C.E. 0.650 mECU. Organisation and improvement of the production. T.A. to the C.N.C.E., short list already drawn up. 5th EDF.

★ **Irrigated rice-growing in the Logone and Chari region. (Provisional programme 82/83).** Resp. Auth.: Ministère de l'Agriculture (SEMRV). T.A. and studies. EDF part 1.080 mECU, Stabex allotment. Local 1.285 mECU. Date foreseen for financial decision April 83. 5th EDF.

CAPE VERDE

Sal international airport improvement. Resp. Auth.: Ministère des Transports et Communications. Technical study financed by Italy. Partial financing envisaged. Project stage: identification. 5th EDF.

Underground water research in the Praia region. Resp. Auth.: Secrétariat du Plan. Estimated cost ±1 mECU. Study: Administration. Date foreseen for financial decision, 2nd quarter '83. 5th EDF.

Praia water supply and sewerage. Resp. Auth.: Secrétariat au Plan. Estimated cost ±7.5 mECU. Study on hand: Bureau W.P.W. (D). Date foreseen for financial decision, 2nd

quarter '83, cofinanced with Kuwait Fund. 5th EDF.

Civil works for laboratory construction. Resp. Auth.: Secretariat au Plan. Estimated cost 0.066 mECU. Construction of a laboratory for soil and rock mechanics in St. Jorge. Date foreseen for financial decision 2nd quarter '83. 4th EDF.

★ **Soil protection and conservation.** Estimated cost 1.018 mECU. Project on appraisal. Date foreseen for financial decision June 83. 5th EDF.

★ **Praia electrification.** Resp. Auth.: Secretariat au Plan. Estimated cost 0.900 mECU. Project on appraisal. Date foreseen for financial decision, June 83. 5th EDF.

CENTRAL AFRICAN REPUBLIC

Renovation and equipment of Lycée Technique de Bangui. Resp. Auth.: Ministère de l'Education. 0.800 mECU. Supply of equipment and renovation works. Studies: O.R.T. (UK). Date foreseen for financial decision: 1st half '83. 5th EDF.

College of Education in Bangui (Lycée d'application de l'E.N.S.) Resp. Auth.: Ministère de l'Education. Estimated total cost 1.2 mECU. Building and equipment of the school. Date foreseen for financial decision, April '83. 5th EDF.

Livestock development at Ouaka and Basse Kotto. Resp. Auth.: Ministère de l'Agriculture et de l'élevage. 3.34 mECU. Works, supply of: vehicles, equipment, furniture and T.A. Works, by direct labour, supplies: int. tender. T.A.: short-list already drawn up. Date financial decision, March 83. 5th EDF.

Rural development in the cotton area. Resp. Auth.: Ministère de l'Agriculture (SO-CADA). Cofinanced project with I.D.A. and France: study done with I.D.A. funding. Project evaluation on the way. For T.A.: short-list not yet drawn up. Project on appraisal. 5th EDF.

★ **Bossongo palm-tree plantation.** Resp. Auth.: Ministère de l'Agriculture. Total estimated cost ±23 mECU. Cofinancing with CCCE(F), Af.D.B., A.D.F., B.D.E.A.C., Local with Stabex allotment). 2,500 ha industrial plantation. Works, supplies, equipments, T.A. and oil-plant. Project on appraisal. Date foreseen for financial decision April 83. 5th EDF.

CHAD

Rural interventions in the sudan area. Study on the way by A.D.C. (UK). Project stage: identification. 5th EDF.

Health programme. Resp. Auth.: Ministère de la Santé. Estimated total cost 6.561 mECU. EDF 5.515 mECU — Médecins sans Frontières 0.557 mECU — Avions sans Frontières 0.180 mECU — Local 0.309 mECU. Works, supply of medicinals and medical equipment and T.A. Date financial decision April 83. 5th EDF.

COMOROS

Economical and technical study to assess harbour infrastructure in Grande Comore and in Mohéli. Resp. Auth.: Ministère des Travaux Publics. NEI-D.H.V. (NL). Project on appraisal. 5th EDF.

Maize development project. Resp. Auth.: Ministère de l'Agriculture. Estimated Cost

1.5 mECU. Works, supplies and T.A. Project on appraisal. 5th EDF.

Fomboni water supply. Resp. Auth.: Ministère du Plan. 0.700 mECU. Renovation of installation and drinking water network in the chef-lieu of Mohéli island. Works by direct labour. Supply of equipment: int. tender launched February 83. 5th EDF.

★ **Mutsamudu water supply.** Resp. Auth.: Ministère du Plan. Works and supplies for drinking water supply to the town. Works and supplies: Int. tender conditional upon provisional finance foreseen in May 83. Project on appraisal. 5th EDF.

CONGO

Indo-Bihoua-Loudima Road. Resp. Auth.: Ministère des Travaux Publics. 28.5 mECU. Reconstruction of the section Indo-Bihoua (20 km) and construction of a new road Bihoua-Loudima (57 km). Works: contract on awarding. Supervision of works: short-list already drawn up. Date financial decision March 83. 4th and 5th EDF.

Sanitary and social actions. Resp. Auth.: Ministère de la Santé Publique. Study and construction of the Ouessou hospital and construction of the Ecole de formation paramédicale et médico-sociale J.J. Loukabou (Brazzaville). Appraisal of the project after sanitary programming and technical studies. Project stage: identification. 5th EDF.

DJIBOUTI

Medical equipment for the Peltier Hospital. Resp. Auth.: Ministère de la Santé. 0.660 mECU. Supply and transport. Int. tender launched March 83. Date financial decision February 83. 5th EDF.

Djibouti water supply. Resp. Auth.: Ministère du Plan. 0.918 mECU. Improvement of production (EDF part). Pump station rehabilitation and reinstatement of the installations' management. (CCCE part). Works and supplies. Date foreseen for financial decision May '83. 5th EDF.

DOMINICA

Reinstatement of Pont Casse-Castle Bruce Road — Surfacing of 2 coastal roads East and West. Resp. Auth.: Public Works Department. Estimated cost 2.5 mECU. Study on the way: Nicolas O'Dwyer (Irl.) Project stage: identification. 5th EDF.

Crop diversification project. Resp. Auth.: Ministry of Agriculture. Estimated cost 0.547 m ECU. Continuation of essential oils programme. Initiating floriculture programme. Works, supplies and T.A. Project on appraisal. Date foreseen for financial decision 1st half 83. 5th EDF.

★ **Floriculture Development.** Resp. Auth.: Ministry of Agriculture. Stabex allotment 0.049 mECU. Establishment of a small nursery. All by direct labour. Date foreseen for financial decision, June 83. 5th EDF.

★ **Colihaut-Arose Feeder road.** Resp. Auth.: Ministry of Communications and Works. Stabex allotment 0.060 mECU. Upgrading of the existing road. All by direct labour. Date foreseen for financial decision, June 83. 5th EDF.

EQUATORIAL GUINEA

Rural interventions. Project stage: identification. 5th EDF.

ETHIOPIA

Health project. Resp. Auth.: Ministry of Health. 15.400 mECU. Construction and equipping of two rural hospitals and a school for laboratory technicians in Addis Ababa. Works: on the way. Equipment: int. tender in 83-84. 4th EDF.

Fishery Development. Resp. Auth.: Fisheries Development and Marketing Corporation. 2.078 mECU. EDF 1.513 mECU, Local 0.565 mECU. Supply of equipments, facilities and T.A. Supplies: int. tender in '83. T.A.: GOPA (D). Project in execution. 4th EDF.

Amartis river diversion. Resp. Auth.: E.EL.P.A. Ethiopian Electrical Power Authority. 37 mECU. Dam and tunnel. Study and T.A. Works: int. tender launched in July '82. Date financial decision March '83. 5th EDF.

Electrical tariffication study. Resp. Auth.: E.EL.P.A. Short-list already drawn up. Project on appraisal. 5th EDF.

Coffee improvement (phase 2). Resp. Auth.: Ministry of Coffee and Tea Development. 27.2 mECU. Works, supplies. T.A.: Short-list already drawn-up. Int. tender for fertilizer, insecticides and equipment in '83. Int. tender for equipment launched in February 83. 5th EDF.

FIJI

Viti Levu Road — Phase 2. Resp. Auth.: Ministry for Works and Telecommunications. Construction of a modern earth road. 2 mECU. Date financial decision January '83. 5th EDF.

Trade promotion. Resp. Auth.: Economic Development Board (EDB). 0.350 mECU. T.A. and training. T.A.: Industrial Dev. Authority (Int.). Date financial decision February 83. 5th EDF.

Vanua Levu Road — Phase 2. Resp. Auth.: Ministry for Works and Communications. 2 mECU. Construction of the road and two bridges. Works by direct labour. Date financial decision April 83. 5th EDF.

GABON

Reafforestation (improvement of the reafforestation brigade's activity). Resp. Auth.: Ministère de l'Agriculture. EDF part for renewing and completing equipment. Project stage: identification. Study: C.T.F.T. (F). 5th EDF.

Small-fishery centre in Owendo. Resp. Auth.: Ministère, des Eaux et Forêts. Total cost 2.450 mECU EDF 1.900 mECU. Italy 0.425 mECU, local 0.125 mECU. Infrastructure for handling facilities for boats and fish products, marketing and management. T.A. and supervision of works: short list not yet drawn up. Project in execution. 5th EDF.

GAMBIA

Brikama College, phase II. Resp. Auth.: Ministry of Works and Communications. 1.925 mECU. Construction and equipment of academic and residential buildings. Works by mutual agreement. Equipment for phase II: int. tender, 1st half 1983. 4th EDF.

Banjul sewerage and drainage project. Resp. Auth.: Ministry of Works. Estimated Cost: ±15 mECU. Cofinancings: BAD/FAD 7.3 mECU, EDF 3.5 mECU, KFW (F.R.G.) 3.3 mECU, Local 0.9 mECU. Construction of a sewerage and drainage network, 2 pumping stations. T.A. and training. T.A.: GITEC (D).

Works: int. tender, with prequalification. Pre-qualification launched end of January 83. 5th EDF.

Rural vocational training, phase 2. Resp. Auth.: Rural Vocational Training Board and Directorate of Vocational Training in the President's Office. 0.500 mECU. Supply of pedagogical equipment, by Acc. tender. Date foreseen for financial decision April '83. 5th EDF.

GHANA

Central and Accra Regions Rural Integrated Programme (CARRIP). Resp. Auth.: Ministry of Finance and Economic Planning. Prefeasibility study for potential projects within the two regions, with the aim of improving the food situation in Accra and other coastal towns. Halcrow-U.L.G. (UK). Study: rehabilitation irrigation project: HEDESELS-KABET (DK). 5th EDF.

Aveyme livestock development. Resp. Auth.: Ministry of Agriculture. 3.2 mECU. Works, supply of vehicles and equipment, T.A.: short-list already drawn up. 5th EDF.

GRENADA

Eastern Main Road Rehabilitation. Phase 2. Repairing and strengthening of a section of the circular road. Estimated cost 1.350 mECU. Project on appraisal. 5th EDF.

Hillsborough Jetty. Resp. Auth.: Ministry of Public Works. 0.357 mECU. Construction of a jetty for goods and passenger handling. 5th EDF.

GUINEA

Land development in Kankan and Labé regions. Phase II. Resp. Auth.: Ministère de l'Agriculture et des F.A.P.A. Valuation: Mac Donald and Partners (UK). Project on appraisal. 5th EDF.

New energy research and test. Resp. Auth.: Ministère de l'Energie et du Konkouré. Study on hand. 5th EDF.

Cotton development. Resp. Auth.: Ministère de l'Agriculture, des Eaux, Forêts et FAPA. Rural infrastructure, supply of rural inputs, equipment, vehicles and T.A. Project on appraisal, 5th EDF.

Town planning and construction of council houses. Resp. Auth.: Ministère de l'Urbanisme et de l'Habitat. Estimated cost 9 mECU. Buildings, supply of equipment and T.A. Project on appraisal. 5th EDF.

T.A. to P.M.E. (S.M.E.). Resp. Auth.: Ministère de P.M.E. et de l'Artisanat. 5 mECU (EDF part). One expert specialised in industrial work during 36 months and one expert for bank management. Line of credit. Date foreseen for financial decision April 83. Cofinanced with BIRD and ACDI for T.A. and line of credit. 5th EDF.

GUINEA BISSAU

Bafata Gabu rural development. Resp. Auth.: Commissariat Général au Développement Rural. EDF 6.8 mECU, F.A.C. 4 mECU. Crop production development (cotton, peanut, cereals) by harnessing cultivation, rural credit and correct crop trading. Supply of crop inputs by int. tender in '83. T.A.: by C.F.D.T. (F). 5th EDF.

