

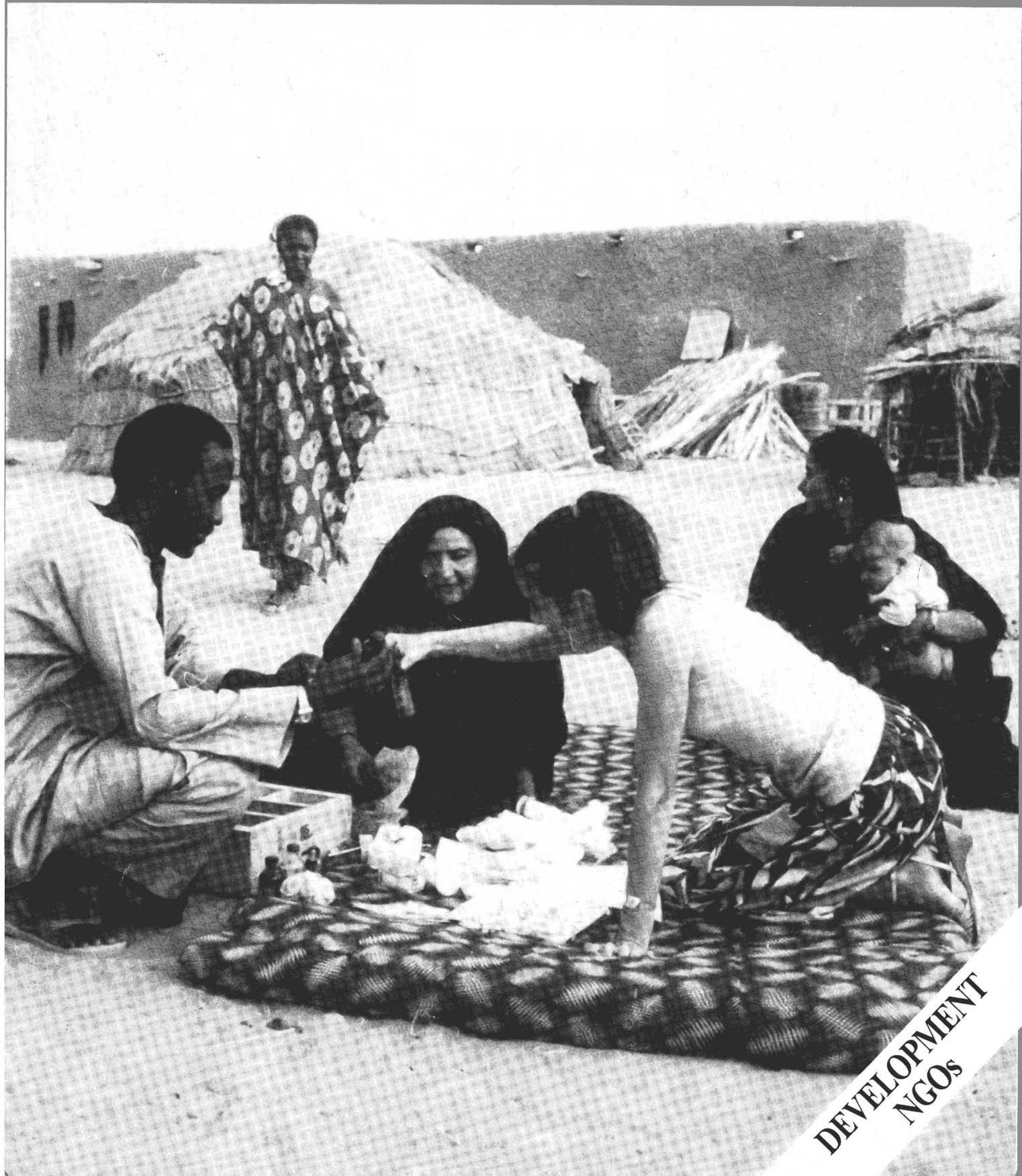


The Courier

AFRICA-CARIBBEAN-PACIFIC - EUROPEAN COMMUNITY

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**DEVELOPMENT
NGOs**

THE EUROPEAN COMMUNITY

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

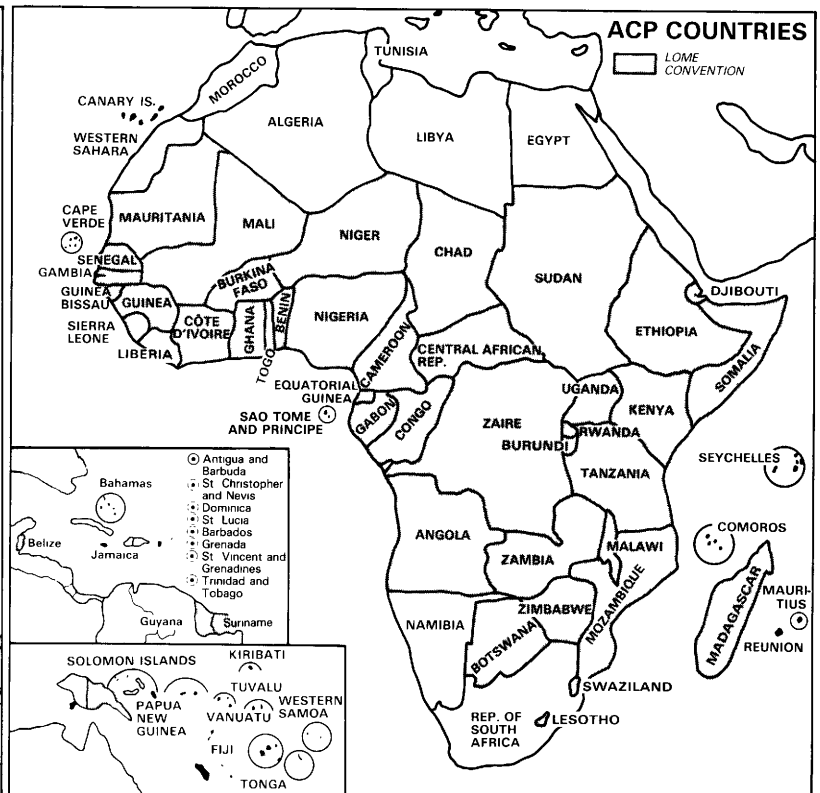
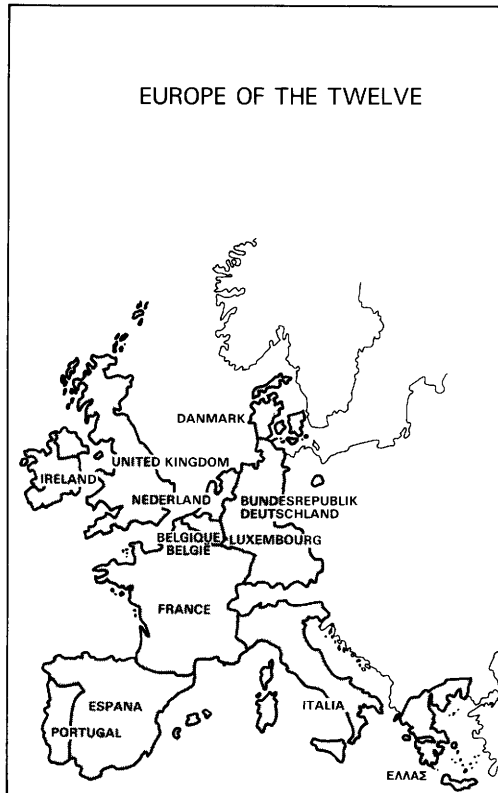
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 of States
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 1200 Brussels
 Belgium
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THE 66 ACP STATES

ANGOLA
ANTIGUA & BARBUDA
BAHAMAS
BARBADOS
BELIZE
BENIN
BOTSWANA
BURKINA FASO
BURUNDI
CAMEROON
CAPE VERDE
CENTRAL AFRICAN
REPUBLIC
CHAD
COMOROS
CONGO
CÔTE D'IVOIRE
DJIBOUTI
DOMINICA
EQUATORIAL GUINEA
ETHIOPIA
FIJI
GABON

GAMBIA
GHANA
GRENADA
GUINEA
GUINEA BISSAU
GUYANA
JAMAICA
KENYA
KIRIBATI
LESOTHO
LIBERIA
MADAGASCAR
MALAWI
MALI
MAURITANIA
MAURITIUS
MOZAMBIQUE
NIGER
NIGERIA
PAPUA NEW GUINEA
RWANDA
ST. CHRISTOPHER & NEVIS
ST. LUCIA

ST. VINCENT & THE
GRENADINES
SAO TOME & PRINCIPE
SENEGAL
SEYCHELLES
SIERRA LEONE
SOLOMON ISLANDS
SOMALIA
SUDAN
SURINAME
SWAZILAND
TANZANIA
TOGO
TONGA
TRINIDAD & TOBAGO
TUVALU
UGANDA
WESTERN SAMOA
VANUATU
ZAIRE
ZAMBIA
ZIMBABWE



FRANCE

(Territorial collectivities)

Mayotte
 St Pierre and Miquelon

(Overseas territories)

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

NETHERLANDS

(Overseas countries)

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

DENMARK

(Country having special relations with Denmark)

Greenland

UNITED KINGDOM

(Overseas countries and territories)

Anguilla
 British Antarctic Territory
 British Indian Ocean Territory
 British Virgin Islands
 Cayman Islands
 Falkland Islands
 Southern Sandwich Islands and dependencies
 Montserrat
 Pitcairn Island
 St Helena and dependencies
 Turks and Caicos Islands

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

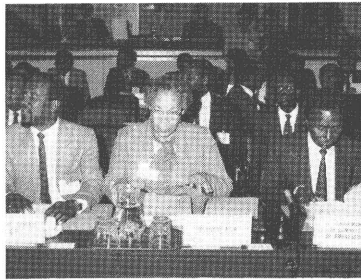
The *Courier* uses maps from a variety of sources. Their use does not imply recognition of any particular boundaries nor prejudice the status of any state or territory.

MEETING POINT: Idé Oumarou

The Secretary-General of the OAU, Idé Oumarou, believes that the time has come for the Organisation to embark on a policy which will restore its "credibility" and enable it to play an active part in the economic development of its members. To do this, he feels that Member States should "organise themselves and show solidarity with one another". They should match words with action, especially when it comes to the continent's major political problems. **Pages 2 to 7**



ACP-EEC Council of Ministers



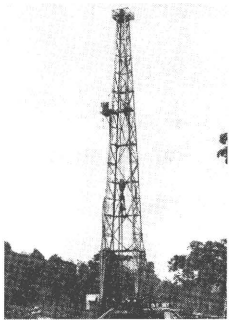
The 12th session of the ACP-EEC Council of Ministers was held in Brussels at the beginning of June, and the negotiations with Spain and Portugal for accession to Lomé III concluded. The rest of the session was dominated by exchanges of views on the forthcoming meetings of GATT, UNCTAD and the International Coffee Organisation. **Pages 8 to 11**

COUNTRY REPORTS

GUINEA-BISSAU: The 4th Congress of the PAIGC (the African Party for the Independence of Guinea-Bissau and Cape Verde), held in November 1986, marked the culmination of a long process of reflection on what had gone wrong and on how to get the country onto another track, in this instance, by liberalising the economy. To emerge from its financial morass, the country embarked on a programme of structural adjustment, counting in the first place on its considerable potential for agricultural development. President João Bernardo Vieira explains how. **Pages 18 to 31**



TRINIDAD AND TOBAGO: After 30 years of uninterrupted rule in Trinidad and Tobago, the People's National Movement (PNM) was defeated in a general election last December in the wake of economic depression brought about by sharp falls in oil prices. A coalition of four political parties, the National Alliance for Reconstruction, NAR, came to power. The Courier reports on the challenges facing the new Government. **Pages 32 to 48**



DOSSIER: Development NGOs

Their work during the famines and wars of recent years has brought Development NGOs (Non-Governmental Organisations) increasingly into the limelight, but their role in emergencies is not, of course, their only one. Working in a wide range of fields, often on small-scale ventures, NGOs personify the commitment of the privileged North to the development of the needy South. This Dossier looks both at the state of NGOs in 1987, and at some of the difficulties they are likely to face at the close of the century. **Pages 50 to 76**



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Secretary-General of the OAU IDE OUMAROU, AFRICA'S HUMBLE SERVANT

Idé Oumarou, Secretary-General of the OAU since July 1985, is to Africa what those Europeans are to Europe who work for the unity and progress of their continent. He is also a manager, whose cool, calm approach reflects considerable personal assurance and a profound conviction about the active role the OAU should play in the economic and political future of Africa, without infringing on or competing with the responsibility of the member countries from which it comes and which it respects.

But when he arrived in Addis Ababa in 1985, he



found that the Organisation, beset by political upheavals and buried under red tape, was not in satisfactory order. And he tackled the problems without any thought for electoral considerations, his eyes firmly fixed on the final accounts which he alone will settle.

This self-styled humble servant of Africa, a former Foreign Affairs Minister of Niger, a modest man who read economics at Dakar and Paris and radiates honesty, answers *The Courier's* questions on his activities and his conception of the institution he currently heads.

Credibility and solidarity

► *Mr Oumarou, what are the main political targets of the Organisation of African Unity today?*

— The political aims of the Organisation — since you insist on the word “political” — have for some time now had to do with Southern Africa and apartheid and the problem of Namibian independence. The way things are developing — with the resurgence of oppression of the black majority by the white minority and a worsening of the situation in the Front Line States, especially in Angola and Mozambique which have suffered repeated aggression from South Africa — are major subjects of concern... not to mention the other countries in the area which are also being attacked by South Africa just because it is their policy to help and support the liberation movements. This has always been their policy, in fact, since they very rightly maintain that their independence will not be complete until Namibia is independent and apartheid in South Africa has been abolished.