Rio Compoza Bridge. Resp. Auth.: Commissariat d'Etat aux Travaux Publics. Estimated cost 2 mECU. Bafata-Bambadinca

Road. Works, supply may be, T.A. Study STINCEM (I). Project on appraisal. Int. tender conditional upon provisional finance foreseen in April 83. 5th EDF.

Health infrastructures. Resp. Auth.: Commissariat d'Etat au Travaux Publics. Estimated cost 1.9 mECU. Construction and equipment of 2 district hospitals, 4 health centres and staff-housing. Supply of equipment: int. tender on 1st half 83. T.A.: Ass. Engineers (I). 5th EDF.

North-East forestry development. Resp. Auth.: Commissariat général au développement rural. Study on the way by Atlanta (D). 5th EDF.

Rural hydraulics. Resp. Auth.: Ministère des ressources naturelles. Estimated cost 1.4 mECU. Construction of big diameter wells (1.5 m) about 120 wells in the GABU region. Project on appraisal. Date foreseen for financial decision 2nd quarter 83. 5th EDF.

GUYANA

East Bank Berbice rural development programme. Resp. Auth.: Ministry of Agriculture. Works: feeder roads, infrastructure. Supply of fertilizers and equipments. T.A. Project stage: identification. 5th EDF.

Faculty of Agriculture. Estimated cost 1.100 mECU. Construction, supply of equipment and supervision of works. Technical study and tender dossier: Rodriguez (ACP). Project on appraisal. 5th EDF.

Rehabilitation of sewerage and water supply systems of Georgetown. 1.6 mECU. Laying sanitation pipes, construction of water supply wells. Supplies and T.A. Supply: int. tender foreseen 1st half '83. 5th EDF.

Georgetown water supply improvement. Drinking water production. Works and equipment. 0.400 mECU. Project on appraisal. 5th EDF.

Fishing port and fish-market in Georgetown. Building of a new port and fish market in Georgetown. 2.700 mECU. Date foreseen for financial decision 2nd quarter '83. 5th EDF.

JAMAICA

Assistance to Veterinary Services. Resp. Auth.: Ministry of Agriculture. 1.1 mECU. Works: construction of office by direct labour, supply of equipments, vehicles, medical products, int. tender or direct agreement. T.A.: training by direct agreement. Date financial decision, February 83. 5th EDF.

Board of Revenue - Revenue Information System. Resp. Auth.: Govt of Jamaica. 3.26 mECU. Reorganisation of the administration and preparation of the Revenue Information System. Supplies and T.A. Int. tender for supplies foreseen in April 83. Date financial decision January '83. Supervision of project: X-TRA Consult. (B). 5th EDF.

Rural electrification programme. Erection of 160 miles electric lines. Estimated cost 4.596 mECU. EDF part 2 mECU. Project on appraisal. 5th EDF.

Citrus fruit production improvement. Resp. Auth.: Ministère de l'Agriculture. Estimated cost 3.5 mECU. Equipment, training and T.A. Credit line. Feasibility study by T.P.I. (UK). Project on appraisal. Date foreseen for financial decision October-November 83. 5th EDF.

KENYA

Machakos integrated development programme. Phase II. Resp. Auth.: Ministry of Economic Planning and Development. Valuation study on the way: Overseas Dev. Int. (UK).

Kenya Trade Promotion. Resp. Auth.: Kenya External Trade Authority. 1 mECU. T.A. for sales and marketing missions, provision of equipment and materials for the Training Division. Project in execution. 5th EDF.

Eldoret Polytechnic. Estimated cost. 6 mECU. Construction, supply of equipment (pedagogical) and T.A. Preliminary Plan Study: Hughes & Polkinghorne (ACP). Project stage: identification. 5th EDF.

Veterinary Investigation Laboratory Marikani. Adm. Resp.: Ministry of Livestock Department. Veterinary Department. 3.4 mECU. Construction of a veterinary investigation laboratory. Supply of materials and equipments. T.A. Materials and equipment: int. tender 1st half '83. T.A.: direct agreement. 5th FED.

Turkwell hydro-electric project. Resp. Auth.: Ministry of Energy. Feasibility study and final study design tendering to be done. Short-list not yet drawn up. 5th EDF.

★ **Assistance to the National Cereals and Produce Board for Crop procurement.** Resp. Auth.: Gov. of Kenya and NCPB. 4.6 mECU. Stabex allotment. Starting capital for the establishment of a crop procurement fund as an independent source of finance. Project on appraisal. Date foreseen for financial decision April 83. 5th EDF.

LESOTHO

Maseru airport. Resp. Auth.: Ministry of Transport and Communication. Estimation 50 mECU. Provision of a modern international airport 15 km south of Maseru. Foreseen funding: Lesotho - Saudi Fund - Kuwait Fund - ABEDA 4.4 mECU - OPEC - Abu Dhabi - ADB. EDF and Finland. - Project on appraisal. 4th and 5th EDF.

Mohale's Hoek - Outing road. Resp. Auth.: Ministry of Transport and communications. Reinstatement of a road. 50 km. Estimated cost ± 15 mECU. EDF contribution estimated for ± 8.5 mECU. Cofinancing needed. Project stage: identification. 5th EDF.

Trade and Tourism Promotion Programme. Resp. Auth.: Ministry of Trade, Tourism and Industry - Trade Promotion Unit (TPU) and LNTO (Lesotho National Tourism Office). 0.714 mECU. Studies, T.A. missions, marketing. T.A. for S.M.E.: short-list already drawn up. T.A. for Trade Tour.: short-list not yet drawn up. 5th EDF.

LIBERIA

Coffee and cocoa development project at Zwedru and Plahn. Resp. Auth.: Ministry of Agriculture 5.7 mECU, EDF 2.9 mECU, Local 2.8 mECU. To develop 980 hectares of robusta coffee and 1 320 hectares of cocoa in Grand Gedeh and Sinoe countries. Works by acc. tender. - Supplies by int. tender in '83. Project in execution. 4th EDF.

Buto oil palm. Resp. Auth.: Ministry of Agriculture. Study on the way by I.R.H.O. (F) for phase 2. 4th and 5th EDF.

Port Development Study South East - Phase II and III. Resp. Auth.: National Port

Authority. Continuation of feasibility study. Project on appraisal. 4th EDF.

MADAGASCAR

Bridges over RN 5A, Isesy-Vohimaring. Resp. Auth.: Ministère des Travaux Publics. 13.7 mECU. Reinstatement and construction of bridges. (15). Int. tender launched July '82. Supervision of works: short-list already drawn up. Date financial decision March 83. 5th EDF.

Supply of pharmaceutical and medical products and analysis of the industrial sector rehabilitation. Resp. Auth.: Gouvernement de Madagascar. 2.165 mECU. Date foreseen for financial decision 1st half '83. Project on appraisal. 5th EDF.

Urgent programme. Resp. Auth.: Ministère de la production agricole et de la reforme agraire. Damage from cyclonic depressions. Rice-growing areas 3 mECU. Works by direct agreement or direct labour. Supervision of works: Hydroplan (D). Rehabilitation study: HUNTINGS (UK) Sambava coconut palm plantations: works by direct labour. 1.2 mECU. 5th EDF.

MALAWI

Blantyre-Mwanza road. (Lirangwe-Mwanza-Mozambique Border Road.) Resp. Auth.: Ministry of Works. Reinstatement and asphaltting of the road (± 95 km). Estimated cost 33 mECU. Economical study: Hoff & Overgaard Consultant (DK). Technical study: COWI CONS (DK). Project on appraisal. Date foreseen for financial decision June 83. 4th and 5th EDF.

Dairy cattle development. Resp. Auth.: Ministry of Agriculture. Cross local bovine breed with european dairy breeds. Project on appraisal. 5th EDF.

Improvement of district hospitals and health centres. Resp. Auth.: Ministry of Works. 3.8 mECU. Building of small district hospitals and health centres. Works, supplies and T.A. Date financial decision February 83. 5th EDF.

Salima Lakeshore Agricultural Development Division (SLADD) Phase IV. Resp. Auth.: Ministry of Agriculture. Estimated cost: 19.3 mECU. EDF 10.2 mECU. Local 9.1 mECU. Works, Supplies and T.A. Project on appraisal. Date foreseen for financial decision May 83. 5th EDF.

Central and Northern Region Fish Farming Development, Training and Research. Resp. Auth.: Ministry of Agriculture. Estimated cost: 3 mECU. Works, supplies, T.A. Project on appraisal. 5th EDF.

MALI

Strengthening of sanitary infrastructure in the Nioro region. Resp. Auth.: Ministère de la Santé et des Affaires Sociales et Ministère des Transports et T.P. 2.570 mECU. Buildings, equipments, training. Architecturals and technicals studies: GOUSIER (F). 4th EDF.

Sevare-San road repairing. Resp. Auth.: Ministère des Transports et Equipement. Widening and strengthening of 106 km of the road beginning from Sevare. Estimated cost 10.3 mECU. Works by int. tender in 83. Date foreseen for financial decision June 83. 4th and 5th EDF.

Rural hydraulics. Resp. Auth.: Ministère

du Développement Industriel et du Tourisme. Direction de l'Hydraulique. Estimated cost: 3.4 mECU. Water-points. Study: situation of the hydraulic sector in the project area: UNIGEO (I). Project on appraisal. Date foreseen for financial decision 2nd quarter 83. 5th EDF.

Action programme for Mali development. Resp. Auth.: Ministère du Plan. 2.6 mECU. Actions for rural sector, for tobacco, for "l'office du Niger", seed and crop protection, livestock, human hydraulics, public works and transport. Works, supply of 6 solar pumps and 4 wind pumps, reinstatement of 2 feeder roads and 1 bridge. Works: acc. tender. Supplies: int. tender or direct agreements. Int. tender for 6 solar pumps launched in January 83. 5th EDF.

Renovation of the Badalabougou school-complex in Bamako. Resp. Auth.: Ministère de l'Education. 3 mECU. Works and T.A. Works, acc. tender 2nd half '83. T.A.: Bureau d'Architecture et d'Urbanisme (ACP). Date financial decision February '83. 5th EDF.

★ **Store-sheds construction for cereals.** Resp. Auth.: Office des Produits agricoles du Mali (OPAM). 2 sheds 500 T capacity each. Stabex allotment 0.142 mECU. Works: restr. tender. T.A.: by German aid. Date foreseen for financial decision, May 83. 5th EDF.

MAURITANIA

Extension of Kaédi regional hospital. Resp. Auth.: Ministère de l'Equipement. 1.925 mECU. Construction, equipment and TA for Kaédi hospital (100 beds). Works: on the way. Medical-technical equipment int. tender, 2nd half '83. Project in execution. 4th EDF.

Monitoring for small irrigated areas. Resp. Auth.: Ministère du Développement Rural. Estimated cost: 3 mECU. T.A. and monitoring, direct agreement. Supply of agricultural input and pumping equipment: int. tender, in '83. Works by direct labour. T.A.: Africa Asian Bureau (D). Pumping equipment: int. tender launched February 83. Project in execution. 5th EDF.

Regeneration of Gum-tree plantations. Resp. Auth.: Ministère du Développement Rural. Estimated Cost: 1.5 mECU. Feasibility study: Bureau COURTOY (B). Works. T.A. and supplies. T.A.: AGRER (B). Project on appraisal. 5th EDF.

Small dams construction in the Hodhs region. Resp. Auth.: Ministère du Développement rural. Estimated cost 3.5 mECU. Study on the way Binnie and Partners (UK). Project on appraisal. 5th EDF.

Nouakchott - Rosso Road. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 5 mECU. Repairing and reinstatement. Project on appraisal. Int. tender conditional upon provisional finance foreseen April 83. Date foreseen for financial decision April 83. 5th EDF.

Livestock development in the South-East. Resp. Auth.: Ministère du Développement Rural. 3.943 mECU. Works, supplies and T.A. Supply of vehicles, equipment and veterinary products, int. tender in '83. T.A.: short-list already drawn up. Works by direct labour. Int. tender for equipment launched February 83. 5th EDF.

Regional capitals water supply. Resp. Auth.: Direction de l'Hydraulique. Estimated cost 2.5 mECU. Studies: deep water research and towns water supply. Short-list not yet drawn up. 5th EDF.

Nouakchott Wharf. Resp. Auth.: Ministère de l'Equipement et des Transports. Estimated cost 1.5 mECU. Maintaining, equipment and repairing. Project on appraisal. 5th EDF.

★ **Orientated mining research in the Mauritanides.** Resp. Auth.: O.M.R.G. (Office Mauritanien de Recherches Géologiques). EDF part 1.5 mECU. Concerning T.A., petrography and analysis. T.A.: restr. tender. Petrography and analysis: direct agreement with a specialized consulting. Project on appraisal. Date foreseen for financial decision June 83, 5th EDF.

MAURITIUS

Mauritius housing project. Resp. Auth.: Mauritius Housing Corporation and the Ministry of Housing, Lands and Town and Country Planning. 3.2 mECU. Financing (for low income households) of approximately 1250 housing units. Infrastructure work for urbanisation and service plots: int. tender, in '83. Consultancy service: - APFEL (D). 4th EDF.

Development of Ile Rodrigues. Resp. Auth.: Ministry of Agriculture. 3 mECU. Development centred on agricultural production. Economical and technical study, on the way: VINK (NL). T.A.: short-list already drawn up. 5th EDF.

Investments and trade promotion. Resp. Auth.: Ministry of Trade and Industry. (Investment Promotion Unit and Export Promotion Unit). 1.610 mECU. IMES (UK) - SO-PROGI (F) RKW-TTC-Agroprogress (D). 5th EDF.

Strengthening of the sanitary infrastructure. Resp. Auth.: Ministry of Health. 3.150 mECU. Reinstatement and extension of 3 hospitals and 2 health centres. Supply of equipment, int. tender in '83. 5th EDF.

2 maize drying units. Resp. Auth.: Ministry of economic planning and development. 0.850 mECU. Construction and equipment of the 2 units for treatment of 1.500 T each of maize grown in alternating rows with sugarcane. Works and supplies, int. tender with competition 1st half '83. Date financial decision February '83. 5th EDF.

★ **Phoenix-La Vigie road.** Possible cofinancing with FAC (F) and local gov. EDF part ± 5 mECU. Project on appraisal. 5th EDF.

NIGER

Rural Development of Zinder Department. Resp. Auth.: Ministère de l'Agriculture. Estimated cost 7.6 mECU. Project on appraisal. 5th EDF.

Rural Development of Badeguicheri Department. Resp. Auth.: Ministère de l'Agriculture. Estimated cost 3.4 mECU. Project on appraisal. 5th EDF.

Air Valley development. Resp. Auth.: Ministère de l'Agriculture. Estimated cost 2.8 mECU. Hydro-agricultural works. Project on appraisal. 5th EDF.

Rural hydraulics. Resp. Auth.: Ministère de l'Hydraulique. 300 drills in the Zinder region. Hydrogeological study and tender dossier: Bureau GKW (D). Project on appraisal.

Date foreseen for financial decision 2nd quarter 83. 5th EDF.

Kolo water supply. Resp. Auth.: Ministère de l'Hydraulique. Estimated cost 1 mECU. Study on the way: G.K.W. (D). Project on appraisal. Date foreseen for financial decision 2nd quarter 83. 5th EDF.

Animal disease control. 2nd phase. Resp. Auth.: Ministère du Développement Rural. 1.840 mECU. Supply of equipment and T.A. Project on appraisal. 5th EDF.

Kandadji Dam. Resp. Auth.: Autorité du barrage de Kandadji. (ABK). Study Cofinanced with UNDP, FAC, EDF and Local. First part of the detailed technical studies. EDF and Local part: complementary exploring study: short-list not yet drawn up. 5th EDF.

NIGERIA

Hydraulic development. Resp. Auth.: Ministry of Education. Estimated Cost: 2.350 mECU. Equipment for Technological Institute of Kaduna. T.A.: Bureau M.R.T. (UK and Nigeria). Supply of drilling equipment; int. tender in '83. Project on appraisal. 5th EDF.

Kaduna afforestation project. Resp. Auth.: Federal Department of Forestry. Estimated Cost 10 mECU. Feasibility study: EUROCONSULT (NL). Project on appraisal. 5th EDF.

PAPUA NEW GUINEA

Foodstuffs production on the south coast. Resp. Auth.: Department of Primary Industry. E.D.F. part 3 mECU. Development of seasonal cultivation and marketing. Technical and economic studies. Definition of the project: Produce Studies Ltd. Consultant (UK). Project on appraisal. 4th EDF.

Momote airport. Resp. Auth.: Department of Transport and Civil Aviation. 1.000 mECU. Reconstruction and sealing of runway. Date financial decision January '83. 5th EDF.

Magi Highway. Resp. Auth.: Department of Transport. Estimated cost 3.5 mECU. Upgrading and sealing of a road section. Works: int. tender. Project on appraisal. Date foreseen for financial decision April 83. 5th EDF.

Huris Grasslands Cattle Ranch and Cocoa Project. Resp. Auth.: Department of Primary Industry. 1.460 mECU. Works, supplies, T.A. and training. Date foreseen for financial decision June 83. Project on appraisal. 5th EDF.

RWANDA

Bugesera water supply. Resp. Auth.: Ministère du Plan. Construction of a drinking-water network in Bugesera. Project on appraisal. 5th EDF.

Development of Zaire Nil Crest. Resp. Auth.: Ministère de l'Agriculture 13.8 mECU. Développement of agricultural production and social-economic infrastructure. T.A.: INSTRUPA (D). Supply: int. tender in '83. Project in execution. 5th EDF.

Transmission-lines study in secondaries centres. Resp. Auth.: Ministère du Plan. Economicals and technicals studies to be done. Short-list not yet drawn up. 5th EDF.

IPN of Ruengeri - vocational school. Resp. Auth.: Ministère de l'Éducation. Estimated cost 0.970 mECU. Works, equip-

ments, expert's mission. Project stage: identification. 5th EDF.

Cyangugu-Butare Road. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 74 mECU. Reinstatement and asphaltting of the exiting hearth road. (153 km). Cofinancing: World Bank, BAD, Kuwait Fund, BADEA. Int. tender for works launched July '82 conditional upon provisional finance. Date financial decision April 83. 5th EDF.

Educational and handicraft integrated centres. Resp. Auth.: Ministère de l'Enseignement primaire et secondaire. Estimated cost \pm 2 mECU. Construction and equipment of 40 centres. Project on appraisal. 5th EDF.

Lines of credit for S.M.E. Resp. Auth.: Banque Rwandaise de Développement. 0.700 mECU. Development of the credit to the S.M.E. rurals with "Banque Populaire". Project on appraisal. 5th EDF.

Strengthening of the "public enterprises". Resp. Auth.: Ministère du Plan. Estimated cost 2.595 mECU. Creation of a central accountancy agency, training and control data. Supply of equipment for auditing and office and vehicles. T.A.: Short list already drawn up. 5th EDF.

Development of Préfecture de Butare. Priority actions. Resp. Auth.: Ministères du Plan et de l'Agriculture. Total estimated cost 11.765 mECU. EDF 10.400 mECU. Local 1.365 mECU. Actions to improve rural products, S.M.E., handicrafts and administration. Works by direct labour or direct agreement. Supplies and equipment, int. tender or direct agreement. T.A.: Short-list already drawn up. Project in execution. 5th EDF.

ST LUCIA

Livestock development project. Phase 2. Resp. Auth.: Ministry of rural development. Estimated cost 0.860 mECU. Extension project zone. Works, supplies and T.A. Study: short-list already drawn up. Project on appraisal. 5th EDF.

ST VINCENT AND GRENADINES

Livestock Development Project. Resp. Auth.: Ministry of Agriculture. 0.415 m ECU. Works, equipment and supply of vehicles. T.A.: short-list not yet drawn up. 5th EDF.

★ SAO TOME PRINCIPE

★ Equipment for cacao-tree plantations. 0.217 mECU. Stabex allotment. Supply of equipment, vehicles and spare parts. Int. tender 1st half 83. Date foreseen for financial decision April 83. 5th EDF.

SENEGAL

Increase of cereal-growth in S.O. Resp. Auth.: Ministère du Développement Rural. 4.68 mECU. Preparatory study: SODEFITEX (Senegal). Hydro-agricultural improvements in small areas. Works by direct labour. Supply of crop inputs and pumping equipment: int. tender in '83. Project in execution. 5th EDF.

New energy research and test in rural region. Resp. Auth.: Secretariat d'Etat à la Recherche Scientifique. 1.5 mECU. Creation of pilot unit for solar energy, biomass and wind energy. Studies T.A. and equipment. Studies: short list already drawn up. Equipments: int. tender in 83. Project on appraisal. 5th EDF.

Gum-tree plantation. Resp. Auth.: Ministère du Développement Rural. Estimated cost 2.5 mECU. Works, supplies and T.A. T.A.: Deutsche Forstinventur Service (D). Project in execution. 5th EDF.

Sewerage of the "Gueule Tapée" district. Resp. Auth.: Direction Générale des Travaux Publics. Estimated cost 7 mECU. Construction of canalization and pipes for rain waters. Improvement of the sewage network. Definition study and tender dossier: GEO PROGETTI (I). Project on appraisal. Date foreseen for financial decision 2nd quarter 83. 5th EDF.

Rural Hydraulics. Resp. Auth.: Ministère de l'Équipement. Directeur de l'Hydraulique. 2.3 mECU. Construction of 21 drills. Study for phreatic sheet and modalities for execution: UNIGEO (I). Int. tender for drill launched on March 83. Date financial decision February 83. 5th EDF.

Trade Promotion programme. Resp. Auth.: Centre Sénégalais du Commerce Extérieur. 1.083 mECU. Actions for productions, marketing and T.A. Contract: direct agreement or restr. tender. 5th EDF.

Renovation of "St. Louis Hospital" and of the health centre of Tambacounda. Resp. Auth.: Ministère du Plan et de la Coopération. Estimated total cost 3.725 mECU. EDF 2.825 mECU. Luxembourg 0.900 mECU. Works: acc. tender launched 2nd half '82. Supplies: int. tender in '83. Project in execution. Supervision of works: Simon and Christiansen (Lux). 5th EDF.

Expenditures previously foreseen as participation of Govt. of Senegal for 3 projects financed on 4th and 5th EDF, charged on 5th EDF. 1.985 mECU. Complementary funding for the project: "Livestock development" 0.700 mECU. Complementary funding for the project "Construction and equipment of ENIE", 0.900 mECU. Complementary funding for the project "Handicraft promotion". 0.385 mECU. Project on appraisal. 5th EDF.

Small villager areas. (Podor). Resp. Auth.: Ministère du Développement Rural. Estimated cost 4.700 mECU. Hydro-agricultural improvement of 1000 ha in 20 small areas. Works: irrigation, tracks. Supply of motor-pumps. T.A.: Short-list already drawn up. 4th and 5th EDF.

Noirot Bridge at Kaolack. Resp. Auth.: Direction Générale Travaux Publics. Estimated cost 2.4 mECU. Existing bridge replacement with a new. T.A.: to prepare technical dossier for an int. tender with competition. Int. tender foreseen 1st half '83. T.A.: Bureau Obermeier (D). 5th EDF.

Experimental turf extraction in the Niayes region. Resp. Auth.: Ministère de Développement Industriel. 0.600 mECU. Works and T.A. Date financial decision April 83. 5th EDF.

SEYCHELLES

Renovation of Victoria Hospital. Resp. Auth.: Ministry of Health. Estimated cost 6 mECU. EDF 2.4 mECU, ADB (African Dev. Bank) 3.6 mECU. Renovation and new constructions, supply of medical equipment. Project on appraisal. Date foreseen for financial decision May or June '83. 5th EDF.

SIERRA LEONE

North-western integrated agricultural development project. Resp. Auth.: Ministry of Agriculture and Forestry. Four-year integrated programme to develop mangrove swamps, upland crops, coastal fishing, infrastructure. Estimated Cost: 6.03 mECU. EDF 4.9 mECU. Local 1.13 mECU. Works: acc. tender. Supplies: int. tender. T.A.: direct agreement. Project in execution. 4th and 5th EDF.

Koinadugu — Phase II. Resp. Auth.: Ministry of Agriculture and Forestry. Estimated total cost 8.370 mECU. EDF 7.5 mECU. Local 0.870 mECU. Buildings and housing, transport equipment, farm inputs, operation, maintenance, staff salaries. Project in execution. 5th EDF.

Rural hydraulics. Resp. Auth.: Ministry of Agriculture and Forestry. Estimated cost 1.55 mECU. Construction of water points for villages with 2000 inhabitants. Study to prepare project and appraisal: IWACO (NL). Date foreseen for financial decision 2nd quarter '83. 5th EDF.

Kambia Fishery Development. Resp. Auth.: Ministry of Agriculture and Forestry. 0.900 mECU. Construction of 2 buildings and a boatyard, supply of boats, motors, vehicles and T.A. T.A.: Short-list already drawn up. 5th EDF.

Economical study of the Sambamba-Kabala Road. Short-list already drawn up. Project stage: identification. 5th EDF.

SOLOMON ISLANDS

Small rural infrastructure. Rural feeder roads, small wharves, storage sheds and rural water supplies. Works by direct labour or direct agreement. Estimated cost 0.500 mECU. Project on appraisal. 5th EDF.

★ **Credit line to Development Bank of Solomon Islands.** Resp. Auth.: Ministry of Finance. Total estimated cost 7 mECU. Local 2 mECU, EDF 2 mECU, A.D.B. 3 mECU. Small loans for rural development projects. Project on appraisal. 5th EDF.