And of course we also have the problem of the unity of the African

nations. There are areas of tension due to frontier problems and differing ideologies in different States and these generate crises that are of concern to us here in the OAU Secretariat. We think that, after more than 20 years of independence, the Africans have to nurture their unity and cohesion and join together to take up the challenges currently facing the continent. There is a lot of work to be done here, I think.

► *On the subject of Southern Africa, the current Chairman of the OAU, Denis Sassou Nguesso, the Congolese Head of State, said the situation there was the Organisation's most significant failure. Just what is the OAU doing in Africa and on the international scene to find an answer to the apartheid problem?*

— As I just said, South Africa is undeniably a major cause of concern to the OAU and the countries that make it up. Since our States became independent and the OAU itself was set up, the accent has been on the liberation of the continent. It was one of the prime targets. At present, alas, it

has to be admitted that apartheid has still not been beaten and Namibia is still under South African domination. The Chairman-in-Office is right, undeniably, when he says you can't talk about success when it comes to apartheid or the decolonisation of Namibia.

Apartheid — failure by Africa and the international community

But although we have failed, so has the international community as a whole, the UN included. We have said as much and the international community has awakened to the fact. Apartheid is not the problem of one region or one continent. The flouting of human rights and racial segregation are intolerable things and the UN did not declare that apartheid was a crime against mankind lightly. And mankind means the whole planet. We in the OAU have fallen short here perhaps so far, but the fight continues and we will win through in the end.

As far as the continent is concerned, our aim, first and foremost, is to organise the unity of the nations around

the fight against apartheid and for Namibian independence by ensuring that the liberation movements get political, diplomatic and to a certain extent material and financial support. The means we put into this are, alas, limited, but we are making the right sort of gesture and we are also trying to see that these movements work with a certain degree of coherence.

The OAU has its Liberation Committee, which maintains permanent contact with the various liberation movements so it can guide them, back up their policies and keep the continent thinking about them. It is what I should call an act of militancy in the Member States.

Internationally speaking, we are pursuing the drive to make public opinion aware of what is going on so the international community doesn't think that apartheid is an African problem or something for the OAU alone to do something about. Apartheid is an international issue and every nation should feel responsible for solving it. A stand has been taken against apartheid everywhere and we are going on with our public opinion campaign by organising international meetings. The last one was in Paris in 1986 when we called for economic sanctions against South Africa. We think that, over and above any diplomatic or political isolation, sanctions are the way to strike the final blow against apartheid and the policy of domination in Namibia.

Last stand

► *What do you think about the resurgence of white South African nationalism? Contrary to what was expected, the extremists consolidated their position at the last elections. Will this phenomenon make you see the strategy you have had so far in another light?*

— All that means is that the pro-apartheid faction has its back to the wall. It may be its last stand. There are signs of despair—a harder line by those who can see defeat is on its way. What we say is that things are irreversible and intransigence among the white minority will do nothing to change the course of history and the end of apartheid.

Once again we deplore the fact that

the whites in South Africa have not realised that their best interests lie not in a radicalisation of apartheid but in dialogue with the liberation movements. We have said that the whites must realise it is the legitimisation of the liberation movements and the abandonment of apartheid that will bring rapid peace to South Africa. They must realise it—otherwise there will be the bloodbath we hear so much about. The Africans and the black population of South Africa will not be to blame. It is the whites who will have pushed the liberation movements to such extremes. White power with no sharing inevitably calls for black power.

The recent elections betray a certain suicidal tendency among the whites. All we can do at the level of the continent as a whole is increase the pressure for a peaceful solution, because our aim is to get apartheid abolished, not fight the whites. South Africa is an African country with its racial components, its blacks, its Indians and its whites. Everybody. And South Africa must be seen as an entity and the day it realises that its best interests lie in the creation of a multi-racial state, well, the OAU will welcome it with open arms as a full member of the Organisation—regardless of whoever is sitting in South Africa's seat.

► *The countries of Africa are in the front line of the anti-apartheid campaign, naturally. But—without any polemics—what do you think of the idea that the disparity between what they say and what they do about South Africa is due to the diversity of their foreign policies or to the absence of any definition of human rights and their defence in Africa and for the Africans, in spite of the existence of an OAU charter on this? You often hear this idea put forward...*

— Like any other analysis, there is some truth and some approximation in it. There certainly is some difference between the hard-line things the African countries say and what they actually do to combat apartheid in the field. That is primarily because of the complexity of the situation in the field of operation. The countries of Africa are in fact coherent in the positions they take up on South Africa and apartheid and Namibian independence. We have introduced a number

of measures that we are now applying for this purpose. Unfortunately, Africa lacks the means of its policy as the problem is so vast.

You brought up ideological and other differences, didn't you? The truth of the matter is that, in the field some countries are more exposed to the difficulties of the actual situation than others. The Front Line countries are suffering the consequences of an economic and political heritage that has nothing to do with their policies now. They didn't choose to be South Africa's neighbours or to have economic structures that were closely geared to South Africa. They didn't choose to have transport networks that forced them to sell their souls to the devil to get their raw materials out and nor did they elect to live in an environment dominated by apartheid to the point where they were forced to spend a considerable part of their resources on their security services. The countries of the Front Line are being hit by a situation that is quite different from the countries further back. That is where their differences and their one or two nuances in approach come from. The hard-line approach to apartheid that some countries want and the consideration of certain genuine problems that force the Front Line States to vary their approach, have one and the same aim—to put an end to apartheid. What has to be done, I should say, is to combine different strategies to reach the goal in the light of the obstacles in the field. There are no differences—but we have to have coherent action in the OAU if the countries that make it up ensure it has the means to apply the policies they have devised. The driving force has to be the OAU. It has to channel the different options and have proper means to apply what the decision-making authorities have decided.

The OAU did not do what the international community has the right to expect of it in Chad

► *We get the feeling that the OAU was only on the side-lines when it came to the Chad-Libya conflict. It didn't emerge as a body the two parties—or any other African countries—had to deal with. What do you think about this?*

— That is a defensible theory that is not without an element of truth. The OAU did not do and is not doing what the international community has the right to expect of it in this matter. But I should like to remind you that the OAU is there to serve its member countries. It is not a superstructure above them. That is something I have had to say a lot. The countries created the OAU, not the other way round. And when the member countries joined the organisation, they didn't renounce their sovereignty — which means the Organisation can only do what its members want it to do.

In the Chad-Libya conflict, what we said was, first of all, that the difference had to be settled within the framework of the OAU's principles. We also felt that the OAU had to find ways of reconciling the Chadians with each other, as part of the search for peace in this country. If the problem of Chad has spilled over to two other countries, it is because the Chadians have created an opportunity for these foreigners to intervene in their internal affairs. So the situation is such that if the OAU did no more than it did, it is not to say it was inactive. We did all we could to reconcile the Chadians. President Sassou Nguesso and President Bongo tried to settle the problem by peaceful means on a number of occasions and the various Heads of State of the continent also stepped in — each of them, I should point out, in the light of the OAU's principles. It is important to point that out because all the African Heads of State who intervened in this affair and led, in one way or another, to an appraisal of the situation were acting according to criteria laid down by the Organisation of African Unity. The OAU is not on the sidelines. But it could certainly have done more if circumstances had permitted. But I believe that the main thing is to achieve peace in this affair. When peace returns, there is no doubt that Africa, through its Organisation or its Heads of State, will have played an historic part.

How far has Africa's economic recovery got?

► *Economic problems are just as serious, aren't they...? The special UN session on the critical economic situation in Africa called for a major organ-*

isational drive and got a lot of leading figures to go to New York in May 1986. A year later, is it possible to take stock of the beginning of the implementation of the commitments made at that stage?

— A year is short when it comes to running such a gigantic programme as the one adopted last year. But I have to say that, as far as the Africans are concerned, things are under way. Firstly because the programme we put before the United Nations was first and foremost a programme based on the member countries' various development plans that are being or about to be put into effect. And secondly because, following an analysis of the situation on our continent, we are now implementing a certain number of measures aimed at reorganising, at improving management and mobilising human resources and at capitalising on the resources we have. All these commitments are being honoured in many countries which, in spite of the problems of the moment and the sacrifices involved, took it upon themselves to establish contact with institutions like the IMF to embark upon structural adjustment programmes in such a way as to create the conditions in which their economies could be got off the ground again. It doesn't happen without trial or tribulation, because in most cases there are austerity measures which can be very hard for underprivileged populations to cope with. So the Africans have realised the need for policies that will improve on what has been done so far.

That leaves the international scene, where things should, normally speaking, be easier. Once the international community had analysed the situation with us, it agreed to help us — not to be a substitute for us but to help so that our aims could be achieved as quickly as possible. That means, of course, that we have to be in a position to achieve our objectives ourselves, but that international aid could shorten the time it will take and speed up the progress. Instead of taking a certain number of years, we shall maybe only take half the time. That is what we are asking them for.

Unfortunately, their actions do not yet come up to our expectations. We thought that between 1986 and this year, Africa's various partners would

actively and visibly revise their development aid programmes to bring them into line with the UN programme and the targets that we ourselves have adopted. Revisions of course sometimes mean legislative acts within the framework of the national budgets and so they are not automatic. Which is why we believe in our partners.

The Africans have an overriding obligation to do all they can to bring about what they themselves promised. This is something we can perhaps be reasonably optimistic about.

► *Practically speaking, is it now possible to quote one or two figures from the \$128 billion programme said to be needed over a period of five years?*

— It's a bit early, because the evaluation will be run next year in the General Assembly. What we have done in the OAU is send messages to the member countries asking them to record what is being done under the programme in question. We are waiting for the countries to tell us to have an exact idea of trends in the financing and implementation of the programme.

ACP-EEC — better to carry on than to stop

► *ACP-EEC cooperation provokes praise as well as criticism. The criticism tends to come more from certain sections of public opinion in Europe than from the states on the receiving end. How do you, personally, see it?*

— I should say that, so far, ACP-EEC cooperation has been a model for relations between developed and developing countries. It uses policies never seen before, particularly the STABEX system, which is insurance against loss in ACP export revenue, and SYSMIN, which helps maintain mining capacity. With these various systems, the EEC is helping ensure a minimum income for the various countries of Africa, the Caribbean and the Pacific. That is the key problem of development. We are living in a world in which the unequal system of trade prevents the producers of Africa and the Third World in general from getting a decent income from their labours. And the EEC is anxious to see that any fluctuations are as small as possible.

There is no denying that we had some fears, especially during the negotiations for the last Convention. Conditions were mentioned (*) and we thought at one stage that an attack on our sovereignty might follow—and our States could not sacrifice this fundamental element of independence to the need for cooperation, however vital that may be. But things developed favourably on this front and we are pleased about it.

The amount of money that was ultimately released for aid to the ACPs was not all we had hoped for. But it's better to carry on than to stop. You can say that there are in fact just as many reasons for satisfaction as perhaps for fear about the future. We should like to see the EEC being more committed to development schemes as part of a more vigorous policy of cooperation. That is certainly one way of getting the ACPs to get their economies off the ground again.

And lastly, the EEC is a privileged partner of the ACP countries and it should see that they get properly paid for their products through international raw material agreements.

► *When Lomé I was negotiated in 1974-75, the Africans based themselves on a OAU document—and that alone. During the Lomé III negotiations they also used an OAU document. Do you feel that the OAU made a very practical contribution to these negotiations and that you are going to go on contributing to the next negotiations between the EEC and the ACP countries?*

— Yes, I think they will, and increasingly effectively too. For two years now there has been a steering committee in the OAU. It was set up by the Heads of State with the prime aim of harmonising the African positions in the international negotiations. This committee has done a lot of work on an African document which we put before the international community at the UN in May 1986. That was the first test of its efficiency. The document was well received and people were unanimous as to its seriousness and coherence and courageousness. In future all the groundwork for the ne-



ACP-EEC: "Better to carry on than to stop"

gotiations Africa attends will be coordinated intensively by the steering committee and it is on the basis of that committee's ideas, which will of course be agreed to by the Heads of State, that the African positions will be taken up in the various places where cooperation with the rest of the world is discussed.

Two handicaps — debt and a costly civil service

► *How does the African debt stand at the moment?*

— Whatever the figure that has been put on it, the African debt, in the last analysis, is an increasingly heavy burden on the shoulders of the countries in question. It is currently estimated at \$ 200 billion, which is both a little and a lot. It's a lot for Africa, but not so much when it comes to the international economic balance. For a continent that is flourishing, \$ 200 billion is a trifling amount, but it's huge for countries in crisis with all kinds of problems and beset by calamities of every sort.

The problems of the international environment which the African coun-

tries have to cope with and the explosive domestic social and economic situations are all cause for concern. This is why we feel that, when an attempt is being made to right the economies of the African countries, their debt problems have to be tackled first, because some countries spend more than half their export revenue on paying back their external debts.

The African countries have civil services that consume virtually the entire budget and at the moment all they do, or most of them at any rate, is pay their debts and maintain their civil services—which are often enormous and inefficient. Everything else—social affairs, health and education and development problems, too—are left.

What we said is that, if Africa is to see viable economic recovery, it has to channel between 20% and 25% of its public investments into the rural world as the rehabilitation of that rural world is top priority if the food crisis is to be handled properly. The debt problem is compromising everything, which is why we insist on the need to tackle it seriously.

Obviously Africa wants to honour its financial commitments, because its credibility is at stake. But unfortunately we are in a situation where we have debt repayments and civil services that cost too much and that means the States cannot invest in production to get their economies off the ground again or generate the resources they need to meet their international financial obligations. So we are asking our partners to understand and to arrange things so our countries have reasonable repayment periods and the sort of interest rates that won't make the debts worse and crush our economies further with exorbitant debt servicing.

Africa is a continent of the future and we are asking our partners to go on investing in the productive, profitable sectors so as to produce additional resources to cover not just the debt but the equipment and infrastructure that is vital to proper economic and social progress.