★ **Coconut industry development project.** Resp. Auth.: Ministry of Land and Natural Resources. Estimated cost 2 mECU. Project on appraisal. 5th EDF.

SOMALIA

Saakow rural experimental centre. Resp. Auth.: Ministry of Agriculture. Creation of an irrigated area (60 ha) with all facilities and equipment. Aim: agronomical experiments. Estimated total cost: 5.026 mECU. EDF: 4.950 mECU. Local 0.076 mECU. Works: 4 kms of tracks, pump station (180 l/s) electric power station (120 KVA). Supply of: agricultural equipment, 3 tractors, vehicles, furnitures. T.A.: Istituto Cerealicultura (I). Land improvement works and estate infrastructure: contracts awarded. Supplies: int. tender 2nd quarter '83. Project in execution. 4th EDF.

Bardheera Dam. Resp. Auth.: Bardheera Dam Authority (BDA). 600 mECU. (Estimated) Dam Project 500 mECU. Powerline to Mogadishu 100 mECU. Funding: EDF, Italy, Germany, France, Saudi Arabia, Abu-Dhabi, Kuwait Funds, FADES, Isl. Dev. Bank. Local. Power and river regulation for agricultural development. Construction of a concrete gravity dam with hydro-power station, associated infras-

tructure and electrical transmission lines. The dam will provide water, flood protection and power for up to 233 000 ha of irrigated agriculture in the Juba Valley, and energy to Mogadishu. Civil works: first int. tender during 1984. Transmission lines int. tender in 1984. Equipment: powerhouse main equipment and auxiliary equipment, int. tenders in 1985. Gates, valves, intake equipment, int tender in 1986. Study: 4th EDF. Works: 5th EDF.

Mogadishu Slipway. Resp. Auth.: Ministry of Planning. 3 or 4 mECU. Construction of a slipway and ship repair facilities in Mogadishu harbour. Feasibility study on the way: AVECO (NL). 4th EDF.

Mogadishu Institute of Statistics. Resp. Auth.: Ministry of Public Works. Estimated cost: 0.800 mECU. Supply: int. tender in '83. Project on appraisal. 4th EDF.

Development of pheniculture (date-palm). Resp. Auth.: Ministry of Agriculture. Estimated cost 2 mECU. 1000 ha plantation in the North region. Supply of equipment, machines, inputs, rural monitoring. T.A. to define, may be French aid. Project on appraisal. 5th EDF.

Mogadishu water supply. Resp. Auth.: Ministry of Planning. Estimated total cost 38.5 mECU. EDF 5.34 mECU. Foreseen cofinancing, World Bank, Arab Funds et Local. New drills and strengthening of existing network. 2 int. tenders launched on January '83. 5th EDF.

Somalia Trade Promotion. Resp. Auth.: Ministry of National Planning. 0.670 mECU. Four independent components: development of supportive infrastructure and T.A. for frankincense, myrrh and gums. Identification of obstacles to livestock exports and study of livestock marketing. Participation in Trade Fairs. Training, short term consultancies. 5th EDF.

“Aula Magna” **Mogadishu National University.** Resp. Auth.: Ministry of Public Works. ±2.5 mECU. Project on appraisal. 4th EDF.

SUDAN

Jebel Marra rural development project. Resp. Auth.: Ministry of Agriculture, Food and Natural Resources. 15.043 mECU. EDF 11 mECU. Local 4.043 mECU. Agricultural extension and improvement or rural infrastructure (road improvement and maintenance, forestry programme, community development programme). Supplies: int. tender for fertilizers in 83. TA: Hunting Technical Services Ltd (UK). Project in execution. 4th EDF.

★ **Agricultural Inputs and Rehabilitation Project. Phase II (AIRPII).** Resp. Auth.: Government and Sudan Gezira Board. Estimated cost 19 mECU. Supply of fertilizers (urea) for Gezira Scheme project. Date foreseen for financial decision May-June 83. 5th EDF.

University of Juba, phase II. Resp. Auth.: Ministry of Education. 7 mECU. Additional facilities on the new campus for a capacity of about 400 students: 3 hostels, (1 100 m² each) dining hall and kitchen (360 m²), 3 college buildings (1 850 m²), 21 staff houses (each 170 m²). Works including infrastructure for water, sewerage and electricity: int. tender launched September '82. Equipment: int. tender in 1983. 4th EDF.

Trade Promotion Sudan. Resp. Auth.: Ministry of Co-operation, Commerce and Supply. 0.34 mECU. Studies, T.A. and participation in trade Fairs. Studies and contract: Short-list already drawn up. 4th EDF.

Port Sudan-Hayia Railway. Resp. Auth.: Sudan Railway Corporation. Expertise: KAMPSA(DK). 4th EDF.

★ **Aflatoxin research project. Pilot detoxification plant building.** Resp. Auth.: Ministry of Cooperation Commerce and Supply. 1.4 mECU. Stabex allotment. Provision of steel-framed buildings. Direct agreement. Date foreseen for financial decision May 83. 5th EDF.

SURINAME

Rice project at Coronie. Resp. Auth.: Ministerie van Landbouw, Veeteelt, Visserij en Bosbouw. Rice production developments. Study on the way. EUROCONSULT (NL). Project stage: identification. 5th EDF.

Improvement health services in the interior. Phase II. Resp. Auth.: Public Works Department. Construction of a health training centre. Works by direct labour. Supplies by direct agreement 0,410 mECU. Date foreseen for financial decision April '83. 3rd EDF.

LTS — Geyersvlijt. Resp. Auth.: Public Works Department. Construction of school building. Lower level technical education. Estimated cost 2.2 mECU. Int tender conditional upon provisional financial foreseen 2nd quarter 83. Date foreseen for financial decision April '83. 3rd EDF.

Tapawatra Micro-hydropower project. Project stage: identification. 3rd and 4th EDF.

SWAZILAND

Rural hydraulics. Resp. Auth.: Rural Water Supply Board. Estimated cost 2.456 mECU. Study construction, works supervision. 12 villages. Supply of equipment and material. Study and works supervision: short-list not yet drawn up. 5th EDF.

TANZANIA

Lusahunga-Bukombe road. Resp. Auth.: Ministry of Works. 20 mECU EDF part. Bitumen road of 127 km. Works: int. tender foreseen 1st half '83. Supervision of work: GITEC (D). Seek for cofundings. Regional project. 4th EDF.

Technical teacher training college, Mtwara. Resp. Auth.: Ministry of Education. 1.4 mECU. Training facilities for technical teachers. Classrooms, laboratory and workshops, dormitories and sanitary block, administration. Total area 3 765 m². Equipment: int. tender with possibility of restr. tender or direct agreement depending on nature of supply. Supplies: restr. tender, all in '83. 4th EDF.

Mtwara Water Supply. Resp. Auth.: Ministry of Water, Energy and Minerals. 5 mECU. Works: drilling of new wells, and constructions. Supply of equipment and T.A. Drilling activities and power supply connections by direct labour. Other works: int. tender in '83. Supplies: int. tender in '83. Supervision of works: G.W.E. (D). 5th EDF.

Mwanza Water Supply. Resp. Auth.: Ministry of Water, Energy and Minerals. 11 mECU. Construction of a new water intake, installation of a new pumping equip-

ment and treatment plant, laying of a new distribution pipelines. Works and supplies, int. tender foreseen early '83. Contract for supervision of works: short-list already drawn up. 5th EDF.

Kigoma Port. Resp. Auth.: Ministry of Works. Estimated cost 4.95 mECU. Project design: HAECON (B). Works and equipment: int. tender for works launched February 83. 4th EDF.

TOGO

Rural hydraulics. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 3 mECU. Construction of ± 200 drills, supply of manual pumps and training. Date foreseen for financial decision, 2nd quarter '83. Int. tender for 260 drills launched on February 83. 5th EDF.

Credit to C.N.C.A. (Caisse Nationale de Credit Agricole) to develop actions in rural sector. Resp. Auth.: C.N.C.A. Estimated cost 2 mECU. Loans with favourable conditions. Date financial decision April 83. 5th EDF.

Provisions improvement for Agou oil palm plant. Resp. Auth.: Ministère du Développement Rural. Estimated total cost 10 mECU. EDF 5 mECU. Cofinancing, may be with CCCE and Local. Project on appraisal. 5th EDF.

TONGA

Supply of a dredger. Resp. Auth.: Ministry of Works. Estimated cost 0.500 mECU. Technical study: EUROCONSULT (NL). Int. tender foreseen 1st half '83. Project on appraisal. 5th EDF.

UGANDA

Primary health centres rehabilitation. Resp. Auth.: Ministry of Health and Ministry of Works. 1.1 mECU. To improve health care in rural areas. Works: acc. tender. Supply: int. tender in '83. Project on appraisal. 4th EDF.

Rehabilitation of the seeds industry. Resp. Auth.: Ministry of Agriculture and Forestry. 9.5 mECU. To increase production and distribution of improved seeds. Int. tender in 83. T.A.: Short-list already drawn up. 5th EDF.

Rural electrification project. Resp. Auth.: Ministry of Power and Communications. Estimated cost 5.9 mECU. Supply of 33 KV electrical distribution lines. Erection by direct labour. Project on appraisal. Date foreseen for financial decision June 83. 5th EDF.

Animal Disease Control Project. Resp. Auth.: Ministry of Livestock and Fishery. Total estimated cost 11 mECU. EDF 7.3 mECU. Local 3.7 mECU. Re-establishment of veterinary extension service. Repair of cattle dips, spray races. Tse tse control programme. T.A. For medical products and vaccines purchase during first six months, restr. tender. For equipment, material, transport, int. tender launched September '82. T.A.: short-list already drawn up. 4th EDF.

T.A. to the Uganda Development Bank. Resp. Auth.: Uganda Dev. Bank. 2 experts. 1 year, renewable. Short-list already drawn up. Project on appraisal. 5th EDF.

Kampala City Roads. Resp. Auth.: Kampala City Council. Estimated Cost 10 mECU. To rehabilitate selected Kampala roads. Works and supervision. Int. tender condition-

al upon provisional finance foreseen in April 83. Date foreseen for financial decision May or June '83. 5th EDF.

Kampala Water Supply Rehabilitation. Phase II. Resp. Auth.: Ministry of Lands, Minerals and Water Resources. Estimated cost 5.8 mECU. Works, supplies and supervision. T.A. Project on appraisal. 5th EDF.

UPPER VOLTA

Mine of Poura rehabilitation. Resp. Auth.: Ministère du Commerce, du Développement Industriel et des Mines. 4.14 mECU for assessment of the worker's town. Study on hand. Project in execution. 5th EDF.

Kompienga Dam. Resp. Auth.: Ministère des Travaux Publics des Transports et de l'Urbanisme. Cofinanced project. Estimated cost ± 102 mECU. Earth-dam construction, access road non asphalted ± 18 kms, two groups of alternators 7800 KVA each, transmission power lines. Works: restr. tender after prequalification. Prequalification done. Int. tender launched December 82. Project on appraisal. 5th EDF.

Development of the Douna plain. Resp. Auth.: Ministère du développement rural. Estimated cost 10 mECU. Irrigation and draining works, supply of equipments, inputs and T.A. Project stage: identification. 5th EDF.

Volta valleys assessment. (A.V.V.) 2nd part. Improvement of the Mankarga development unit. Resp. Auth.: Ministère du Développement Rural. 4.450 mECU. Works: feeder roads, soil preparation, waterpoints, rural and social building). Monitoring and training for country-groupings. T.A. and supervision of works: Agroprogess (D). 4th EDF.

Young farmers' training. Resp. Auth.: Ministère du Développement Rural. 2.880 mECU. T.A., works and equipment. T.A.: C.E.R.E.P. (F). 5th EDF.

Rural credit for harnessing cultivation. Resp. Auth.: Ministère du Développement Rural. 1.7 mECU. Line of credit to the "Caisse Nationale de Crédit Agricole". Date foreseen for financial decision June 83. 5th EDF.

Small ruminants and poultry farming in the Yatenga region. Resp. Auth.: Ministère du développement Rural. Estimated cost 1.150 mECU. Constructions, supply of equipment, training and monitoring. Date foreseen for financial decision April 83. 5th EDF.

WESTERN SAMOA

Oil and Cake storage and handling facilities for the copra mill. Resp. Auth.: Samoa Coconut Products Ltd. 0.850 mECU. Storage tanks for copra oil and handling equipment. Shed for storage of pelletized cake. Study for supplies: Proses (Malaysia) financed by ADB. Supplies: int. tender 1st half 83. 5th EDF.

VANUATU

T.A. to Vanuatu Development Bank. Resp. Auth.: VDB-Vanuatu Dev. Bank. 0.750 m ECU. Line of credit and T.A. Date financial decision February 83. T.A.: M.J. Lemaitre (F). 5th EDF.