► *You call yourself Africa's humble servant, don't you? How do you see your mission as the main figure responsible for the OAU?*

(*) An allusion to "policy dialogue" proposed by the Community.

— I genuinely do feel that I serve Africa. From conviction, first of all, and secondly because the Secretary-General of the OAU is an official who depends on the Organisation's decision-makers, the Assembly of Heads of State and the Council of Ministers.

My biggest job is to put into practice, as far as possible, the decisions of the Organisation and the bodies that take those decisions. But we also have to be able to display our initiative. We must not use the pretext of implementing only what the decision-makers decide, to sit back and fold our arms. We have to be imaginative, so if the life of the Organisation constantly reflects that of the States. And maybe we should do more than this and see that the aspirations of the people of Africa are reflected in the OAU's ongoing concerns. This, I think, means that the Secretary-General has some thinking to do to show the States where the limits lie and what obstacles it comes up against when implementing the decisions, so that there is always the possibility of adjusting our policy. There is always a slight difference between what is decided in theory and what is actually put into practice, and the Secretary-General has to try and do something about this. That is perhaps the most exciting aspect of the job, seeing that we stick to our principles and rules and decisions and that there isn't a gap between what is done and the constraints of events. Life is a long march and the people who make the laws cannot predict it all. So the Secretary-General has to have an efficient team and be in a position to manage the present and conceive the future so as to help the Heads of State make a better job of projecting their action in the medium and the long term.

► *There has always been the feeling that the members of the OAU are used to an executive Secretary-General who is happy to apply any decisions to the letter. There is no doubt that you are the first, I should say, to think that the Secretary-General of the OAU has some thinking to do. They say that you don't worry about being re-elected and that you are basically interested in doing the job and producing some concrete results. Do you get any support for your active concept of the job from the Heads of State?*

— I have no problems with the Heads of State here. The comforting thing today in the Secretary-General's job is that there is a certain degree of coherence among the countries that belong to the Organisation.

Criticism is also constructive action

Getting re-elected seems to me to be a completely secondary issue. I think I have a mandate and my biggest duty is to carry it out honestly, without any political bias or thoughts as to my career. You cannot do a job like the Secretary-Generalship properly, I think, if part of your mind and energies are involved in an election campaign. We



"The important thing for the continent today is to take practical action for its present and its future"

think we should be loyal to the States.

We are profoundly African and we feel that the interest of Africa should come before individual and personal considerations. When we defend what we believe to be good for Africa, we are not afraid to sacrifice popularity which, ultimately, is only ever tempo-

rary. The important thing for the continent today is to take practical action for its present and its future. And the thought and availability that we can display to give the continent its credibility and make it respected are important too. You can't do two things at once. You can't look after your personal image and take effective action. Any Secretary-General who tries to do two things at once will not do the job properly.

The Heads of State have done me the honour of giving me this job for four years and I think my main duty is to see that the OAU is a credible organisation and that its credibility lasts as long as possible. What is at stake in Africa is far more important than what are really no more than petty politics.

We would have no hesitation in taking initiative. The OAU is a living thing and it has to stay that way and be active, and the Secretary-General must not play a waiting game just because he might be criticised. Criticism is also a form of constructive action when it comes to achieving rapid progress.

► *Indeed, Jean Monnet, one of the founders of the European Community, used to say that nothing could be done without men and nothing could be built without institutions. Is that really what your action means?*

— Absolutely. In any human activity, there absolutely have to be leaders who agree to act in the general interest, regardless of the problems that crop up, and who agree to see that the institutions whereby action can be taken are respected and evolve with the needs of the time.

Getting organised and organising solidarity

► *You maintain that the OAU ought to run a number of what you have called symbolic schemes such as aid to the Front Line States and regional development organisations and projects like the Fouta Djallon integral development operation in Guinea, don't you. Will the more than \$2 million cut in your 1987-88 budget force you to drop the ideas that mean so much to you?*

— My idea is that the Africans



Idé Oumarou (right) with the Front Line Heads of State — from right to left, Ali Hassan Mwinyi (Tanzania); Samora Machel (Mozambique, who died in 1986); Dos Santos (Angola); Kenneth Kaunda (Zambia); Denis Sassou Nguesso (Congo, President-in-Office of the OAU); Quett Masire (Botswana) and Robert Mugabe (Prime Minister of Zimbabwe)

have to organise themselves and organise their solidarity because everyday we have proof that it is fine to count on the international community but better to count on yourself. The Africans have to organise their solidarity—which means that we have to pool our resources and capitalise on our complementarity. In an organisation like the OAU, this solidarity should result in a certain number of schemes of a size and scope to show the international community the links and the cooperation we are forever talking about but which do not always have the practical significance we expect. We do not think the Organisation should be a continent-wide civil service where all we do is pay the officials and display very little action in economic affairs. The OAU has spent a lot of time on politics and now it has to move on to settle economic problems by acting as a catalyst and displaying initiative where it can and can do so usefully. There are small gestures of solidarity that we should be making to show that we really do keep our word and that we are willing to make an effort with our solidarity.

Africa has to set the example and, wherever we feel we have a part to play as Africans, the OAU should be seen as the driving force for willing partners—who, alas, sometimes get discouraged by the obvious lack of interest the Africans seem to show in their own projects. In Southern Africa, for example, the support of the coun-

tries of the Front Line has to be more deed than word and act as a symbol of what we really want. And the same goes for economic matters, the campaign against drought, for example, and famine, where we have called for various machinery, essentially financed from external aid and in which the Africans don't really feel involved.

It may not always be realistic to ask the African countries to make individual contributions, but the OAU ought to be able to step in, however symbolic its action may appear. That is the direction we wanted the OAU to take.

The proposed budget for 1987-88 that I produced was cut by \$2 million. But nevertheless, our policy will not be compromised over this period. The \$2 million in question had in fact been released to cope with one or two problems in the Secretariat-General and I originally wanted to use it to increase the amount the OAU was giving to the sub-regional institutions and countries of the Front Line. Then, before the Council of Ministers in February the Organisation's structures committee adopted various measures involving recurrent costs of \$2 million. As the Council failed to rubber-stamp the committee's proposals, they were postponed until the following budget year and the \$2 million deducted. But in the final \$23 million budget, the Secretariat will still get the

same operating credits as it does now, \$500 000, that is to say, for the institutions dealing with famine and drought, \$1 million for the Front Line countries, plus other one-off activities related to the organisation and image of the Secretariat-General. There could be a problem if the \$2 million are not put back and the Structures Committee's proposals not adopted when I present the next budget. The ball is in the States' court and we can only run the sort of policy we can afford. However, there is no reason to suspect that the States don't want to support the policy of innovation we are trying to promote next year and thereafter.

► *One last question. If you compare the various initial targets with the future prospects, how would you describe the overall developments in the OAU since it was set up 24 years ago and what are the subjects, the main ones at least, you will be discussing at the next summit?*

— The next conference is in Addis Ababa on 27-29 July this year. The Organisation's approach will be the same, one that is centred on economic issues and on running a priority programme, as well as on political problems, especially those related to the situation in southern Africa. Those are the two topics that will be dealt with at the next summit.

But the OAU has developed a lot and, after its purely political phase, it has to spend more time on the economy... not forgetting the crucial problems of freedom and liberation in Southern Africa. It was President Houphouët Boigny who said that a hungry man isn't a free man. So we have to do away with hunger and improve the economic image of our continent. We have to ensure that the series of crises that hit us can be handled with African genius and African means. We have considerable resources on our continent but we have a problem of organisation and it is a major handicap on our path to progress. Our economic target means sound management and organisational know-how, the conditions of successful economic development and the consolidation of the political sovereignty we have acquired. ○

Interview by
LUCIEN PAGNI

Brussels – 12th session of the ACP-EEC Council of Ministers

Spain and Portugal join Lomé III

A major item of discussion—negotiation of the protocol on Spain and Portugal joining the Convention. One or two bones of contention—the proposed consumer tax on vegetable and marine oils and the anti-AIDS measures in some of the Member States, for example. A ritual theme the ACPs see as being very important—the situation in Southern Africa... Many subjects calling for the partners to consult at such meetings as the forthcoming UNCTAD, GATT and the International Coffee Organisation, a body that is of great importance to the ACPs.

That, then, sums up the work of the 12th session, which met in Brussels on 14 and 15 May, with Miss Eugenia Charles, Dominica's Prime Minister and President of the ACP Council, and Leo Tindemans, the Belgian External Relations Minister and President of the European Council, in the chair. Mr Tindemans was replaced by his deputy, Paul De Keersmaeker, Belgium's State Secretary for European Affairs and Agriculture, after the first meeting and the Commission was represented by Vice-President Lorenzo Natali.

Friday 15 May was Eugenia Charles' birthday, and what better present (she had received one from Belgium and one from the European Council) could she have had than the happy conclusion of the meeting she had chaired, whereby ACP-EEC relations could take the extra step forward that she called for when the session started?

The ministers spared no effort to achieve this result and, as soon as the inaugural speeches were over, they looked at the most important item on the agenda—the conditions of Spain and Portugal's accession to Lomé III. Negotiations began on 10 October 1985 and were continued by a group of experts and the Ambassadors themselves. Last year, the ACP-EEC Council of Ministers in Barbados adopted transitional measures for application of the Convention to Spain and Portugal and laid down a system for trade between the ACP countries and the two new Member States. This was the same as the initial negotiating offer

which the Commission made on the Community's behalf. When the transitional measures expired on 31 December 1986, they were extended for a further period of a maximum of six months (to expire on 30 June 1987). So agreement was urgent.

As far as the ACPs were concerned, the negotiations were mainly aimed at getting Spain and Portugal to give them the same preferential treatment they are giving to the 10 Member States during the transitional period in which the Iberian economies are being brought into line with Community rules. For although parity of treatment of ACPs and Europe of the Ten was the rule in the EEC's initial offer, there were still exceptions for a few agricultural and industrial products—to the detriment of the ACPs—although they were considerably reduced in the new European proposals put to the ACPs on 30 April earlier this year.

Over and above this quest for equal treatment, the ACP drive was to get Spain and Portugal to apply the clauses of Lomé III to some fields (tropical products, for example) without waiting any longer. This, the Community thought, should have given

them a more advantageous status than the one granted to the Ten. Lastly, in these negotiations, the ACP countries tried to get further concessions from the enlarged Community as compared with the Lomé III text, in particular when it came to certain agricultural products.

The ACPs told their European partners—who said that the offer they were making guaranteed their exports would get the most favourable treatment given to third countries on the Spanish and Portuguese markets—that Algerian strawberries, cut flowers from Israel, fresh beans from Egypt and canned tuna from the Mediterranean countries to mention but a few, had better concessions than their products did.

Sugar and rice

When the ACP-EEC Council opened, there was still disagreement on various topics, although things crystallised when it came to the arrangements for sugar and rice, two important products as far as the ACPs are concerned, but ones of which the Community has a substantial surplus. This is why it was decided to give a restricted group of Ministers the job of continuing and concluding the negotiations. This group was led on the Community side by Michel Aurillac, the French Cooperation Minister, and included Spanish and Portuguese delegations and Dieter Frisch, the Commission's Development Director-General. Robert Ouko, the Kenyan Minister for Planning and National Development, led the ACP team, which also included representatives of Barbados, Fiji, Zimbabwe, Cameroon, Guyana and Senegal.

The group worked throughout 14 May and on the morning of 15 May, but without reaching agreement, although it did manage to settle almost all the questions still outstanding, such as ACP tropical products, to which Spain and Portugal agreed to apply the Lomé III tax exemption at once, an arrangement which they also extended to the Ten. They also agreed on rum. The quantity that the ACPs can export



King Baudouin of the Belgians (r) welcomes the delegation leaders — (l to r) Eugenia Charles, Leo Tindemans and Paul De Keersmaeker

EEC/Council PERILLAT

to the Community without paying customs duties now goes from 170 000 to 172 000 hectolitres of pure alcohol. Portugal also agreed to give ACP rum the same treatment as it gives to Community rum. For the other industrial products, the two new Member States agreed, by and large, to extend the measures for the Ten to the ACP Group.

The ACPs obtained improvements in the Lomé III commercial arrangements for fruit and vegetables, with a tariff reduction for a certain number of products not covered by the existing concessions. They also accepted the Community offer of raising some ceilings and quotas of products currently allowed into the EEC free of tax. The figures are now 800 t instead of 500 t for carrots and onions and 1100 t instead of 700 t for strawberries. Portugal also decided to dismantle the agricultural tariff arrangements for the ACPs and to line them up with those agreed on for the Ten (Spain had already agreed to this).

So only two products, sugar and rice, were outstanding. The ACPs, as we know, are very sensitive to anything to do with sugar—and indeed we often simplify things by saying that the ACP Group gravitates round two lobbies, the Stabex lobby and the sugar lobby.

ACP-EEC relations in the sugar sector are covered by a protocol whereby the EEC purchases about 1.3 million t of sugar from the ACPs, with no levies and at guaranteed prices. The Group wanted to take advantage of the enlargement of the Community to increase their exports of sugar to Europe, if possible at protocol prices (currently four times higher than the world price), as Portugal imports 300 000 t annually. But the Community is already staggering under the weight of its own surpluses (and the attendant burden on the budget) and would not authorise Portugal to import more than 75 000 t p.a. from four ACPs (Côte d'Ivoire, Malawi, Zimbabwe and Swaziland) with which it has long-term contracts at market prices (although with reduced levies). In addition to this quantity, which they felt should come under the protocol or similar arrangements, the ACPs wanted a 90 000 t duty-free quota opened to all members of the Sugar Protocol.



EEC/Council L. CRABBE

Miss Charles with (r to l) Solomon Mahaka (Zimbabwe), Chairman of the ACP Committee of Ambassadors, and Edwin Carrington, Secretary-General of the ACP Group

For rice, Lomé III gives ACP producers a 50% reduction in the levy applied to third countries on the EEC market, plus an export tax of an equivalent amount for 122 000 t husked rice and 17 000 t of broken rice p.a. The ACPs wanted an increase in these quotas and a specific quota for paddy rice, but the Community was unable to agree to this because it had a surplus, as did Spain individually, and there were no traditional patterns of trade between the ACPs and the new Member States.

The group of Ministers failed to agree on rice and sugar and it was an even smaller group, led by Eugenia Charles and Paul De Keersmaeker, which came up with the ultimate three-point compromise—agreement on the protocol on Spain and Portugal's accession to Lomé III, further examination under the Convention of the ACP rice and sugar claims and delegation of powers to the ACP-EEC Committee of Ambassadors to get it to adopt the measures needed to implement the protocol of accession pending signing and entry into effect.



EEC/Council L. CRABBE

The President of the EEC Council, Leo Tindemans (centre) with (l to r) Messrs Noterdaeme, the Chairman of COREPER, De Keersmaeker, Ersbøll, the Secretary-General of the Council, and Dubois, Director-General

Seeds of discord

Although the negotiations on accession were clearly the central issue at the meeting, there were other high spots at the Council too—the debate on the Commission's proposed introduction of a consumer tax on vegetable and marine oils, for example. This had arisen from the need to cut agricultural spending and was aimed at reducing the Community's output of oilseeds which, otherwise, would lead to last year's budget outlay being trebled come the year 1991 because of enlargement. The Commission proposed ensuring that production stabilised at a level equal to or in some cases lower than this year's anticipated level by substantially reducing the guarantees granted to the producers so far. This would bring production prices down by as much as 30%, but it would still not be enough to balance the budget as required, so the Commission suggested bringing in machinery to stabilise consumer prices. This would be applied on a non-discriminatory basis to all vegetable and fish oils for human consumption, regard-

less of whether they came from inside or outside the Community, and would be in the form of a tax imposed when market prices were low and of aid when they went above a certain level.

Three years ago, at the ACP-EEC Council meeting in Suva (Fiji), the ACPs for the first time expressed their fears about taxes of this kind penalising their groundnut oil exports and they returned to the attack on this occasion. Seydina Oumar Sy, the Senegalese Ambassador, the ACP spokesman on this issue, said he was convinced that the proposed system would push up the price of groundnut oil, already one of the dearest on the market, so the consumer would gradually stop buying it. He asked the Commission, which in March began consulting with the ACP, as the Convention said, for new economic measures that were no threat to the ACP producers' interests.

Vice-President Lorenzo Natali said that the Commission proposal was 90% to do with Community oil (palm oil for industrial use was not covered here) and would not penalise groundnut oil as its effect on the consumer's monthly spending would be an increase of only 1%. Mr Natali based his conviction on what had happened in 1983-85, when the price of oils and fats went well beyond the level at which the Commission proposed stabilising them, without affecting rising consumption. Ambassador Sy did not disagree with this, but he refused to believe that observations relating to a period of only two years were significant. The Community, Leo Tindemans stressed, had noted the ACP concern and would bear it in mind when solutions to the problem of agricultural spending were being discussed. It was also willing to carry on with the consultation before taking a final decision.

Isolating South Africa

Another major subject of discussion at the session was the situation in Southern Africa, an issue, alas, which has become something of a ritual in ACP-EEC meetings. It was clear simply from the tone of voice of Eugenia Charles, who reserved her strongest condemnation for apartheid and South Africa's many acts of aggression against ACP neighbours. After a decla-

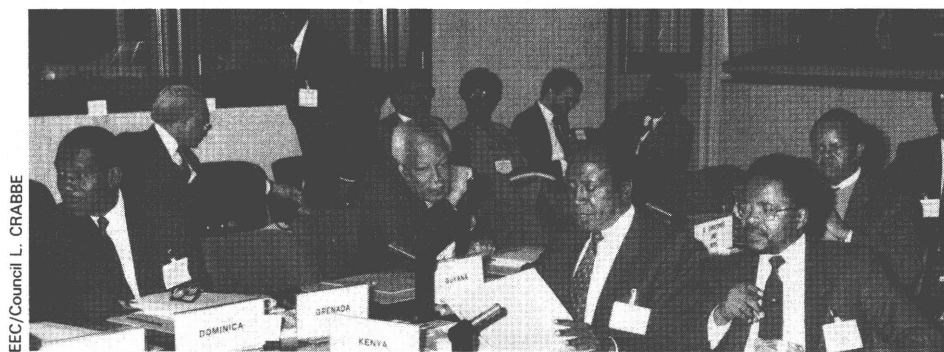
ration on the latest developments in the region on behalf of the Front Line States by Dr O. Munyaradzi, Zimbabwe's Minister for Trade, Miss Charles suggested holding a special meeting of ACP-EEC Foreign Affairs Ministers in November 1987 to discuss this. She also asked Belgium, the only EEC member to be on the UN Committee for Namibia, to use its influence to hasten the territory's independence.

Mr Tindemans promised to put these requests to the next meeting of the EEC Council of Ministers and the Belgian Government respectively. He then stressed that the Community condemned apartheid and supported the drive the moderate groups were making to achieve peaceful change in South Africa. He reminded the meeting of Europe's political initiatives—the Sir Geoffrey Howe (the British Foreign Affairs Minister) mission to South Africa last year and the Februa-

Charles welcomed the humanitarian action of the Community, but called for effective anti-apartheid measures. As she saw it, the results of the recent elections meant that the sanctions had not worked. What had to be done, she said, was to isolate South Africa—which Europe had the means of doing. This meant stopping all air, trade and financial links with the country of apartheid and refusing to receive its leaders.

Consultation

It was not possible to finalise the report on trends in ACP-EEC trade, something which Leo Tindemans deplored, and the text on prior fixing of the refunds on Community agricultural surpluses that were of interest to the ACP Group was not formally adopted by them either. Most of the discussions (other than those on the projected tax on oils and fats) revolved around the need for thor-



Some of the ACP delegations, with (centre) Robert Ouko (Kenya), the ACP leader of the negotiations on the accession of Spain and Portugal to the Convention, showing a paper to Hugh Shearer, Deputy PM and Minister for Foreign Affairs, Trade and Industry (Jamaica)

ry 1986 meeting of heads of European diplomatic services with the countries of the Front Line. He then went on to emphasise Europe's three lines of action—restrictive measures to make Pretoria understand that change was inevitable, positive measures contributing to change such as the code of conduct of European firms and aid for apartheid victims and the Front Line nations.

Lorenzo Natali devoted his speech to the help the Community has given to the SADCC countries, stressing that these States had received ECU 1500 million in EEC financing between 1981 and 1985. They would be getting around ECU 1 billion under Lomé III, not counting the non-programmable resources such as food aid. Eugenia

oughgoing consultation before the major trade meetings—the International Coffee Organisation's session on reducing export quotas, UNCTAD VII and the Uruguay Round. There were three main topics, with the same thread running through them—the ACP concern with their positions being eaten away and their request for their partners to defend their interests. In the coffee sector the idea was to maintain or increase the ACP share of the market, as Uganda's deputy Finance Minister, A.K. Mukasa pointed out. But the present state of impasse on the coffee market—plentiful production and a price slump—meant quotas, and lower ones, had to be brought back. The wholesale bargaining between the producers and the

consumers would decide. Could this not be an opportunity to repeat the *coup* of the Cocoa Agreement when Community action, with backing from Côte d'Ivoire, unblocked the situation? More generally, however, Commissioner Natali said that this was the problem of all commodities. There was a structural drop in the consumption of some and no organisation of the market in others. As he saw it, economic recovery was the best way of ensuring outlets for commodities, a 1% increase in the GNP of the developed countries leading to a 3% increase in the developing countries' exports. These matters would be discussed at the next UNCTAD meeting in Geneva in July. This institution's credibility, Mr De Keersmaeker maintained, was at stake and it had to list all the development problems and try and suggest answers to any question within its scope. But, he added, bloc-to-bloc negotiations had never given many results. Lorenzo Natali, who was surprised at some of the Group of 77's positions, said that the Community was defining its own position.

The ACPs were also at that stage, but with the GATT negotiations, the Uruguay Round, the Group was defining its positions on the trade in goods and services and would be seeking, as Miss Charles made clear, to protect Lomé achievements. Leo Tindemans tried to put the ACPs on guard against this attitude, as he felt that a purely defensive outlook could work against their interests. They should not overlook the possibility that these negotiations could offer of new markets. The President of the European Council also reminded the meeting that the Community was available for consultation and willing to tell the ACPs in advance of any decisions it might take on subjects (tropical products, for example) of interest to the Group.

Protests

On AIDS, the new epidemic sweeping the earth, there was protest rather than concertation. Raymond Chasle, the Mauritian Ambassador, denounced the unfair and discriminatory measure against ACP students in Belgium—AIDS testing. Although he said the ACPs welcomed the Commission's anti-AIDS plan, he warned them against the obsessional psychosis

First meeting of the Article 193 Committee

The Lomé III Article 193 Committee, which has taken over from the old Article 108 Committee, with the job of discussing financial and technical cooperation and the attendant general and specific problems, took the opportunity of the Council of Ministers to hold its first ministerial meeting. It was chaired jointly by Robert Ouko, Kenya's Minister for Planning and National Development and Mrs Adam-Schwaetzer, the German Secretary of State for Foreign Affairs. At the fairly brief session, a resolution on the basic principles emerging from evaluation in the sectors of irrigation, health and water supplies was taken and progress on the general specifications and arbitration procedures was recorded. This work should lead to draft ACP-

EEC Ministerial Council decisions before the end of 1987. The *Courier* will be reporting on the basic principles in a forthcoming issue.

It was not possible to take stock of ACP-EEC cooperation under Lomé I and II this time, as the ACPs had not made known their reactions to the Commission report. Their National Authorising Officers, who are meeting in Brussels in late July, will have to do this.

The Committee ended by paying tribute to Ambassador Ghebray Berhane, who is about to leave Brussels after a nine-year stay during which he has been the ACP Chairman of the Articles 108 and 193 Committees and the Sub-Committee on Financial and Technical Cooperation. ◊

which was currently developing and which could have highly damaging social and economic consequences. Eugenia Charles was equally direct. Only two cases had been declared in Dominica, she said, and one had spent 15 years in England and the other seven years in the USA and they had both gone home to die. She called for removal of all references to the Caribbean and Africa from AIDs handouts in Belgium.

Mr De Keersmaeker promised to pass these complaints on to his colleagues at the Ministries of the Interior and Health. Lorenzo Natali again pointed out that the Commission did not wish to blame anyone and said he was pleased that the ACPs agreed with the AIDS control campaign he had proposed.

The meeting also discussed—as usual—the price of sugar. The ACPs were against any reduction in the intervention price and even a freeze would be disastrous, their spokesman Murlidas Dooloo, the Mauritian Minister for Agriculture, Fisheries and Natural Resources, said. Stabex issues were also debated. The Commission continued to refuse derogation for exports (all destinations) from Uganda, Tanzania, Mozambique and Sudan, but the ACPs refused to budge. This is

exactly what happened with the reduction of transfers for 1980 and '81 when there were not nearly enough funds to meet eligible requests. The Community considered this matter to be closed after the gesture of an extra ECU 40 million that it made at Libreville in 1982 and the distribution of the Lomé II Stabex remainders on a *pro rata* basis in the light of the reductions made. Five countries (Gabon, Congo, Madagascar, Liberia and Senegal) were concerned with the reconstitution of Stabex resources and the Community would be announcing its conclusions as soon as possible.

The Council also discussed the problems of the debt, following a report from Nigeria's Ambassador Iroha (which the ACP-EEC Joint Assembly in Arusha had adopted) and the particular situation in Africa, following the UN special session in 1986.

It agreed that a consultation meeting of ACP-EEC professional circles should be run in Brussels, with the Economic and Social Committee's help, as soon as possible. The idea would be to discuss the development of the role of small- and medium-sized enterprises.

The next Council meeting will be in Port-Louis (Mauritius) on 10 and 11 May 1988. ◊ A.T.

Ten years of the CDI



Coming of age

When the Lomé I Convention was signed in 1975, the world was still young. Despite the oil shock of 1973, conventional wisdom held that industrial development was the key to higher foreign exchange earnings, and that they in turn were the key to prosperity for developing countries. Moreover, there was general consensus about the role of the central governments in ACP States—since they had a near-monopoly of trained manpower, it was logical that they should control industrial development, from the commanding heights down to the rural forge. It was in this climate that the Centre for Industrial Development was born in 1977, with a staff of ten, a temporary address inside the headquarters of the ACP Secretariat, a tiny budget and a sweeping mandate to act as a spur to industrial development in ACP States. For much of the past decade, the Centre, renamed the Centre for the Development of Industry in 1985, has struggled

against an environment that grew increasingly hostile, with further oil shocks, a generalised economic recession in the developed world, growing protectionism, and the slow decline of industry in many ACP countries, helped by foreign exchange shortages and the stifling weight of government control. In spite of the fact that the Centre has grown only to manage an annual budget of ECU 7 million, it has created for itself a place in the scheme of industrial development; and that place has recently come to be recognised as an increasingly valid one, as governments hasten to divest themselves of their industrial responsibilities, create new incentives for external investors and, in the EEC, seek to expand markets and put the accent on small and medium-sized industries. To mark the Centre's "coming of age", *The Courier* interviewed the Centre's principal actor, Dr Isaac Akinrele, Deputy Director from 1977 to 1985 and since then, Director.