★ **Village fisheries, Research and development.** Resp. Auth.: National Planning and Statistics Office. Estimated cost ± 0.150 mECU. EDF 0.70 mECU. Promotion

and improvement of artisanal fishing. Project on appraisal. 5th EDF.

ZAIRE

Kinshasa Water Supply. Resp. Auth.: REGIDESO. Study on the way by Bonifica (I). 5th EDF.

Akula-Gemena road. Resp. Auth.: Commissariat aux Travaux Publics. Upgrading and asphaltting of the road (115 km). Economic study: Bureau SPE (Local). Technical study: LUXCONSULT (Lux). Project on appraisal. 5th EDF.

Thé Butuhé. Resp. Auth.: Département de l'Agriculture (Commission Agricole du Kivu). Strengthening and prosecution existing projects. T.A. for management and trading. Project stage: identification. 5th EDF.

Mwebe-Batshamba Road. Resp. Auth.: Commissariat aux Travaux Publics. 26 mECU. Part (88 km) of the national road Matadi-Shaba. Prequalification launched in July '81. Int. tender launched on 3rd quarter '82. Date foreseen for financial decision May or June '83. 5th EDF.

Kalemie port rehabilitation. Resp. Auth.: Département des Transports et Communications. Estimated cost not available. Study on the way by CADIC (B). 4th EDF regional. Project on appraisal. 5th EDF.

Banana deep water port. Resp. Auth.: Département des Transports et Communications. Feasibility study: SEMA-TRACTION-NEL-OTUI (F.B.F.). 4th EDF. Complementary technical study: for the port (F+I), electrical (B), water supply (D), water research (EDF). Project stage: identification. 5th EDF.

Cacao-trees at Bulu. Resp. Auth.: CACAOZA-Département de l'Agriculture. Strengthening and continuation existing operations. Project stage: identification. 5th EDF.

Palm-trees at Gosuma. Resp. Auth.: PALMEZA-Département de l'Agriculture. Strengthening and continuation existing operations. Project stage: identification. 5th EDF.

Lubutu-Oso-Walikale Road. Resp. Auth.: Commissariat aux Travaux Publics. Prequalification launched January '82. Int. tender launched 4th quarter 82. Date foreseen for financial decision 1st half 83. 4th EDF.

Butembo-Beni hydro-electrical development. Preliminary study done by Tractionnel (B) on local funds. Detailed economical and technical studies: short-list already drawn up. Project on appraisal. 5th EDF.

Rural roads in Sud-Ubangui. Resp. Auth.: Office des routes. Total cost 5.190 mECU. EDF 4.950 mECU, CDI (Centre de Développement Intégral de Bwamanda-NGO) 0.240 mECU. Works by CDI and villages. Supply of graders, trucks by int. tender. Date financial decision March 83. 5th EDF.

ZAMBIA

Rural water supply study - 5 Townships. Resp. Auth.: Ministry of Agriculture and Water Development. Engineering Design. Short-list already drawn up. 5th EDF.

Rural water supply study. 4 Townships. Resp. Auth.: Ministry of Agriculture and Water Development. Feasibility Study. Short-list not yet drawn up. 5th EDF.

Maize development project. Resp. Auth.: Ministry of Agriculture and Water Development. Total cost 6.54 mECU. EDF 5.55 mECU, Rocaf 0.99 mECU. Works: construction housing and office accommodation, marketing depots, feeder roads. Supply: 4 WD vehicles, motorcycles and bicycles. T.A. Works: acc. tender or direct agreement. Supplies: int. tender launched September '82. T.A.: INSTRUPA (D). 5th EDF.

Zambia Marketing and Trade Promotion. Resp. Auth.: Ministry of Commerce and Industry. Zambian Export Promotion Council. 0.795 mECU. Product Development and Marketing. Marketing management. Trade Fairs — Tourism planning and promotion. Contracts by direct agreement. 5th EDF.

Rice Development Project. Resp. Auth.: Ministry of Agriculture and Water Development. 4 mECU, EDF Part. Local 1.135 mECU. Works: access roads, marketing depots, housing. Supply of equipments, agricultural inputs, T.A. Supply of vehicles: int. tender launched September '82. Works: acc. tender or direct labour. T.A.: short-list already drawn up. 5th EDF.

Animal Vaccine Unit Production. Laboratory construction. Supply of equipment and T.A. Estimated cost 3.79 mECU. EDF 3 mECU, local 0.79 mECU. T.A.: short-list not yet drawn up. 5th EDF.

Mkushi electrification. Estimated cost 6.07 mECU. EDF 3.07 mECU. Cofinancing needed. Study on hand: MERTZ McLENNAN (UK). Project stage: identification. 5th EDF.

Mine industry (copper-cobalt) rehabilitation. Resp. Auth.: ZAMBIA Cons. Copper Mines at Lusaka. Total estimated cost 85.346 mECU. EDF part 55 mECU. Supply of equipment: 21 int. tenders launched in 82 and January and February 83. For T.A. the Zambian Cons. Copper Mines will be in charge of recruitment of staff from EEC countries. Project in execution. 5th EDF.

T.A. to the Development Bank of Zambia. Resp. Auth.: Dev. Bank of Zambia. 0.54 mECU. Africa Asian Bureau (D). 5th EDF.

Rural township Water Supply. Resp. Auth.: Ministry of Agriculture and Water Development. 5.200 mECU. Construction and supply of equipment and supervision of works. Works and supplies: int. tender launched February '83. T.A.: Brian Colquhoun, O'Donnell and P. (UK). 5th EDF.

Mpongwe Development Project, phase 2. Resp. Auth.: Ministry of Agriculture and Water Development. (M.A.W.D.) 3.712 mECU. To complete and develop existing project. Works, supplies and T.A. Project on appraisal. 5th EDF.

ZIMBABWE

Educational Facilities and Equipment. Resp. Auth.: Ministry of Manpower Planning and Development. 3 mECU. Building of Technical College and supply of equipment and furniture. Works: on hand. Supplies: int. tender in 83/84. (Non associated dev. countries budget).

Rural Clinics. Resp. Auth.: Ministry of Health. 4.5 mECU. Construction and equipment of 64 rural clinics and 128 staff houses. Works: direct labour. Equipments: int. tender. (Non associated dev. countries budget).

Coal study. Resp. Auth.: Ministry of Mines. Cofunding EDF-EIB. EDF 0.500 mECU. EIB 0.4 mECU. Study on the way. 5th EDF.

Development of accelerated resettlement schemes. Resp. Auth.: Ministry of Lands, resettlement and Rural development. 5.450 mECU. (EDF part). Infrastructures, agricultural activities, equipments and inputs. Date foreseen for financial decision April '83. 5th EDF.

Rural Water Supply Study. Resp. Auth.: Ministry of Water Resources and Development. Short-list already drawn up. 5th EDF.

Overseas Countries and Territories (OCT)

ANGUILLA

★ **Road Bay Jetty and port facilities.** Resp. Auth.: Gov. of Anguilla and British Development Division (Barbados). Estimated cost 0.700 mECU. Expertise for technical and economical appreciation and to prepare designs and tender documents. Short-list already drawn up. Project stage: identification. 5th EDF.

NETHERLANDS ANTILLES

★ **Port equipment for Saba.** Resp. Auth.: Department voor ontwikkelingssamenwerking. Purchase of a crane. Estimated cost 0.410 mECU. Project stage: identification. 5th EDF.

Road Improvement on Bonaire. Resp. Auth.: Departement voor Ontwikkelingssamenwerking. Estimated cost ± 1 m ECU. Project on appraisal. 5th EDF.

FRENCH POLYNESIA

Tahiti territorial abattoir. Resp. Auth.: Service de l'Economie Rurale, Papeete (Tahiti). Secrétariat d'Etat des Départements et Territoires d'Outre-Mer, Délégation de la Polynésie Française, Paris. Cofinancing with France. Project on appraisal. 4th EDF.

Gas-generators and electro-generators powerstations in the Touamotou Islands. Resp. Auth.: Assemblée Territoriale des Touamotou. 0.460 mECU. Supply of gas-generators fed with charcoal from coconut waste and coco-trees wood waste. Int. tender foreseen 2nd half 83. Date foreseen for financial decision 1st half 83. 4th EDF.

NEW CALEDONIA

Loyauté Islands water supply. Resp. Auth.: Direction Territoriale des Services Ruraux. 0.900 mECU. Constructions and drills and small water supply networks. Date foreseen for financial decision May 83. 5th EDF.

Reafforestation programme. Resp. Auth.: Territoire de la Nouvelle Calédonie des Eaux et Forêts. Estimated total cost 4.7 mECU. EDF part ± 3 mECU. Cofunding with France, CCCE (F) and Local. 3 000 ha plantation "Pin de Caraibes" with all necessary infrastructure and investments. Project on appraisal. 5th EDF.

Veterinary laboratory and zoosanitary investigation. Total estimated cost 1.5 mECU. EDF 0.350 mECU. Territoire and FIDES 1.150 mECU. Project in execution. 5th EDF.

CAYMAN ISLANDS

New airport terminal. Resp. Auth.: Public Works Department. Estimated Cost 0.600 ECU. Construction of terminal. Project on appraisal. Date foreseen for financial decision May '83. 4th and 5th EDF.

TURKS AND CAICOS ISLANDS

Transport study, North and Middle Caicos. Resp. Auth.: Public Works Department. Wallace Evans and Partners (UK). 5th EDF.

Regional Projects

ETHIOPIA — SUDAN

Telecommunications project. Technical study done by U.I.T. Economical and commercial study to be done. Short-list not yet drawn up. 5th EDF.

O.C.A.M.

Building and equipment of Institut Africain et Mauricien de Statistiques et d'Economie Appliquée in Kigali. Resp. Auth.: I.A.M.S.E.A. Total estimated cost 4.8 mECU. EDF part ± 3 mECU. Pedagogical, administratives and hostel buildings (4,000 m²). Correspondent equipment supply. Project on appraisal. Date foreseen for financial decision April 83. Works: int. tender in 83. Supplies by German aid. 5th EDF.

MEMBER COUNTRIES OF ORGANISATION AFRICAINE POUR LA PROPRIETE INTELLECTUELLE (O.A.P.I.)

Building and equipment of Centre Africain de Documentation et Information en matière de Brevets. Resp. Auth.: O.A.P.I. 1.207 mECU. Construction of 1,358 m² of buildings, and supply of equipment. Works: contracts in awarding. Supplies: int. tender 2nd half '83. Project in execution. 5th EDF.

CONGO-GABON

★ **Haut-Ivindo iron mine.** Resp. Auth.: Ministère des Mines et de l'Energie (Congo) — Ministère des Mines, et du pétrole (Gabon). Total estimated cost 9 mECU. EDF 6.5 mECU EIB 2.5 mECU. Mapping, soil survey, borings. Study to be done. Short list not yet drawn up. Project on appraisal. 5th EDF.

GABON — SAO TOME-PRINCIPE

Improvement of maritime communication. Resp. Auth.: Secrétariat, d'Etat aux Transport et Communications. Estimated cost ± 2 mECU. Purchase of one ocean-going vessels. Int. tender launched on March 83. Date foreseen for financial decision June 83. 5th EDF.

MEMBER COUNTRIES OF CEAO

ESITEX Segou (Mali). Resp. Auth.: CEAO Secrétariat. Management training for textile industry. Complex construction in Segou. Supply of equipment. Project stage: identification. 5th EDF.

Ecole des Mines et de la géologie, Niamey. Resp. Auth.: CEAO Secrétariat. Creation of a school for 350 students coming from CEAO countries. Estimated total cost 28 mECU. EDF 7 mECU. Cofundings with FAC-FAD-D. Project on appraisal. Technical

and architectural studies : Groupement Pottier et Ass. (F) and Goudiaby (ACP.). 5th EDF.

GAMBIA — SENEGAL (O.M.V.G.)

Bridge barrage on the river Gambia. Resp. Auth.: Ministry of Works and Ministère des Travaux Publics. Estimated cost in 78: 60 mECU. Foreseen funding: F.R.G. 20 mECU. Canada 21.7 mECU, USA 11/22 mECU, Technical study: DHV-Rijkswaterstaat-Waterloopkundig Laboratorium Delft (NL). For Phase I - Phase II: Rhein-Ruhr (D). Project stage: identification. 5th EDF.

Agronomical study for the area concerned by the bridge barrage. Short-list already drawn up. 5th EDF.

GUYANA — SURINAM

Guyana — ferry-link. Resp. Auth.: Ministry of Public Works and Ministerie van Openbare Werken. Link ferry on Corentine river. Study on the way by C.A. Liburd and Ass. + Sescon Group (ACP). Project on appraisal. 4th EDF.

TOGO — BENIN

Hydroelectric development of Nangbeto. Resp. Auth.: Ministères des Travaux Publics. Estimated cost: 170 mECU. Construction of a dam and a hydro-electric power plant of 2x30.7 MW. Foreseen funding: World Bank, EEC (EDF + EIB), France, FRG, Canada, ADB, UNDP. Feasibility study done. Project on appraisal. 5th EDF.