“The fact of living with cooperation”

► *Dr Akinrele, what have been in your opinion the major changes in the world economic climate over the last decade?*

— Well, the general economic recession has affected the patterns of investment. It was a period in which we saw large cutbacks in FDI—foreign direct investment—which was overtaken by official development assistance. Next, there was the protectionist tendency which diminished the LDCs potential for earning foreign exchange. Thirdly, there has been the very serious problem of political instability of a great many LDCs and all these factors created a most unfavourable climate for investment. Now, in the last few months, perhaps a year, even, there has been an upturn in favour of more effective use of human and financial resources in the developing world. Many governments are divest-

ing, privatising, in the areas of industry and finance, and are creating incentives for the attraction of foreign capital.

► *How have these changes operated to the CDI's advantage?*

— As you can well imagine, the early period was quite constraining, and you might say that we were prophets crying in the wilderness. But the recent changes in attitude mean that we can now see far greater potential for our work. I have insisted that we carry out missions to all the ACP countries, to evaluate their potential and to ensure that they make the fullest use of their opportunities.

► *The CDI's mandate is very broad, and its resources are very slim. How have you managed to reconcile them?*

— We have had to face the stark

realities of tailoring our capacities to the demand. We could not hope to act as agents for industrial development *in toto* in any given State, so we have chosen certain priorities. What we have done is to establish a country-by-country intervention programme which enables us to make a higher standard of selection of the options which are presented to us.

► *What are your relations with the other ACP and EEC institutions?*

— We occupy a special niche in development cooperation. The Centre, like you at *The Courier*, is a joint institution, and there is, within the house, the daily fact of living with cooperation. Our ethical and professional philosophy has been developed through discussions with both parties, our ability to see both sides, and this

fact singles us out from purely ACP or purely EEC bodies.

► *You operate in the same field as UNIDO; what are the main differences between you?*

— Until recently, UNIDO laid great stress on the public sector, whereas we have always been open to both, with the main accent on the private sector. UNIDO began to move in our direction recently, and we have had discussions aimed at avoiding overlap or duplication. This would be perfectly possible, in my opinion, were we to concentrate on SMIs, leaving UNIDO to concentrate on larger industries.

► *Finally, Dr Akinrele, what steps would you like to take to improve coordination with sources of finance?*

— Apart from a pump-priming facility, I would like to develop privi-



Dr Isaac Akinrele, Director of the CDI

leged relations with financial institutions, especially those extending lines of credit to ACPs. We need better coordination, especially for those projects which have had their pre-investment costs funded by the CDI, to prevent overlaps and the dissipation of efforts. You see, many of these institutions do what we do, pre-feasibility studies, on-the-spot assessments (and they can't always do them as well as we can). Why, therefore, don't we act as their agents in the field, preparing the ground, and leaving to them the final decision as to whether or not to invest? As things stand, we have already got such relations with one or two such bodies, SIFIDA and the French Proparco, for example, and we are running joint actions with FMO and DEG in Germany. I think this is an area with great growth potential, and it is true that we are getting an increasing number of inquiries and contacts.

“An ability to respond directly”

Mr Jens Mosgard was Director of the CDI during the period of Lomé II and is now Deputy Director in accordance with the principle of alternation of these posts established by the ACP and EEC States. He is as convinced as Dr Akinrele of the need for a body like the CDI, and has been quick to spring to its defence whenever doubts are cast on its viability. Criticism has been directed towards CDI's cost of administration. Mr Mosgard speedily rectifies this impression. “Headquarters costs, which are set down in the Annual Reports as being about 50% of total expenditure, are not just administration. Half of our staff are experts in their own right who carry out missions and supervise projects. My own estimate is that only 25% to 30% of our budget can truly be said to be pure administration”. Asked about what he thought the CDI's strongest point was, Mr Mosgard had no hesitation: “Undoubtedly our strongest point is our ability to respond directly to individual requests from economic operators without any intervention from their governments or other bodies. Private operators in ACP countries often simply give up when they have to go through their governments, the red

tape and the delays and other obstacles being simply too much”. He looks back at the changing situation over the last six years and notes some improvements. “At the start of my period as Director, people were shocked by my proposal to relocate second-hand European plant in the ACP countries. They thought it smacked of sharp practice, but in fact, it was a perfect example of adapted technology. For two reasons; firstly, ACP industries tend to be smaller-scale, and lower-capacity plant was in fact better adapted to the needs of the market. Secondly, older plant tended to be more universal—that is to say, it was not designed specifically for one sort of job, and could be adapted to different ones. And being more universal, it was more likely to be familiar, in some aspects, to the people operating it”. Obviously, there are some regrets, too. “We still need to do more to involve EEC industrialists. The Far East and Latin America are very attractive alternatives to the ACP world when Europeans are planning overseas investment. EEC governments did not want to be involved with us at the beginning, and I believe they are only now starting to see their interest in sup-



Mr Jens Mosgard,
Deputy Director of the CDI

porting projects where their industrialists are involved—to overcome the high development costs for starting industries in countries with small markets and weak industrial infrastructure”.

Asked about what he wanted for the future, Mr Mosgard had few doubts as to where his priorities lay.

“My hope is that we can convince European partners to take a small economic risk to ensure profitability, for example, by taking some of their licence fees or management fees and so on, from future profits. We would prefer Europeans to take some equity participation in joint ventures, be-

cause we then would have an easier job finding the remaining money or at least we would find that the financial

engineering would be made much simpler".

Interviews by Tom GLASER

The structure of the CDI, its financing and its tasks

The Lomé I Convention, in its Article 36, defined the functions of the new Centre for Industrial Development as follows:

"to gather and disseminate in the Community and the ACP States all relevant information on the conditions of and opportunities for industrial cooperation;

to have, at the request of the Community and the ACP States, studies carried out on the possibilities and potential for industrial development of the ACP States, bearing in mind the necessity for adaptation of technology to their needs and requirements, and to ensure their follow-up; to organise and facilitate contacts and meetings of all kinds between Community and ACP States' industrial policy-makers, promoters and firms and financial institutions;

to provide specific industrial information and support services; help to identify, on the basis of needs indicated by the ACP States, the opportunities for industrial training and applied research in the Community and in the ACP States and to provide relevant information and recommendations".

From its very beginning, the CID was conceived to be operational in nature, and yet, by virtue of its rather unstructured tasks, subject to a considerable degree of control. Article 35 of the same Convention goes on to speak of the foundation of a Committee on Industrial Cooperation, reporting to the Committee of Ambassadors and primarily responsible for supervising the Centre for Industrial Development (as the CDI was called at the time).

Indeed a further organ was added, the Advisory Board, whose task was to assist the management of the Centre and which had the right to be consulted on major policy decisions concerning the Centre's work. It also had

the right to submit its own proposals on major lines of policy.

If this mandate, and the control mechanisms attached to it, seem somewhat heavy, this should hardly be a matter for surprise. The mandate was a wide one, and without constant guidance and control, the Centre might, in its early years, simply have stagnated, overborne by the enormity of the task before it, and by the paucity of the resources placed at its disposal. The annual budget for the Lomé I period was EUA 2 m (European Units of Account) which, together with its specific mandate, effectively prevented the Centre from financing or investing in projects which it had identified. And, as the Centre's Activity Report for Lomé I makes clear, a great deal of the work undertaken, in accordance with the Centre's remit, was of a nature which makes it difficult to highlight. Collecting information, arranging meetings, seeking out sources of finance and training, do not sound glamorous. Potential clients do not rush towards a source of advice or contact as quickly as they rush towards a source of funds. But, at the end of Lomé I, the Director of the Centre, Roger Theisen, and the Deputy Director Isaac Akinrele (since 1985 the Centre's Director), felt able to issue a report on the Centre's activities in which they said that the activities were "the basis for an industrial take-off under Lomé II". During this early period, the Centre was organised into three functional divisions; one dealt with professional training and technology transfer, one with projects and one with information. It dealt with industrial joint ventures, rehabilitation, with training, both of senior management and with technicians on-site, held seminars and fostered regional cooperation.

The second Lomé Convention, signed in 1980, placed even greater

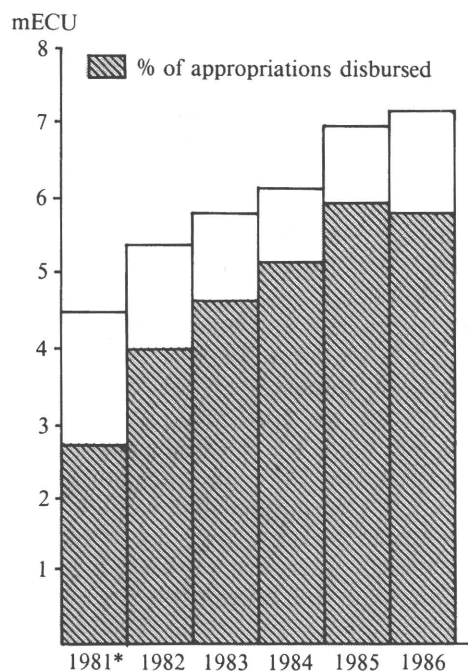
emphasis on industrial development than the first. The second oil crisis was uppermost in the minds of the signatories. But, more importantly for the Centre, it had become obvious that the original terms of its mandate had been too vague and diffuse, and its operating budget had been too small. For the period of Lomé II, the budget was increased to average ECU 5 m a year, an attempt was made to define more closely what the Centre could do best in the framework of the very detailed chapter on industrial cooperation. Article 79 of the chapter reads:

"In its programme on industrial promotion, special emphasis shall be placed on the identification and exploitation of the possibilities of joint ventures and subcontracting as well as of the potential of small and medium-sized industries".

By the end of 1981, the Centre had established itself at its present address, and comprised 39 staff, about half ACP and half EEC, and were operating on a budget of just ECU 5 m divided, again about 50-50 between administration and operations, although, as Mr Mosgard, the Deputy Director, points out, about half the 'administration' costs were directly related to project operations. During the Lomé II period, the Centre thus began to adopt many of the features which distinguish it today. Its level of staffing, its severe budgetary limitations and its lack of automatic entry to major sources of finance. Indeed, its relations with the European Investment Bank have been correct but chilly, by the very nature of its task. The EIB concerns itself only with projects of a certain size, while the Centre has a key role to play in bringing out the potential in operations below the scale that would attract conventional bankers. And the Lomé II period was one in which the economic recession became a real threat to industrial development in Europe, as well as an almost total block to progress in ACP countries. The core of the Centre's work continued to lie in the unglamorous fields of forging contacts, making initial assessments, providing training and feasibility studies as well as providing implementation and technical assistance to projects.

During the course of Lomé II, the Centre notched up some solid achieve-

CDI Budget and Appropriations



(*) Appropriations include 1980 figure.

ments, but the 1984 Annual Report continued to make the important point that the true nature of the Centre's work could not be quantified in the same way as the work of investment institutions. It pointed out that the Centre's work, almost like that of a missionary, lay with those industries that were too small, too poor and too ill-fated to interest normal lending institutions. Furthermore, the nature of the work was preparatory, arranging visits, making on-the-spot assessments, helping to seek sources of finance. And, finally, the Centre could not launch any plans itself, since it was a service organisation, dependent upon interest displayed by those to whom its services might be useful. What the Centre could, and did, do in its Annual Report for 1984 was to ask 65 recipients of its services what they thought of those services. The replies must have been cheering to the staff, and to the then Director, Mr Mosgard. Thirty-seven per cent of respondents (who totalled 64% of those circulated) felt that the Centre's assistance had had a determining effect on their activities, 58% thought it had had an important effect, and only 5% thought that it had had little or no effect.

Whilst a certain amount of cheer could be derived from customer response, the Centre viewed the advent



Future partners from Trinidad and Tobago and Italy meet in the CDI's offices to discuss a joint venture

of Lomé III with mixed feelings. On the one hand, it continued to suffer from a diffuse mandate (although it had rapidly shown itself adept at concentrating on the feasible and avoiding the visionary) to which new tasks tended to be added and from which no tasks were taken away. On the other hand, it still suffered from a lack of access to sources of finance, a fact which was particularly galling when it felt itself to be a full member of the ACP-EEC family. Thirdly, its budget, especially the budget proposed under Lomé III barely kept pace with inflation, and spelled a further period in which so-called "household" expenses would seem to eat up more of the budget than operational expenditure.

Lomé III, while it did not subtract from the Centre's mandate, did make it quite clear where the emphasis was to lie.

"In carrying out the above tasks, the Centre shall take care to operate selectively by giving priority to small and medium-size industrial enterprises and rehabilitation operations, and restoring existing viable industrial capacities to full utilisation. It shall place special emphasis on opportunities for joint ventures and subcontracting".

In case the workload of the Centre (still only 40 staff) was still too light, a new responsibility, that of helping to market ACP products, was added to the remit. The Advisory Board was converted into a Joint Governing Board and given new power, especially over the budget and work programme, and Dr Isaac Akinrele, Deputy Director since 1977, became the Centre's Director, with Mr Jens Mosgard, the

former Director, becoming his deputy.

Dr Akinrele began his administration with a determined effort to keep household costs down, and to give a more relevant shape to the Centre's administration, mirroring the new preoccupations of the Convention and the objective realities of the ACP industrial landscape. Dr Akinrele also made it plain that, in an era of budgetary constraint, it was impossible to continue operating the "reactive" policy that had hitherto prevailed. In effect, to make maximum use of the funds available, it would be necessary to establish an annual profile of possible areas of intervention in each ACP country, and work from there, rather than leaving the requests for assistance to trickle in by themselves. The vital importance of private investment, recognised by the Convention, and the desperate shortages of foreign exchange in ACP countries, meant that new sources of capital and know-how from the private sector were much more important than they had been, and that their mobilisation had to be guided and coordinated.

For long the Cinderella of ACP-EEC bodies, dwarfed by ACP and EEC governments and financial markets, the CDI is only just beginning to come into its own. While much has been said about the "enabling environment" for the private enterprise (as the Aga Khan called it), the CDI has been one of the few promotional bodies active in creating that environment for a long time. If the environment is now improving, the CDI will have played its little part in that improvement. ○

T.G.