BENIN — IVORY COAST — NIGER — TOGO — UPPER VOLTA

Regional training centre for road maintenance in Lomé-Togo. (CERFER). Resp. Auth.: Secretariat CERFER. Training. T.A. and scholarships. Estimated cost 0.900 mECU. Project stage identification. 3rd, 4th and 5th EDF.

ZAIRE — RWANDA — BURUNDI

Hydro-electric development «Ruzizi II». Resp. Auth.: E.G.L. Estimated cost: 65 mECU. Construction of a central hydro electric plant of 40 MW. Funding: EDF. World Bank, I, BDEGL. Civil works: World Bank. Alternators and electr. equipments: Italy. Houses: BDEGL, other equipment and supervision of work, EDF. For EDF part int. tender foreseen 2nd quarter 83 after prequalification. Prequalification launched. Date foreseen for financial decision May 83. Supervision of works: short list already drawn up. 5th EDF.

RWANDA — ZAIRES

Methane gas from Lake Kivu. Resp. Auth.: CEPGL and Commission mixte de 2 pays. Pre-feasibility study done. (Studies 4th EDF). Feasibility study foreseen with EDF, EIB fundings: for 2 stations with urea unit, compressed gas and methane. Short-list on the way. Project on appraisal. 5th EDF.

NIGER BASIN AUTHORITY

Protection and reforestation in the "Haut Bassin Versant du fleuve Niger in Guinea". Works, supplies and T.A. Estimated total cost 1.5 mECU. Project stage: identification. 5th EDF.

MEMBER COUNTRIES OF CIADFOR

Extension of A.N.F.P.P. (Agence Nationale de formation et de Perfectionnement Professionnels) in Libreville. Extension and

modernization and new complex building in Oloumi. Project stage: identification. 5th EDF.

Training instructors and printing specialists, production of the teaching material. Resp. Auth.: CIADFOR Secretariat. 1.45 mECU. Training, TA, supply of equipment. T.A. done. Project in execution. 5th EDF.

SENEGAL — GUINEA

Tambacounda-Labe road Resp. Auth.: Ministère des Travaux Publics. Upgrading and asphaltting of the road (455 km). Economic study: SONED (SE). Technical study to be done. Short list not yet drawn up. Project on appraisal. 4th EDF.

WESTERN SAMOA — FIJI — SOLOMON — KIRIBATI — TUVALU — PAPUA NEW GUINEA — TONGA

Renewable energy development project in the South Pacific. Resp. Auth.: SPEC (South Pacific Bureau for Economic Cooperation). 6.2 mECU. Creation of pilot units for ocean energy, gas, small stations 25 kW fed with wood waste. Photovoltaic generators 20 kW and wind-generators 15 kW. Prefeasibility study on the way: LAHMEYER and DORNIER (D). Works, supply and T.A. Supplies: int. tender 1st half 1983. T.A.: 1st half 83. Project on appraisal. 5th EDF.

TOGO — MALI — UPPER VOLTA — NIGER — CHAD

Agricultural products regional transit centre, in the Lomé port. Resp. Auth.: Ministères du Plan. Estimated total 7 mECU with cofunding. Technical and economic feasibility study: Bureau SATEC (F). Project stage: identification. 4th and 5th EDF.

SOUTHERN AFRICA

Foot-and-mouth disease prevention. Resp. Auth.: Development Committee. Study to be done: Feasibility. Short-list already drawn up. Project stage: identification. 4th EDF.

PACIFIC ACP COUNTRIES

Forum Fisheries Agency Headquarters. Resp. Auth.: South Pacific Bureau for Economic Cooperation (SPEC). 0.650 mECU. Creation of an international fisheries resources management agency. Works by acc. tender. Supply of equipment restr. tender. Supply of computer and data processing equipment, int. tender. Project in execution. 4th and 5th EDF.

MADAGASCAR-SEYCHELLES

Ecole Maritime de Majunga. Resp. Auth.: Ministère de l'Education. 1.850 mECU. Managerial staff training for mercantile marine and fisheries. Supply of a school-vessel and equipment. T.A. 5th EDF.

SENEGAL — GAMBIA GUINEA BISSAU

Dakar — Banjul — Bissau Road. Resp. Auth.: Ministères Travaux Publics of the 3 countries. Asphalted road between Mandina Ba (Gambia) and Sao Vicente (Guinea Bissau). 129 km. Estimated cost 35 mECU. EDF 10 mECU. Technical study: Associated Eng. (I.). Project on appraisal. Works: int. tender foreseen 2nd quarter 83. 5th EDF.

MEMBER COUNTRIES OF CEAO AND CILSS

Construction of Centre Régional d'Energie Solaire (CRES) in Bamako, Mali. Estimated total cost 22 mECU. EDF part. 2.2 mECU. T.A. and equipment. Project on appraisal. T.A.: short-list not yet drawn up. Date foreseen for financial decision June 83. 5th EDF.

MEMBER COUNTRIES OF U.A.P.T.

Satellite telecommunications project. Resp. Auth.: U.A.P.T. Secretariat in Brazzaville. R.P.C. Parametric study on the way by national organisations of I, UK, F and D. Project stage: identification. 5th EDF.

MEMBER COUNTRIES OF ECOWAS

Wireless beam telecommunications. Resp. Auth.: Ecowas Secretariat. Estimated cost 32 mECU. EDF 5 mECU. Project on appraisal. 5th EDF.

EASTERN AFRICA COUNTRIES

Statistical training centre for eastern africa in Tanzania. Resp. Auth.: Secretariat of the centre. 2.0 mECU. Widening of the capacity. Construction of class-room, offices and housing. Project stage: identification. 5th EDF.

DJIBOUTI — ETHIOPIA — KENYA — SUDAN — SOMALIA — TANZANIA — UGANDA

Prevention against noxious migratory animals in eastern africa. Resp. Auth.: Desert Locust Control Organization for eastern africa. Construction of buildings, storage, for pesticide, aircrafts, equipment for vaporization, vehicles and T.A. Total estimated cost 6.634 mECU. EDF 3.3 mECU int. tender for equipment hangar in Nairobi launched. Other int. tenders in 83. T.A.: Centre for overseas Pest Research (UK). 5th EDF.

KENYA — TANZANIA

Regional Health Improvement Project. Resp. Auth.: Ministries of Health. Estimated cost 1.6 mECU. Extension of the regional centre at Nairobi and construction of a centre in Dar-es-Salam, T.A. Works: acc. tender. Contracts: direct agreement. Project in execution. 5th EDF.

ZAMBIA — KENYA — UGANDA — SUDAN

Field-oriented research on control of tsetse and livestock ticks of the International centre of insect physiology and ecology (ICIPE) Nairobi-Kenya. 4.4 mECU. EDF part 1.5 mECU. Cofunding with: UNDP-USAID-Switzerland and Netherlands. Supply of equipment and TA. Project in execution. 5th EDF.

KENYA — GAMBIA — SENEGAL

★ **Ndama production research.** Estimated total cost 13.620 mECU. EDF 2.5 mECU other sources ODA, Af.D.B. FAO. Research project to be implemented by ILRAD-ILCA (International Livestock Centre for Africa and International Laboratory for Research on Animal diseases). Supplies, T.A. and training. Project stage: identification. 5th EDF.

MEMBER COUNTRIES OF SADCC (South African development coordination conference)

Faculty of Veterinary Sciences University of Zimbabwe. Total estimated cost 9 mECU. EDF part estimated at 5 mECU. Construction of a new veterinary faculty as a regional institution within the existing university of Zimbabwe. Works and supplies. Project stage identification. Study on the way by Ove Arup and Partners (ACP). 5th EDF.

T.A. for the SADCC Secretariat. Resp. Auth.: SADCC Secretariat in Gaborone. Botswana. 2 m ECU. Advisory Staff, consultants, support staff. Decisions for contracts will be signed between SADCC and CEC. Date financial decision January 83. 5th EDF.

SWAZILAND - LESOTHO

Matsapha Airport. Construction of a control tower, equipment and T.A. Estimated total cost: 22 mECU. EDF 2.1 mECU. Project on appraisal. 5th EDF.

MEMBER COUNTRIES OF CARICOM

Development of the regional trade promotion services in the Caribbean region. Resp. Auth.: Caricom Secretariat. 1.8 mECU. T.A. project. Contract: direct agreement. 5th EDF.

Assistance to Caribbean Agricultural Research and Development Institute (CARDI). Resp. Auth.: CARDI Secretariat. EDF part 3.035 mECU. T.A. equipment and training. T.A.: Short-list already drawn up. 5th EDF.

Windward Islands Fishing Boat Project. Resp. Auth.: Caricom Secretariat. Estimated cost 0.345 mECU. EDF part 0.275 mECU and 0.070 mECU from sales of boats. Equipment and TA for the construction of about 100 fishing boats and workshop installation. Project on appraisal. 5th EDF.

Regional hotel trade school at St. Lucia. Resp. Auth.: Caricom Secretariat. Estimated total cost 0.900 mECU. EDF 0.200 mECU. Work financed locally. EDF part: supply of pedagogical equipment, furniture and 1 vehicle. Project on appraisal. 5th EDF.

Regional Poultry Project. Resp. Auth.: Caribbean Food Corporation (CFC) and Government of Barbados. Total estimated cost 4.147 mECU. EDF 2.823 mECU. Constructions, equipments and T.A. Date financial decision March '83. 5th EDF.

LIAT - Equipments and T.A. Resp. Auth.: Caricom Secretariat and Caribbean Dev. Bank. Estimated cost 5.215 mECU. Flying assistance equipment. T.A.: short-list already drawn up. 4th EDF and 5th EDF.

Regional Marketing of Agricultural Imports. Resp. Auth.: Caribbean Food Corporation (CFC). 2.3 mECU. Supply of fertilizers and seeds. Works and equipments. Supplies: int. tender in 83. Date financial decision March 83. 5th EDF.

Research development in the Caribbean region. (CTRC). Resp. Auth.: Caricom Secretariat 4.100 mECU. T.A. marketing and tourism promotion. Date financial decision January 83. 5th EDF.

Regional Tourism Promotion Study. Resp. Auth.: Caricom Secretariat. Caribbean Tourist Association. 0.800 mECU. Studies

tourist promotion. Short-lists not yet drawn up. Project in execution. 5th EDF.

WISCO Project. Resp. Auth.: Ministerial Standing Committee of CARICOM. 6.3 m ECU. Purchase of 2 second-hand cargos—containers, vehicles, T.A. and training. Int. tender for cargos launched December 82. 4th EDF.

TANZANIA (BURUNDI - RWANDA - ZAIRE - ZAMBIA)

Tanzania Railways Corporation Project (T.R.C.). 10 mECU. Maintenance and improvement of the railway. Works, supply of equipment. Supply: int. tender 1st half '83. Supervision of works: short list not yet drawn up. 4th EDF.

BURUNDI - RWANDA - TANZANIA - ZAIRE - ZAMBIA

Dar es Salam port project. Improvement of the transit goods handling facilities, for the Central Corridor transports. Supply of equipment and T.A. Estimated cost. 2 mECU. Project on appraisal. Int. tender launched on March 83 conditional upon provisional finance. 5th EDF.

TANZANIA - UGANDA

Transport project Lake Victoria. Improvement of the existing wagon ferry terminal facilities in Jinja, Mwanza, Bukoba and Musoma ports. 2 mECU. Project on appraisal. Int. tender launched on March 83 conditional upon provisional finance. 5th EDF.

MEDITERRANEAN COUNTRIES

ALGERIA

Scientific cooperation programme with O.N.R.S. and trainers' training. Resp. Auth.: Ministère de l'Enseignement Supérieur et de la Recherche Scientifique (M.E.S.R.S.) 4.3 mECU. Scholarships, T.A. experts and supply of equipment. For scientific equipment int. tender foreseen in 83.

CYPRUS

Nicosia drainage system, phase II. Resp. Auth.: Nicosia Sewage Board for southern area, Dept of Water, Geology and Mines for northern area. Total estimated cost 11.12 mECU: EEC 7.5 m (Commission 4.5 m, EIB 3 m) local contribution 3.62 m. Supplies, works and TA, acc. procedure for public works. Project in execution.

EGYPT

Soil improvement programme in Kafreel-Sheikh Governorate. Resp. Auth.: Executive Authority for Land Improvement Projects (EALIP). Provisional amount 8 mECU. To reclaim an area of 65 000 acres of saline soil, located in Hamoul district of the Kafreel-Sheikh Governorate. Short-list already drawn up. Project in execution.

Improved of agricultural input storage facilities in the Daqhalia Governorate. Resp. Auth.: Principal Bank for Development and Agricultural Credit. EEC Contribution 6 mECU. Construction of 13 new ware houses on prefabricated steel of 1 700 m²

each providing a total capacity of 27 000 T. Works: int. tender in '83.

Helwan waste water Project. Resp. Auth.: Cairo waste water organization. Estimated Cost 125.04 mECU. EEC Contribution estimated 31.54 mECU. Netherlands 4.32 mECU. Construction of a sanitation system within an area of 9.500 ha. Collector mains, pumping stations and treatment works. Works and supplies: int. tender launched February 1983.

Egyptian Renewable Energy Development Organisation. EREDO. Resp. Auth.: Egyptian Government. Estimated total cost 10.74 mECU. EEC contribution 7.7 mECU. Construction and equipment for the centre. Works and supplies: int. tender in '83. Date foreseen for financial decision 2nd quarter 83.

JORDAN

2 Trade Training Centres (TTC). Resp. Auth.: National Planning Council (NPC) and Vocational Training Corporation. Cost estimate 1.2 mECU for EEC. The TTCs offer apprenticeship in cooperation with local trade and industry. One TTC for about 400 boys at Zarqa. One TTC for about 400 girls in Amman. Buildings to be financed by Jordan. Training and TA programmes also. Study to identify and define project, TEMA Consultant (I). Supply: int. tender for Zarqa launched February '82. Project in execution.

Faculty of Engineering and Technology. University of Jordan. Resp. Auth.: Ministry of Education. EEC-Contribution: 6.68 mECU. Supply of Laboratory and workshop equipment and T.A. over 5 years. Jordanian Government will finance buildings. Supplies: int. tender launched on March 83 for laboratory equipment. Project in execution.

LEBANON

Industrial planning and industrial census. Resp. Auth.: Ministère de l'Industrie. 0.518 mECU. Foreign expert to supervise local experts for census. Mission in Lebanon 2 months EEC contribution covers all expenses for foreign expert and $\pm 50\%$ of total cost of the project. Project on appraisal.

Aid for the Union Nationale de Crédit Coopératif (UNCC). 1.4 mECU. Line of credit to the UNCC and T.A.

Document automatization for the Chambre de Commerce et de l'Industrie de Beyrouth (CCIB). Resp. Auth.: C.C.I.B. 0.24 mECU. Supply and T.A. For equipment int. tender in '83. Date foreseen for financial decision 1st half '83.

MALTA

Coastal maritime radio station. Installation, building, supplies and operational link-up, training. Estimated cost 1.75 mECU.

Upgrading St Lukes's Hospital radiology department. Training, TA and supply of equipment. Estimated cost 1.23 mECU.

MOROCCO

Interventions for Laboratoire de Technologie des céréales de Rabat. Resp. Auth.: Ministère de l'Agriculture. 0.790 mECU. Equipment, T.A. and training. Supply by restr. tender or direct agreement. T.A.: short-list not yet drawn up.

TUNISIA

Participation to create 3 Training Vocational Centres: in Nabeul, Menzel-Bourguiba, Zaghouan. Resp. Auth.: O.T.T.E.E.F.P. (Office des Travailleurs Tunisiens à l'Étranger de l'Emploi et de la Formation Professionnelle.) EEC Contribution 3.870 mECU. Supply of equipment, T.A. and training. Supplies: int. tender for Menzel-Bourguiba launched October 82. T.A.: A.A.B. (D).

★ **Technical and scientific cooperation. Marine science.** Resp. Auth.: Ministère de l'Enseignement Supérieur et de la Recherche Scientifique. 0.240 mECU. Supply of equipment, training and T.A. Supplies: int. tender and direct agreement. T.A. and training: direct agreement. Date foreseen for financial decision 1st half 83.

TURKEY

Beypazari Lignite Project. Resp. Auth.: T.K.I. Estimated Cost 55.7 mECU. EEC 22 mECU, Local 33.7 mECU. EEC part: Equipment supply for: development, mechanised face, conventional face and auxiliary. Equipments: int. tender in '83 after prequalification. Prequalification launched on March 83.

Electricity Transmission Line Project. Resp. Auth.: Turkish Electricity Authority. (TEK). Estimated cost 72 mECU. EEC 16 mECU. Upgrading of existing transmission lines and supply of equipment. Construction of new transmission lines. Italian aid foreseen for 5.2 mECU. Supply and works: int. tenders in '83. Project in appraisal.

Non-associated developing countries

ANGOLA

Rehabilitation of ARAN and SOMAR Fish Processing Plants at Moçâmedes. Resp. Auth.: Ministerio das Pescas. 2.250 m ECU. T.A. and equipment for SOMAR and equipment, supervision of works and T.A. for ARAN. Project in execution.

Integrated fishery and fish processing plant in the province of Namibe. Resp. Auth.: Ministerio das Pescas. 6.5 mECU. Rehabilitation, equipments and T.A. Date foreseen for financial decision April 83.

MOZAMBIQUE

Artisanal Fisheries Development. Resp. Auth.: Secretary of State for Fisheries. 2.958 m ECU. Provision of fishing material and other supplies for artisanal fisheries. T.A. Project in execution.

Potatoes seed production project. Resp. Auth.: Ministry of Agriculture. 7.100 mECU. Works, supplies, equipments; training and T.A. Supplies: int. tender. Date foreseen for financial decision April 83.

BANGLADESH

Tea rehabilitation project. Resp. Auth.: Bangladesh Tea Board (BTB). EEC 6.6 mECU, UK and Local 55.68 mECU. Purchase of machinery for tea factories. Call for quotation in

EEC member states and Indian subcontinent in 1983.

Cotton Development project. Resp. Auth.: Cotton Development Board. Estimated Cost: 13.5 ECU. EEC 6.5 mECU, Local 7 mECU. Supply of equipment, T.A. Works. T.A.: Agropgress (D). Supply int. tender launched on March '83.

Small scale irrigation sector project. Resp. Auth.: Bangladesh Water Development Board (BWDB). Estimated total cost 82 mECU. EEC contribution 12 mECU. Cofinancing with ADB (Asian Dev. Bank). Works, supply of equipment and vehicles, T.A. and supervision. Works: acc. tender. Supplies: int. tender, 1st half '83.

Building of storage for fertilizers. Resp. Auth.: Bangladesh Development Corporation (BADC). Cofinancing: EEC and Netherlands. Total cost 4 mECU. EEC 2 mECU Netherlands 2 mECU. EEC part: Works by int. tender. Netherlands part: buildings and T.A.

Bhola Irrigation Project. Resp. Auth.: Bangladesh Water Development Board (BWDB). Estimated total cost 44.4 mECU. EEC 3 mECU. Parallel cofunding with A.D.B. (Asian Dev. Bank). Works, equipment and supply of vehicles, pumps and fuel. T.A. and training. Project in execution.

BHUTAN

Plant protection services. Resp. Auth.: Ministry of Development (Agricultural Department). 3.4 mECU. Building of laboratories, equipments training and T.A. Works: acc. tender. Supplies: int. tender or direct agreement. Project in execution.

BURMA

Palm oil development. Resp. Auth.: Ministry of Agriculture and Forest. Estimated cost: 16.3 mECU. Financing: EEC 4.9 mECU. Switzerland and local 11.4 mECU. Expanding production for domestic consumption. Supplies and T.A. Supply: int. tender in 83. T.A.: shortlist already drawn up.

INDONESIA

Baturraden Dairy Development. Resp. Auth.: D.G. for livestock services. Estimated cost: 8.385 mECU. EEC 4.4 mECU, Italy 0.410 mECU. Construction, infrastructure, supply of equipment, T.A. Works and supplies: int. tender 1st half '83. T.A.: IFA-GRARIA (I).

Bali Irrigation Sector Project. Resp. Auth.: Ministry of Public Works. DG for Water Resources Development. EEC 12 mECU. ADB ± 37 mECU. Local ± 55 mECU. Rehabilitation and expansion of 50 village-level irrigation scheme, establishment of a water-management training centre, and establishment of climatological stations. T.A. Works: acc. tender.

T.A. to Bank Indonesia for SEDP II. Resp. Auth.: Bank Indonesia. Total estimated cost 12.5 mECU. EEC 8.3 mECU. Local 4.2 mECU. Expatriates and local consultants. T.A. and training in Bank Indonesia regional offices to implement Bank's large ongoing programme of small-scale credits. Consultants will be contracted by Bank Indonesia, after approval by the Commission, on the basis of tender or mutual agreement procedures. Project in execution.

Pilot Project for Artisanal Fisheries in East Java. Resp. Auth.: Directorate General

of Fisheries (DGF). Total cost 4.880 mECU. Parallel cofinancing with Italy. EEC 3.178 mECU. Italy 0.876 mECU, Local 0.826 mECU. Works, equipment and supplies. Works by direct labour. Supplies: int. tender and direct agreement. Supply of refrigeration equipment: Italy. T.A.: direct agreement. Project in execution.

INDIA

Cyclone Protection Shelters, Tamil Nadu Phase III. Resp. Auth.: Directorate of Town and Country Planning. State Government of Tamil Nadu. 1 mECU. Works: Acc. tender. Project in execution.

Cyclone Protection Shelters, Andhra Pradesh, Phase II. Resp. Auth.: Cyclone Rehabilitation Housing Project. State Government of Andhra Pradesh. 3 mECU. Works: Acc. tender. Project in execution.

★ **Supply of fertilizers.** Resp. Auth.: Minerals and Metals. Trading Corporation of India. MMTC. 45 mECU. Int. tender in 83. Date foreseen for financial decision April or May 83.

★ **Pilot Project for Village Trout Fish Farming in Jammu and Kashmir.** Resp. Auth.: Department of Fisheries of Jammu and Kashmir. EEC 1 mECU. Local 0.370 mECU. Works, equipment, T.A. and training. Works by direct labour or acc. tender. Supplies: restr. tender with specialized companies. T.A.: direct agreement after short-list. Date foreseen for financial decision June 83.

PAKISTAN

Emergency Programme-drinking water supplies for refugees areas (NWFP). Resp. Auth.: UNICEF. Estimated Total Cost 6 mECU. EEC 2.7 mECU. Cofinancing with Unicef. Supplies, drilling works, T.A. Supplies: int. tender launched March 83. Drills: acc. tender. Works: direct labour.

Solar energy for rural areas. Resp. Auth.: Ministry of Petroleum and Natural Resources (DGER). EEC 1.8 mECU. Supply of solar power stations. Int. tender foreseen 1st half 83.

Karachi fishing port. Resp. Auth.: Fishery department of the Sind Province. Estimated cost 12 mECU. New facilities: quay, boat repair yard, fish-shed, dredging. Rehabilitation of existing facilities, equipments and TA. TA: int. tender after prequalification. Works and supplies in '83.

NEPAL

★ **Rural water supply and health infrastructure.** Resp. Auth.: MPLD (Ministry of Panchayat and Local Development) and DWSS (Department of water supply and sewage). 4.8 mECU. EEC 3.7 mECU Local 1.1 mECU. Supply of equipment (pipes, tubes, manual-pumps, vehicles) and T.A. Management by UNICEF for EEC contribution. Supplies: int. tender or direct agreement. Date foreseen for financial decision 1st half 83.

SRI LANKA

Integrated rural development in the Mahaweli Ganga region. Resp. Auth.: Mahaweli Development Board (MDB). Estimated cost 9 mECU, EEC 2 mECU. Development of 2 326 ha irrigated land and rehabilitation of 1 910 ha deteriorated land. Socio-economical infrastructure to allow settlement of 12 000 rural families. TA: FAO. Project in execution.

Eastern Region rehabilitation project. Ministry of Coconut Industries. EEC 3 mECU, Italy 0.375 mECU, small UK and FAO contributions, balance up to 7 mECU financed by Sri Lanka government. Rehabilitation of coconut plantations devastated by a cyclone and diversification of agriculture in the same region. Feasibility study financed by Italian bilateral aid executed by AGROTEC (I). Works: direct labour. Project in execution.

THAILAND

Cooperation training and marketing. Resp. Auth.: National Economic and Social Development Board (NESDB) and Bank for Agriculture and Agricultural Cooperation (BAAC). EEC 3.037 mECU. To provide training facilities for the personnel of agricultural cooperatives and equipment for cooperative marketing unit. Int. tender in '83 for supplies. T.A.: Clear unit (UK).

Rubber smallholdings yield improvement. Resp. Auth.: Rubber Research Centre (RCC). Ministry of Agriculture and Cooperatives. EEC 1.8 mECU, Local 1.8 mECU. To introduce and popularize new tapping techniques to improve the yield of old rubber trees before their felling. TA: Harrison Fleming (UK). Supplies: int. tender launched November 82. Tenders in mid '83, '84.

Seed production centre for the Southern Region. Resp. Auth.: Ministry of Agriculture, Estimated Cost: 3 mECU. EEC 2.2 mECU. Construction of a centre for the production and distribution of improved qualities of rice seeds. Equipments and T.A. Works and infrastructure: acc. tender. Equipments: int. tender in '83. T.A.: Euroconsult (NE).