INDUSTRIAL FORUM: The West African example

by A. HUYBRECHTS (*)

The Courier no. 102 (March-April 1987) had a dossier on private investment, pointing to the way ideas on the developing countries' industrialisation had evolved and the increasing importance being put on private enterprise. In this article, A. Huybrechts takes the Industrial Forum in Dakar in December 1986 as the basis for a summary of schemes of this sort and of their aims and results.

What is an industrial forum?

This, as organised for West Africa in Dakar (since 1976) and for Central Africa in Libreville (more recently, in 1985), is a meeting of European businessmen and African industrialists or promoters and its aim, one of mutual interest, is to give these potential partners the opportunity to get to know each other and discuss practical cooperation projects for their firms. The idea is to make as many contacts as possible with a view to actually signing cooperation contracts between different companies. This formula has the advantage of providing a well-oiled, organised framework in which a large number of effective meetings can occur in one place in only a few days on the basis of broad information previously available (on African economies and projects), thus at minimal cost.

The aim, then, is to encourage industrial cooperation agreements between European and African industrialists. It reflects an increasingly noticeable trend in our thinking about the leading role the private firms have to play in North-South relations, especially when it comes to industrial de-

velopment cooperation in the Third World, the ACPs in particular. So the forum is a way of promoting industrial cooperation between firms.

It is worth noting here just how large a contribution this industrial cooperation (North-South and EEC-ACP especially) makes to the practical wellbeing of the firms, beyond, but as a complement to, any cooperation between the States themselves.

When it comes to macro-economics, i.e. to official cooperation, that of States or groups of States, it is increasingly clear that the industrialisation of the Third World is both a *sine qua non* of its development and a reality that we are only discovering gradually. The present economic crisis is by no means the cause, although it certainly highlights it, particularly by sharpening competition and making us more aware of the fact that the industrialisation of the developing world is definitely under way. The pace varies widely from one continent to another, of course, from extremely fast in the newly industrialised nations to very much slower in Black Africa. But it is ineluctable. If it does not have our collaboration, it will proceed without it—against us, that is—so we cannot but be involved.

The industrialised nations have to bank more than ever before on growth based on exports, particularly to the Third World and for the benefit of its development, ensuring that this Third World can produce, export and therefore import.

This is why the European nations have to encourage their firms to cooperate with partners in the developing countries. They have to push them to set up there. This physical presence in the host countries, this greater com-

mitment in terms of grey matter, of management and of marketing and this sharing of risks and profits are in the mutual interest of the parties and an ideal form of cooperation.

The authorities can foster it less by direct intervention than by back-up. Official cooperation obviously has an important part to play, essentially by financing certain kinds of industry-related infrastructure (energy, industrial facilities etc.) and training programmes, and only more rarely by financing factories. Its role is both to create a climate that will encourage people to invest or set up plants, and to offer practical encouragement for the partners. The authorities must encourage information and contact between industrialists, and they must set up support machinery to facilitate the conclusion of agreements between firms.

At micro-economic level, that of the firms, that is to say, it has to be realised that they have the leading role as far as industrial cooperation and the transfer of technology is concerned. They alone are in a position to assess projects and implement them, select and provide the appropriate equipment transfer the industrial know-how, ensure the technical and administrative back-up and guarantee supplies, outlets, transport facilities and marketing. And they are increasingly open to North-South cooperation. More and more firms are interested and the vast majority of those already involved are willing to start again.

There are three kinds of reason for this and they are often linked:

(a) The first are linked to *production*, considerations of *cost price*, which can be reduced by locating all or part of the production process at one site where labour is cheap and there is an inexpensive source of raw materials or energy. The cost of labour is no doubt the commonest reason for SMEs as well as big firms. Tunisia and Mauritius are good examples, but for the moment, Black Africa does not seem particularly well-placed. Availability of resources and energy is less common and largely the concern of bigger companies.

(b) The second set of reasons is linked to *marketing*. European firms that set up in Africa very often do so to ensure, maintain and enlarge their trad-

(*) The author is a principal administrator in the EEC Commission's Development Directorate-General.



ing by opening in or near certain national or regional outlets to which they already export, with a view to cutting (transport and distribution) costs, being closer to the market (as far as information, trends, customer contact, maintenance and after-sales services are concerned), overcoming the increasing protectionism of the host countries or getting a share of the rapid growth of some particularly dynamic markets.

It has to be realised that the line between exporting and setting up in the developing world or between commercial investment and industrial investment is by no means a clear one. Trying to decide between transferring know-how and exporting products is a false problem. The two are not alternatives. On the contrary, they are logically and chronologically related, complementary and often coincide.

(c) The third set of reasons has to do with *cooperation itself*: enhancing the capital represented by the industrial know-how of the firm (something for which outlets are now appearing where there were none before), has become an activity in its own right and one which is likely to constitute a new source of cash flow and profit.

The Dakar Forum, 1986

The 7th Dakar Forum was held on 1-4 December 1986 during the 7th Dakar International Fair. It was run under the patronage of ECOWAS (the Economic Community of West African States) by CICES (Senegal's International Centre for External Trade) at the instigation of the EEC Commission, with the Community financing 95% of the total outlay. The CDI (Centre for the Development of Industry) and UNIDO (the UN Industrial Development Organisation) helped.

Events of this kind call for long and careful preparation and this was patiently ensured at six groundwork and coordination meetings in Europe and Africa from February-November 1986.

This involved: producing a wide range of promotional material; running promotion campaigns in European industrial circles; organising trips (including lodgings); making people in Africa aware of what is going on and identifying private African projects;

The Franco-African firms meeting in Libreville

Libreville was the scene of the first "Franco-African firms meetings" on 11-13 January 1987, organised at the instigation of the French Cooperation Ministry. The idea was greater cooperation, of a new kind, between French and African firms. We do not have space to print it all⁽¹⁾, but the main conclusions of the special subject committees—as set out by Amadou Souana, the Chairman of Niger's Chamber of Commerce and Industry, and Jean-Pierre Prouteau, the Chairman of CIAN (the Committee of French Investors in Black Africa, a member of the Group of Seven)—are given below.

Mr Souana summed up the work as recommending three things: "a lightening of administrative and tax regulations for the benefit of the firms; training for heads of firms; optimum dissemination of economic information".

Mr Prouteau listed "10 key points" which, he suggested, "could be embodied in a charter": private cooperation should be institutionalised; target figures should be defined for the development of the private sector in each of the countries of Africa; the prime importance of the market in economic development should be made clear; the rules of modern African markets and of the continent's informal or parallel markets should be clarified; global (agricultural, industrial, commercial and service) economic development should be promoted; the fact that partnership means joint shareholding should be made clear; the State should get the private sector to act, not force it to do so; Africa is seeking a mutualist savings, banking and insurance strategy; professional organisations should be mobilised to help the development of the African economy; vocational training and training for heads of firms should be stressed." ○

(1) See, in particular, no. 2150 of 23 January 1987 of *Marchés Tropicaux et Méditerranéens*, which gives the conclusions of the various working parties set up during these meetings.

producing a detailed programme, including, in particular, the schedule for private bilateral contact, press coverage, receptions and visits, special meetings (including one on joint venture financing) and detailed arrangements for the material organisation on the spot (there are too many items to list here, but they are extremely important).

After a grand inaugural session before an audience of 800 people, with the places of honour occupied by the representatives of the organising bodies and the Minister for Industry of Senegal, the host country, the Forum had the benefit of the active involvement of more than 200 European industrialists and more than 200 African promoters (90% of them from the private sector). This is remarkable, bearing in mind the unencouraging international economic climate. And the figures do not reflect the intense activity of participants either, or the standard of the delegations or the increase in private African operators. There were an estimated 1 500-2 000 bilateral meetings! Surely there can be no better indication of the interest the Forum generated.

ACP-EEC industrial forums

The EEC Commission invited an external expert, Philippe Queyrane, to run an objective evaluation of these

events. He completed the work after the 1986 Dakar Forum, drawing very positive conclusions and, of course, making recommendations for further improvements.

He is very positive about: the importance of European and African industrial involvement; the contact activity, the intensity and standard of which are constantly on the increase; the undeniably good reputation the forums have in Europe and Africa; the highly competitive cost of a forum in comparison with more elaborate forms of industrial promotion, primarily because of the professional approach of most of the organisations.

Some things, however such as project preparation and certain aspects of the organisation, he maintains, could be improved. He concludes that the forums should be maintained for the various areas of the ACP Group, proposes improvements and suggests a system of monitoring (in which the CDI would play a prominent part).

The next EEC-Africa industrial forum is in Libreville on 24-27 November 1987. It is for 11 countries—Angola, Burundi, Cameroon, Chad, the CAR, Congo, Equatorial Guinea, Gabon, Rwanda, Sao Tome & Principe and Zaire. Preparations have already begun and the forum is expected to be even more successful than the first one in 1985. ○ A.H.

GUINEA-BISSAU



Jornal Nô Pintcha

Aiming for a liberal economy

A fresh wind is blowing through Guinea-Bissau — the wind of change in the economic policies the country has had since independence in 1974. It was clear to the leaders after the nation's hard-won independence (which took 12 years of struggle to obtain) that the State had to take over the economic life of a country virtually in ruins and it is clear to the leaders today, again 12 years later, that the idea of centralisation now has to be abandoned. Their heritage in 1974 was a far from brilliant one. The consequences of war had profoundly marked both the way the country was run and its deficient — or just plain destroyed — infrastructure, and on top of this there was a serious shortage of skilled workers and cadres, a problem that has still not been solved today. Over the years, economic policies based on a strong, dirigist central power, with an ambitious public investment programme for the greater part based on industry, to the detriment of a nonetheless vibrant agricultural sector, have proven to be ill-conceived and there is a serious economic crisis and what amounts to financial strangulation of the State.

The decision to change track was neither easy nor sudden. In fact the 4th Congress of the PAIGC (African Party for the Independence of Guinea-Bissau and Cape Verde), the only legal party, in November 1986, was the culmination of a long process of reflexion (see also the interview with President Vieira) on what was going badly and on ways and means of getting the nation onto a different track. There were two major factors behind this decision. First, the realisation that

the approach used so far had failed. Second, that they should return to the roots of Amílcar Cabral, the founder of the PAIGC and the man looked upon as the father of the nation, who always said that "reality should be the basis of our action".

And the reality is that Guinea-Bissau is an essentially agricultural country and has undeniable potential when it comes to pushing up its rural production. Was it not Amílcar Cabral, an agronomist by training, who said back in 1964⁽¹⁾ (when he used his nom de guerre, Abel Djassi) that "after liberation, we will give priority to boosting food production. Agriculture will be in the front line. Let there be no mistake about this — Guinea-Bissau is a small country that will go on being poor for some long time... So let us leave the priority on agriculture".

The people seem to have responded positively so far to the first economic liberalisation measures. Agricultural output is increasing and the Government is determined to continue turning the wheels of production, not just by supplying the appropriate inputs, but also by providing the consumer goods that were so lacking before. Business on the many markets in Bissau, the capital, suggests that the change is well under way. And the Government is sparing no effort, giving practical support to a certain number of bilateral and multilateral donors so as to rationalise the structure of the economy.

(1) A libertação da Guiné — Aspectos de uma Revolução Africana — Basil Davidse — La Costa, Lisbon — 1975.

Crossed by rivers

Guinea-Bissau is on the west coast of Africa, wedged between Senegal to the north and Guinea (-Conakry) to the south. The name 'Guinea' probably comes from the Berber word 'aguinaou', meaning 'black' and was used by the first Portuguese who explored the area. The addition of 'Bissau', the name of the capital, distinguishes the country from its neighbour.

Guinea-Bissau is 36 125 km² in area, slightly bigger than Belgium and Luxembourg together. Its coastline, about 200 km long, is cut by the estuaries of many rivers, the biggest of which are the Rio Grande (or Geba), with its affluent the Corubal, and the Rio Cacheu. A vast coastal area of around 8000 km² is made up almost entirely of creeks, bogs and mangrove swamps and then the country rises gently to the east, fairly smoothly, reaching a modest 250-300 m at the frontier with Guinea-Conakry. In addition to this mainland territory, there is the Bijagos archipelago, 30-odd islands a few miles off the coast, which, although attractive with their lush vegetation, are difficult to get to because they are surrounded by broad mud banks.

Climatically, Guinea-Bissau is in the tropics, with alternating dry and wet seasons, tempered by winds. The annual rainfall, an average 1600 mm, tends to be well distributed, although here too the effect of the Sahel is being

increasingly felt and there is the occasional drought. Outside the coastal area, forests grow along the rivers, while the rest of the land is savannah. The continual deterioration of the environment—characterised by rapid desertification—particularly the effect of many (accidental or deliberate, by huntsmen or farmers) brush fires that occur throughout the country, is now extremely alarming, to the point where a new law on protecting the forests and the plant cover is soon to be brought out.

The population currently stands at 900 000, with a density of almost 22 people to the km². More than 80% of the people live in rural areas, in the something like 3600 *tabancas* or villages that are the basis of the nation's social and economic organisation. Bissau, the capital, has a population of more than 100 000. The main tribes are the Balante, the Fula, the Mandingo, the Mandyako and the Pepel. Almost two thirds are animist and the rest mainly Moslems, with less than 5% Christians.

The long march of the PAIGC

Before it was discovered in 1446 by the Portuguese navigator Nino Tristão (who was killed the following year while trying to get to the Bijagos, whose inhabitants were famous for their independence and belligerence and were only pacified by the colonisers in 1936!), Guinea-Bissau was a

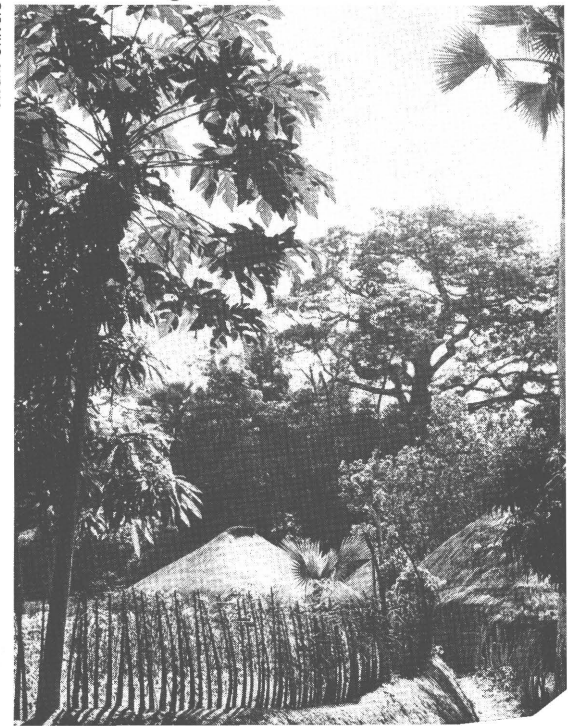
kind of *cul-de-sac* where for centuries migrants came to grief on the swamps and in the sea. Right from the start, it was primarily the Portuguese on the Cape Verde archipelago who took charge of trade (mainly in slaves) along the coast of the present territory and it was not until 1879 that the colonial authorities separated Guinea-Bissau and Cape Verde. However, long after this, the histories of the two countries evolved together, as the name of the party—the African Party for the Independence of Guinea and Cape Verde—shows.

In 1588, a *capitaniamor* was set up at Cacheu, in the north, whence the *lançados*, the white and half-caste adventurers who acted as intermediaries between the African peoples and the colonial powers, went off on their expeditions into the interior in search of "goods"—primarily slaves, but ivory, skins, wood, spices and so on as well.

In 1692, a general *capitaniamor* was set up in Bissau to ensure better control over the deltas in the central and southern parts of the country. Over the 16th to 18th centuries, the coast was the envy of slavers and pirates from other major European powers, especially France, Great Britain, the Netherlands and Spain, some of whom had greater territorial ambitions. The Portuguese settlements, which still came under the authorities in Cape Verde, tried to conclude trea-

The basis of the country's social and economic organisation is its 3600 villages or tabancas—like this one nestling in the forest

The sea, the waterways and the forests fight for the lush tropical, river-patterned land



GUINEA-BISSAU

The ACP-EEC Courier



1

The ACP-EEC Courier



2

Belga



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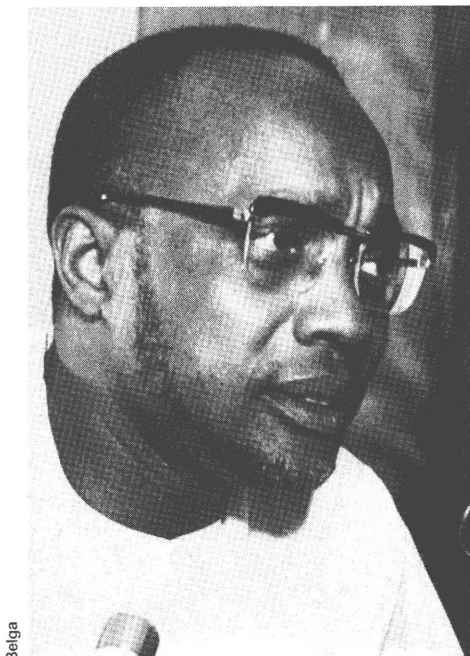
Belga



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Belga

1 For centuries the Guinean peoples were taken as slaves

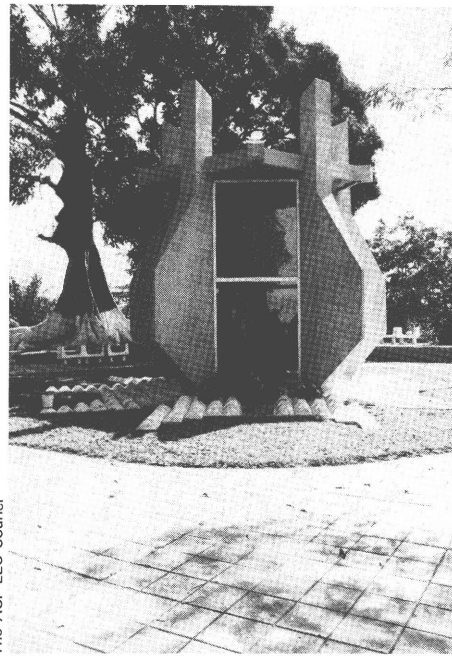
2 The first capitaniamor was set up at Cacheu, in the north, in 1588

3 Freedom fighting was inspired by a tradition of revolt against the colonial oppressor combined with a profound sense of nationalism

4 The first National People's Assembly was elected in the liberated areas back in 1972

5 Amilcar Cabral founded the PAIGC in 1956 and triggered guerrilla freedom fighting in 1963...

6 ... but the founding father of the nation never savoured independence, as he was assassinated in 1972. (Opposite, his mausoleum in Bissau)



The ACP-EEC Courier

ties with the people in the coastal reaches so as to repulse these territorial ambitions and, in 1886, a Franco-Portuguese agreement (laid down by the famous Berlin conference of 1885) ultimately drew the frontiers of what was then called Portuguese Guinea with the neighbouring French territories. Administrative separation from Cape Verde in 1879 heralded the real beginning of a colonial campaign to settle in the interior. However, it came up against enormous difficulties, especially the power of the State of Gabu, which occupied almost all the eastern half of the country. In fact almost every tribe stood firm against the colonial intrusion and more than 20 so-called pacification campaigns had to be run up until 1936, when a long period of repression began.

It is this tradition of revolt, combined with a profound feeling of nationalism that was behind the formation of the PAIGC, around Amílcar Cabral, in 1956. In the early days, the Party got organised, ran information and propaganda campaigns and rapidly spread its ideas, particularly in the towns, among the intellectuals, the civil servants and the workers. Then it happened. The colonial authorities took brutal action during the dockers' strike at Pidjiguiti on 3 August 1959, killing dozens of strikers. On 19 September that same year, the PAIGC realised there could be no peaceful solution and decided to move on the armed fighting in the countryside. Civilian mobilisation lasted until 1962 and, in 1963, guerrilla fighting began in the south, near the sanctuary offered by the Guinea-Conakry of Sékou Touré, which had been independent since 1958. Meanwhile, the CONCP (Conference of the Nationalist Organisations of the Portuguese Colonies) was formed in Casablanca in 1961 to coordinate the action of the various liberation movements against the colonial power. In February 1964, the PAIGC held its first Congress at Casaca, in the south, to list the Party's tasks (given the extent of the fighting) and devise and set up political, social and economic structures in the areas gradually being liberated. As the troops liberated the land, the new State took shape. In 1972, a National People's Assembly was elected in the liberated zones. On 20 January 1973, the founder and Secretary-General of

the PAIGC, Amílcar Cabral, was assassinated — but too late to halt the Party's long march to independence and, following the second Congress in July 1973, it made a unilateral declaration of independence on 24 September of that same year.

The fall of the Marcelo Caetano régime, which had succeeded Salazar's, in Portugal following the spring revolution of 25 April 1974 (under the influence of the freedom fighting in most of the colonies) led directly to the Algiers agreements on 26 August 1974. Portugal recognised the *de jure* independence of its former colony on 10 September 1974, almost a year after more than 80 other States had officially done so. After the departure of the last Portuguese troops, the PAIGC leaders entered the capital in October 1974. After the general elections of December 1976, Amílcar Cabral's brother, Luis Cabral, was returned as President of the Council of State (in March the following year), a post he had occupied since 1973. In November 1977, the PAIGC had its third Congress, the first since independence. On 11 November 1980, the People's Assembly adopted a new constitution, scheduled to take effect on 1 January 1981. This provided for unification of Guinea-Bissau and Cape Verde, provided the elected representatives of the two peoples agreed and a referendum was held. The army felt that Luis Cabral was not toeing the Party line and so it took power on 14 November 1980 with a view to making the changes it felt were called for. João Bernardo Vieira came to power and Luis Cabral went into exile, somewhat as a symbol of the *mestico*⁽¹⁾ élite, mainly from Cape Verde, who held many of the key posts and whose influence was later considerably reduced.

In Cape Verde, the changes were reluctantly received. A new, purely Cape Verdean party was formed, the bi-national aspect that the PAIGC had always had was done away with and the idea of the unification of the two countries disappeared. However, in June 1982, relations with Cape Verde were re-established.

In Guinea-Bissau, the Party kept its name. As Vasco Cabral, the Perma-

nent Secretary of the Central Committee of the PAIGC said, the people "were consulted at the time of these events, but they wanted at all costs to keep the PAIGC, as it had fulfilled their hopes and returned them their freedom and they did not want any change".

Financial strangulation

With an estimated per capita GDP of only US \$ 185 in 1986, Guinea-Bissau is one of the least developed countries. Its overall GDP of \$ 160 million in 1986 is even declining slightly in real terms in relation to the previous year. Over the past five years, the average growth rate of GDP has never been more than 3%, which, in comparison to the population growth rate that most sources put at well beyond 3%, represents a drop in real terms.

Financial strangulation is the term that most of the leaders use when they speak about the economic situation as a whole and a look at the figures does nothing to contradict them. In 1986, the trade balance was showing a deficit of around \$ 49 million, with imports at around six times the value of exports (approximately \$ 60 million as against only \$ 10 million). The current account showed a deficit of around \$ 30 million and the budget deficit was no less than 21% of GDP. And, last but not least, at the end of last year, the total debt was in excess of \$ 300 million, with debt servicing at more than \$ 22.5 million. A record to make any economist think...

Godinho Gomes, Minister and Governor of the National Bank, says there are two reasons for all this. First of all, "since the early days of independence, we have piled up debts which have not had a positive effect on our production apparatus. In other words, we got into debt for nothing and we have nothing to show for it. And, since the very beginning, we have always had policies that have contributed to our present monetary situation. We adopted a fixed exchange rate for the peso in relation to the SDR⁽¹⁾, which would have been fine if the economy had been good. But it wasn't. As we didn't have a flexible exchange policy, the monetary

(1) of mixed race.

(1) Special drawing right, an IMF unit of account.

GUINEA-BISSAU



The ACP-EEC Courier

Godinho Gomes, Minister and Governor of the National Bank:

"Our unrealistic exchange policy has penalised our productive sector, which is almost 100% rural"

situation became unrealistic and we found ourselves with a currency that was overvalued more every day. The unrealistic exchange rate led to what I can only call a divorce between the town and the country, as the former was subsidised to the detriment of the latter. And the rural areas reacted, as they had no production input, no consumer goods and no efficient marketing structures either and looked to themselves and the neighbouring countries for outlets for an increasing percentage of its production on a parallel market, thereby clearly demonstrating its wariness of our currency. Our official exports slumped as a result, with dramatic repercussions in our trade balance. So obviously this unrealistic exchange policy has penalised the productive sector, which is almost 100% rural".

The credibility and convertibility of the national currency is obviously a

big problem. In 1983, the peso, which was introduced in February 1976 as a replacement for the Guinean escudo, was devalued, as part of a first attempt at economic adjustment, by 100% (from PG 44 to PG 88 in relation to the SDR). This was immediately followed by weekly devaluations of roughly 50% p.a. At the beginning of May this year, it was further devalued (under a new adjustment plan) by 145%, with a view to bringing it nearer its true value. The exchange rate is now PG 650 to the US dollar, as against the PG 265 it was before. The EEC has financed a study by a top level expert to advise the Government on its monetary policy and to assist it in its negotiations with the IMF. In the longer term, the Government wants to go into an existing monetary zone, but, as Bartolomeu Simoes Pereira, the Minister of Planning, said, "this is not an end in itself".

To put it plainly, this first economic readjustment operation (a first slice of IMF credits as from July 1984) did not live up to the expectations of those who brought it about. After a slight improvement in 1984, the operation ran out of steam in 1985-86. There were a number of reasons for this, including the drop in the world prices of the main exports (groundnuts and palm nuts), but above all because too much time was taken for implementation and the reforms were too slow or did not work. Domestic inflation continued to be encouraged by expanding Government credits and the parallel market failed to decline. In fact the ratio of official to parallel exchange rates remained at roughly 3:1.

As the Governor of the National Bank, Mr Gomes, pointed out: "The timetabling of aid is a very real problem. Delays caused by different things

meant that the programming of the credits provided us did not tally with our agricultural production and marketing campaigns on which our main efforts are deployed. In future, we should make a very serious attempt to see that our internal action is better coordinated with external aid, and *vice versa*, and that it is all in line with the demands of the agricultural year".

Structural recovery

In view of the catastrophic financial situation, the Government has collaborated closely with the World Bank, the IMF and other donors to bring in a new structural readjustment programme for 1987-1989. The country now has a global amount of \$44.2 million — US \$10 million from IDA (the World Bank's sister organisation), US \$5 million from the Special Facility for sub-Saharan Africa, US \$5.2 million from Switzerland, US \$3.2 million from Saudi Arabia, US \$11.3 million from the ADB, US \$5.3 million from IFAD⁽¹⁾ and the IMF is providing structural recovery funds of US \$4 million.

A serious effort is also being made to reschedule the debt. It has already been done with some of the main creditors, Portugal and the Soviet Union, for example, but remains to be done with others, Angola (hydrocarbon supplies), for example. This structural rehabilitation obviously involves a whole series of financial rationalisation measures and incentives for greater agricultural output and more efficient — and in this case more liberalised — marketing. The peso, as already mentioned, has been devalued and it will be at a flexible rate later on, with a view to bringing it down to its real value and bridging the gap between the official and the parallel markets. For, as Godinho Gomes says, "we absolutely have to stop penalising our productive sector". Then there is a whole series of measures for the management of public finances — better debt management, better tax policy coupled with better control, a cut in investment spending and public spending in general, new taxes and du-

(1) IDA — International Development Association
ADB — African Development Bank
IFAD — International Fund for Agricultural Development.