Oilseed Crop Development Programme. Resp. Auth.: Ministry of Agriculture — Oil seed Project Steering Committee. Total estimated cost 4.2 mECU. EEC 3.3 mECU. T.A. and supply of equipment. T.A.: Short-list not yet drawn up.

Sukhothai groundwater development. Resp. Auth.: Ministry of Agriculture — Royal Irrigation Department (R.I.D.). Total cost 25.600 mECU. Parallel cofinancing with UK. EEC 13.40 mECU, UK 1.30 mECU. Local 10.90 mECU. EEC contribution: pumps, vehicles and instrumentation, casing, screening and PVC piping and short term T.A. Int. tender and direct agreement. UK contribution full cost of longterm and shortterm T.A. for project guidance and supervision. Local: works except drills, T.A. local costs and operating costs. Project in execution.

THE PHILIPPINES

Crop protection Programme. Resp. Auth.: Ministry of Agriculture. Estimated cost: 8.596 mECU. EEC 3.5 mECU, F.R.G. and Local 5.096 mECU. Strengthen and expand the existing crop protection service. Works and supplies (vehicles and equipment). Int. tender supplies launched on March 83.

Palawan Integrated Area Development. Resp. Auth.: National Council on Integrated Area Development (NACIAD). Total cost 78 mECU, EEC contribution 7.1 mECU, ADB 43.05 mECU and GOP 27.85 mECU. Small-scale irrigation works, agricultural intensification and diversification, livestock, transport development, health facilities, training and monitoring. Project duration 1982-1988. Works: partly int. tender, partly direct agree-

ment or acc. tender. Supplies: int. tender or direct agreement. Administrative arrangements, excluding EEC int. tenders, concern full responsibility of ADB. T.A.: short-list already drawn up.

ASIAN DEVELOPMENT BANK (ADB)

Study programme — ADB. Resp. Auth.: ADB. EEC 1 mECU. Studies in the Asian non associated countries. Contrast awarded after int. tender concerning EEC consultants and non associated eligible consultants.

ASEAN

Regional collaborative programme on grain post-harvest technology. Resp. Auth.: Sub-committee on Food Handling (SCFH). Cost 4.3 mECU. EEC 4.3 mECU. T.A., training and research. For supplies: int. tender or direct agreement to be determined. T.A. to be decided by S.C.F.H. Short-list not yet drawn up.

DOMINICAN REPUBLIC

T.A. for agrarian reform and integrated rural development. Resp. Auth.: Instituto Agrario Dominicano (I.A.D.). Total cost 13.6 mECU, EEC 12 mECU, Local 1.6 mECU. Infrastructure, equipments, T.A. and training. Supplies: int. tender or acc. tender or direct agreement. Works: direct labour or acc. tender. T.A.: short-list already drawn up. Project in execution.

OLADE (LATIN AMERICAN ORGANIZATION FOR ENERGY DEVELOPMENT)

Pre-feasibility study for geothermics in Haiti. Resp. Auth.: OLADE. EEC 0.530 mECU, Haiti 0.070 mECU. Contract. B.R.G.M. (F).

HAITI

Integrated rural development of Asile region. Présidence de la République. Estimated cost: 12 mECU. Foreseen financing: EEC 5 mECU, IDB 7 mECU. Feeder roads, rural monitoring, irrigation, social infrastructure. Works by direct labour. Supply: int. tender in '84.

Integrated rural development of Jeremy region. Resp. Auth.: Présidence de la République. Total cost 7.4 mECU, EEC 6.6 mECU, Local 0.800 mECU. T.A. works, equipments and training. T.A.: contracts made by the Commission after government agreement. Supplies: int. tender. Works: direct labour. Project in execution.

NICARAGUA

T.A. for agrarian reform and integrated rural development. Resp. Auth.: Ministerio de la Agricultura e de la Riforma Agraria (MIDINRA). Total cost 12 mECU. EEC 9.8 mECU. Local 2.2 mECU. Infrastructure, equipments and T.A. Equipments: int. tender. T.A.: short-list already drawn up. Project in execution.

Waslala regional development. Resp. Auth.: MIDINRA. Total cost 8.5 mECU. EEC 3.5 mECU. Local 5 mECU. Road infrastructure and social. Supply of agricultural equipment. T.A. Roads by direct labour. Supplies: int. tender or acc. tender or direct agreement. T.A.: AGRER (B). Works: direct labour or acc. tender. Project in execution.

Crop development. Resp. Auth.: Ministerio de la Agricultura e de la Riforma Agraria

(MIDINRA). Total estimated cost 19.930 mECU. EEC 7.400 mECU. Studies, monitoring, training, supply of equipment and T.A. Supply: int. tender or acc. tender according to importance or urgency. Contract: CONSUMINT (I). Project in execution.

NICARAGUA — HONDURAS

Bridges reconstruction. Resp. Auth.: Ministry of Public Works. 3.2 mECU. Reconstruction of 3 bridges. Works, T.A. and site supervision.

BOLIVIA

Irrigation Programme Altiplano-Valles (Cochabamba). Resp. Auth.: Service National de Développement Communautaire (S.N.D.C.). Cost: 9 mECU. EEC 2 mECU, KFW (F.R.G.) 6 mECU, Local 1 mECU. Construction of small dams and irrigation canals. Works by direct labour. (Outstanding project).

HONDURAS

T.A. for agrarian reform and integrated rural development. Resp. Auth.: Instituto Nacional Agrario (I.W.A.). Total cost 17.7 mECU. EEC 16.9 mECU. Local 0.8 mECU. Infrastructure, supplies, equipments and T.A. Works by direct labour or acc. tender. Supplies: int. tender or acc. tender or direct agreement. T.A.: BOOM (NL). Project in execution.

COUNTRIES MEMBERS OF PACTO ANDINO

Technical cooperation (industry and economical planning). Resp. Auth.: Junta del Acuerdo de Cartagena, Lima-Peru. Estimated total Cost: 1.7 mECU. EEC 1.1 mECU. To place experts, equipment and T.A. and training at Junta's disposal. Contracts T.A. and experts by the Junta and the Commission of EC.

Andean Programme for technological development (Rural PADT). Resp. Auth.: Junta del Acuerdo de Cartagena, Lima-Peru. Estimated total Cost: 7.560 mECU. EEC 3.927 mECU. Supply of equipment, training and T.A. Vehicles purchase: int. tender. T.A.: Short-lists to be drawn up by the Commission of EC and decision by the Junta.

Energy cooperation. (Analysis and planning). Resp. Auth.: Junta del Acuerdo de Cartagena. Total estimated cost 0.66 mECU. EEC 0.50 mECU. T.A. and Training.

Applied agricultural research (maize and corn). Resp. Auth.: CIMMYT (Centro Internacional de Mejoramiento Maiz y Trigo) Mexico — Decentralized actions in the andean region. Research and training. 2 mECU. Project in execution.

COSTA RICA — HONDURAS — NICARAGUA — PANAMA — DOMINICAN REPUBLIC

★ **Latin American qualified nationals reinstatement in 5 Central American countries.** Resp. Auth.: CIM (Comité Intergouvernemental pour les migrations). 1.4 mECU. Reinstatement of 75 qualified nationals via CIM. Date foreseen for financial decision 1st half 83.

COSTA RICA

T.A. for agrarian reform and integrated rural development. Resp. Auth.: Ministerio

de la Agricultura. Total cost 25.8 mECU. EEC 18 mECU. Local 7.8 mECU. Infrastructure, equipment and T.A. Works by direct labour or acc. tender. Supplies: int. tender or acc. tender or direct agreement. T.A.: SCET-AGRI (F). Project in execution.

CENTRAL AMERICAN ISTHMUS (HONDURAS — PANAMA — NICARAGUA — COSTA RICA)

Support for peasant producer association. Resp. Auth.: Instituto Interamericano de Ciencias Agrícolas (I.I.C.A.). Total cost 2.9 mECU. EEC contribution 1.6 mECU. Parallel cofinancing with the French Republic and

the governments concerned. T.A. and training. T.A. contract: IRAM (F).

YEMEN ARAB REPUBLIC (YAR)

Seed production project. Resp. Auth.: central Agricultural Research Station (CARS). Total cost 6.600 mECU. EEC 5.200 mECU. Construction of 5 centres, supply of equipment, T.A. and training. Works: acc. tender. Supplies: int. tender or direct agreement according to importance. T.A.: K.W.S. (D).

YEMEN (PEOPLE'S DEMOCRATIC RE- PUBLIC)

Flood damage reconstruction Dhalla. Resp. Auth.: Ministry of Agriculture. Irrigation

Department. 2.5 mECU. Reconstruction of flood damaged irrigation systems and open wells. Installation of flood-warning system. Supply of equipment. T.A. equipment: int. tender T.A.: on proposal of the Commission after agreement by PDRY Government. Project in execution.

NON ASSOCIATED DEVELOPING COUNTRIES

★ **Preparation and follow up of the development project and programmes.** Resp. Auth.: Commission of the European Communities. 4 mECU. Study and T.A. Long and short term experts recruitment. Studies. Date foreseen for financial decision, 1st half 83.

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heid system. It has been developed to the point where, in 1980, it was described by the South African Prisons Department as 'universal'. And now, as in 1959, it merits Ruth First's description on it as 'akin to slavery'.

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E.R. TERRY, K.A. ODURO & F. CAVANESS — **Plantes-racines tropicales: strategies de recherches pour les années 1980 (Tropical tubers: research strategies for the 1980s)** — Centre de recherches pour le développement international, BP 8500, Ottawa, Canada, K1G 3H9 — 277 pages — 1982

This is the report of a symposium held at the International Institute of Tropical Agriculture (IITA) in Ibadan, Nigeria, on 8-12 September 1980. The theme, as the title of the book suggests, was the search for means to improve the production of tubers in Africa.

Almost 100 participants from 14 African countries attended and 48 scientific papers were given on the four main tubers grown in the humid tropical areas—manioc, yams, sweet potatoes and taro.

The research strategies planned for the 1980s are also covered in this book. It highlights the fact that financial aid from international development and funding organizations, the national authorities and the research institutions is vital to put into practice the recommendations of the agronomists, geneticists, economists and others who contributed to the symposium.

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Aimé CÉSAIRE — **Moi, Laminaire** — Editions du Seuil, 27, rue Jacob, 75006, Paris, France — 1982 — 94 pages — FF 39

The name of Aimé Césaire has been known to many Africans since before independence. And today Africa is not alone in feeling a certain pride in his literary works, as it has been joined by the Caribbean, Europe and America, where the great writer's books appear in translation. It was Aimé Césaire and not, as is often wrongly claimed, Léopold Sédar Senghor, who created negritude. Cé-

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saire is one of the greatest of black poets and writers and his works have been a genuine catalyst of the movement which began in France in 1930 and led to the call for independence in Africa, and the assertion of black identity in Africa, in Césaire's native Caribbean and in America, where the various work civil rights movements found inspiration in his writings. For Césaire has never claimed to be neutral. Politics, a quest for the fulfilment of African man in Europe and America, have always run through his work.

In this new collection of poems, Césaire looks at times gone by. "The austerity of non-time tyrannizes time. Every life has its north and south, its east and west", he says, remaining serene in face of the unequal fight of life and death and wanting to reconcile "fervour and lucidity... even in despair and disillusion, always with the strength to look forward to tomorrow".

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Olajide ALUKO — **Essays on Nigerian foreign policy** — George Allen & Unwin Ltd, 40 Museum Street, London WC1A 1LU — 288 pages — 327 FB — 1981

Nigerian foreign policy has moved from the cautious role adopted in the

early '60s to an active and dynamic one in the period since the civil wars. In this book Professor Aluko examines how and why this has happened. He also subjects the Nigerian Foreign Service to a close scrutiny and discusses how it has remained virtually unscathed since independence, despite the changes in the fortunes of political and military leaders and administrative heads of ministries. He looks at Nigeria's foreign policy decision-making under Gowon and Obasanjo in comparative perspective.

Nigerian foreign policy is examined in its main theatres: policy towards West African neighbours, policy towards the rest of Africa and policy towards extra-African powers. The impact of the civil war on this policy is examined. One section deals with the machinery for formulating foreign policy and the process of foreign policy decision making, while another deals with the post-Gowon foreign policy posture. The final chapter speculates about the country's foreign policy options in the 1980s against the background of past and present performance.

Professor Aluko's approach is neither historical nor theoretical, but combines the analytical and empirical facts, thus illuminating our understanding of the intricacies of Nigerian foreign policy, especially the process of decision making.

Professor Aluko was educated at the University of Ibadan and the London School of Economics and Political Sciences. He is the founding professor of international relations at the University of Ife, where he has taught since 1968.

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