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Bartolomeu Simoes Pereira, Minister of Planning:
"... preparation of the second Development Plan for 1988-91 will also reflect this change in approach with a view to reducing the State's role in the economy"

ties and more realistic prices for such things as fuel, a credit policy that reflects the balance of payments situation, inflation and growth and a flexible interest rate. Both private sector and public firms will get better access to bank credit facilities and prices and external trade will be liberalised to enable the private sector really to take off.

This austerity will go hand-in-hand with social measures, such things as a modulated increase in civil service salaries. Note here that the programme also involves making a third of the more than 16 000 civil servants redundant over the next three years, but this massive laying off will be accompanied by a range of benefits, recycling etc to minimise the social impact.

Economic liberalisation

This seems to be one of the keys to the success of Guinea-Bissau's change of direction. Vasco Cabral, Permanent Secretary of the PAIGC Central Committee, says that "liberalisation was necessary and is beginning to bear fruit. But it will not be an anarchic process. On the contrary, it will be carried out along the lines laid down by the Party, which was neither paralysed nor archaic at its 4th Congress in November 1986, but just the opposite, dynamic, because it used its analysis of what was wrong as a basis for adopting the sort of strategy and means

that would overcome the difficulties. Taking the reality of our situation as a basis, as Amilcar Cabral wanted us to, we realised we had to put greater stress on the private operators to complete the action of the Government and the Party. This economic liberalisation goes hand in hand with greater decentralisation, so the problems of the different regions are not only better known at the centre, but better coped with on the spot".

The Minister for Planning, Bartolomeu Simoes Pereira, said it was clear that the "ongoing preparation of the second Development Plan for 1988-91 will also reflect this change in approach with a view to reducing the State's role in the economy, although the essential priorities are the same — the development of agriculture and fisheries". Among the big promoters of this more liberal approach to economic life is the Minister for Trade and Tourism, Colonel Manuel Santos. As he sees it, "the new approach means more than just greater involvement of the private sector in the economic life of the nation in general. It also means greater effectiveness on the part of the public economic agencies which will have to operate like private firms more and more every day. There is still a certain amount of inertia to overcome to get the scope of our new approach across to all the leaders and the population in general. But I still think that, this year, we shall start seeing better marketing of our agricultural produce, with an attempt, of



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Colonel Manuel Santos, Minister for Trade and Tourism:
"The new approach means more than just greater involvement of the private sector in the economic life of the nation in general. It also means greater effectiveness on the part of the public economic agencies..."

course, to get our farmers better supplied with inputs and consumer goods. This is essential if we are to get a positive response in production and export".

A major step forward with the liberalisation of trade was made in August 1986 when two decrees — on price liberalisation and imports and exports — were brought out. There is no longer any control over maximum prices, except for a few staples (rice, oil and sugar) and cement, and there

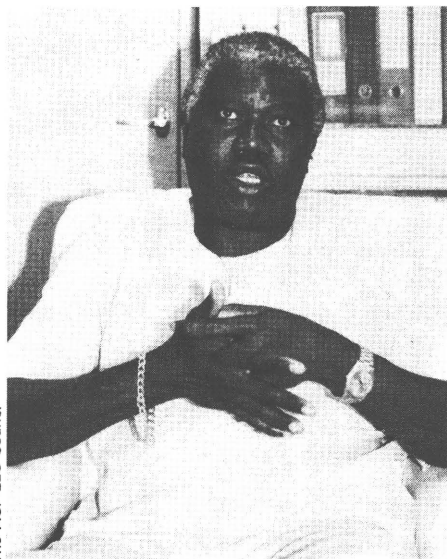


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The reorganisation of the Armazens do Povo (above) and Socomin, the two State trading agencies, is a key factor in the liberalisation of the economy

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are minimum purchase prices for some products. As far as external trade is concerned, the export monopolies on three main products (groundnuts, palm nuts and cashew nuts, representing two thirds of exports between them) so far held by two public firms, Socomin and the Armazéns do Povo, have been abolished and any exporter can now have 50% of the foreign exchange value of his exports for subsequent imports. The Armazéns do Povo (there are eight of them), for example, are in each of the regions and used to have 100 retail sales outlets, which have meanwhile been privatised. The EEC provides substantial technical assistance to the Ministry of Trade with the threefold aim of restructuring, dynamising and introducing specialisation of the two State trading agencies, Socomin and the Armazéns do Povo (in early 1985 they had a combined staff of 3100, as against only 1000 in early 1987 — a figure which is still declining) — in fact the reform will go even further, as Socomin is meant to disappear, its operations will be melted into those of the Armazéns do Povo — helping the Ministry properly speaking (with, say, training and teaching staff how to handle the new commercial systems) and making it easier for private economic operators to learn modern commercial techniques in general and the more sophisticated methods of external trade in particular.



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Carlos Correia, State Minister for the Development of Agriculture and Fisheries:

“Agriculture is the economy of Guinea-Bissau”

The World Bank is giving support of a more general kind via a second amount of import credits for reconstruction. This is a type of line of credit to make it possible to import the goods and equipment needed to ensure the economic apparatus ticks over properly.

Agricultural vocation

In the systematic use of this more externalised approach, the Government has clearly opted for a strategy

based on exploiting the nation's natural resources — which are far greater than is generally thought. Over and above the mining sector, where there are identified reserves of phosphates and bauxite and indications of oil, it is the primary sector, in the broadest meaning of the term, where the most has yet to be done.

Let us not forget the forestry resources, an estimated potential of 30 000 m³ of exotic species, most of which have not been exploited so far. And then there are the marine resources of the continental shelf, an estimated 250 000 t fish p.a., although the present figure, the official one at least, is only 10 000 t at the moment. But perhaps the most important thing is the huge area of so far unused arable land (only a third of the 900 000 ha of cultivable land are under crop), which, combined with the undeniable know-how of the farmers, some of whom, in particular of Balante origin, have evolved very appropriate methods for mangrove rice crops, is a major asset for this agricultural country.

“Agriculture is Guinea-Bissau's economy”, stresses Carlos Correia, the State Minister for the Development of Agriculture and Fisheries, once more reminding us of Amilcar Cabral who maintained that, “without agriculture, there is no trade or industry”. After the 1986/87 agricultural year, it is clear the Minister is fairly happy with the results, as the country had its best harvest for years, bringing the cereal deficit, for example, down to only 16 000 t, as against the 37 000 t it was before. Success is partly due to the new economic life — input and consumer goods are available, the price to the producer has gone up and there are sound incentives for the farmers, not just during the production phase but with the harvest proper — combined with relatively regular rainfall, an improvement on the drought of two or three years back. “Provided all the producers go on responding so positively to the new policy, we can be optimistic about gradually reducing the agricultural shortfall and maybe one day we can be self-sufficient again and even export cereals as we used to”, Carlos Correia said.

Although the rainfall has been relatively good this year, the Minister felt that there was an increasing problem in “the rapid deterioration of our envi-



Jornal NG Pintcha

“Provided all the producers go on responding positively to the new policy, we can be optimistic about gradually reducing the food shortfall...”

ronment and in the increasingly irregular and unforeseeable climate". Guinea-Bissau joined the CILSS in 1986 and is determined to wage a strenuous campaign against brush fires and deforestation and run active reforestation programmes.

Self-sufficiency in food is obviously the most important target, but there is also a concentrated drive on export crops, the most important ones of which, traditionally, are shelled groundnuts (2 450 t in 1986, bringing in US \$ 650 000) palm nuts (1986 — 7 550 t — US \$ 980 000) and cotton (1986 — 480 t — US \$ 490 000). However, cashew nuts are very much to the fore at the moment, having undergone spectacular expansion in only a few years. Compared to the 950 t exported in 1983, last year's almost 6000 t, bringing in US\$ 5.1 million, was an extremely important part of total exports, which were worth a total of US\$ 9.6 million. The other main products were fish products (US\$ 1.1 million) and timber (US\$ 0.96 million). In view of this success, the Government intends expanding the cashew plantations from 2000-3000 ha to 5000 ha in only a few years, thereby helping restore the plant cover and trying to put greater emphasis on the international market on which Mozambique, a once major exporter, has, due to its domestic situation, left a gap.

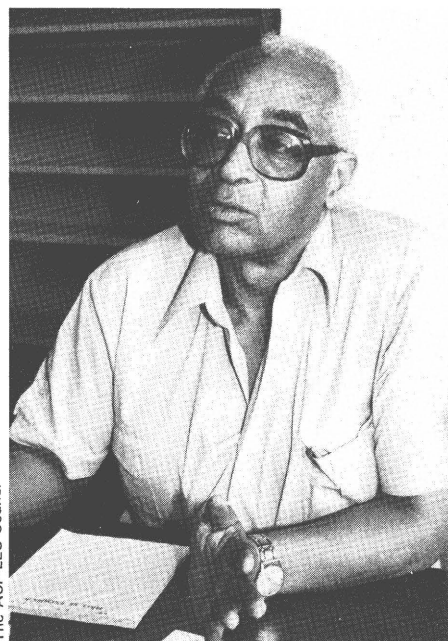
Fishing is certainly a sector which Guinea-Bissau itself has done little to develop, although other people have no hesitation in taking fish from its territorial waters. President Vieira says that, "at night, our continental shelf is almost as lively as a town, because other people profiteer from the fact that we do not have the means of patrolling our fish resources". Attempts at industrial fishing have already been made with three companies involving, respectively, the Soviet Union, France and Algeria. But they are all in difficulties. Given the estimated demand of 500 000 t in the Gulf of Guinea, this marine potential (which also has the advantage of not depending on rainfall, as do harvests on the land) could bring in a fair amount of foreign exchange, the country so badly needs. The Minister for Planning, Mr Pereira, has a very clear idea about this. "There is no doubt that the industrial countries have to shoulder responsibil-



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Building pirogues as part of the EEC-financed artisanal fishing project at Cacheu. The considerable marine potential is still very underexploited

ity in this field, "he maintains". What we need is greater honesty vis-à-vis the developing world, for what is the point of giving us food aid if meanwhile they are taking our protein by overfishing our waters or if they help us protect our environment and at the same time let private operators from these countries destroy our maritime fauna? Although fishing licences bring in foreign exchange", he said, "it is not a good system in itself. But it is a



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Vasco Cabral, Permanent Secretary of the Central Committee of the PAIGC

"... We had to liberalise... the Party has shown it was neither paralysed nor archaic... just the opposite, dynamic..."

system we are forced to use until things change".

An attempt is being made at the moment to set up a national semi-industrial fishing company and artisanal fishing is being promoted, too. There are currently seven national projects (for a total of 150-160 fishermen) running here, one of them at Cacheu with EEC financing. But Mario Reis Pires, the Director-General for Artisanal Fishing, says "there are no real professional fishermen as yet. They are all still farmers, too". This is also a field where the policy of liberalisation has yet to bear fruit and the fishermen need to join the official marketing circuit rather than the parallel market or rather than selling their catch in Casamance, in Senegal, as they do at the moment.

A promising mining sector?

"Mining is difficult for us because we had had no thorough studies of our potential prior to independence", said the Minister for Natural Resources and Industry, Filinto Barros.

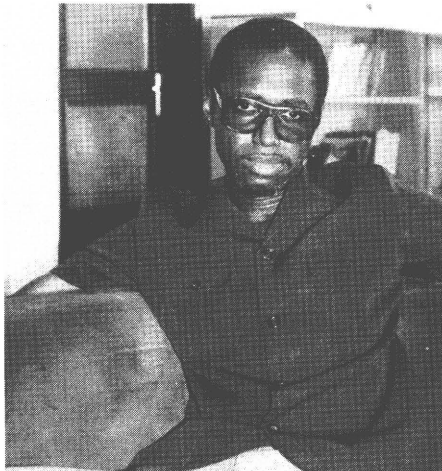
No mines are working at the moment, in spite of the fact that bauxite reserves have been located at Boé and phosphates at Farim. A Soviet geological team has investigated the possibilities of exploiting the bauxite — there are apparently 200 million tonnes of it, although the alumina content is relatively low. Economically viable exploitation seems out of the question as things stand, for external reasons — the

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depressed world market — and internal reasons as well. The whole basic infrastructure, which is extremely expensive, is missing. Financing for a railway, a mineral port and generation of a large amount of energy to process the bauxite would be far too great a burden for the weak shoulders of this poor country.

The Minister was more optimistic about phosphates, for the reserves (identified by French teams) are both large (approximately 100 million tonnes, more than half of it exploitable) and of good quality ("better than Moroccan phosphates and comparable to Togo's"). All the pre-feasibility studies have been run and "we are now seeking a partner to finance a far-reaching study of the economic return on the project, as our initial calculations, based on very low prices, suggest that positive exploitation of these resources is on the cards", Mr Barros said.

Another hope for the Government is oil. It is being nurtured by the fact that the Exxon Group, which had been carrying out geological prospection since 1958, discovered off-shore oil in 1963, yet it did not consider the deposit to be an economic proposition. But prospection continues and the World Bank has already supplied US\$ 20 million to gather, study and evaluate pertinent seismic data. In 1984 a first sounding was taken, without any great results, but "we hope there is something, but the question is whether it can be exploited economically", Minister



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Filinto Barros, Minister for Natural Resources and Industry

On oil: "We hope there is something, but the question is whether it can be exploited economically"

Barros explained. In 1985, the authorities ran seminars in London to encourage oil companies to prospect and sound, but the current depression on the world crude market is not much of an incentive.

At all events, here again realism is the order of the day. "Of course we are counting on oil being discovered, but even if we find it, we shall still be a primarily agricultural country", the Minister for Planning insisted.

A sound decision

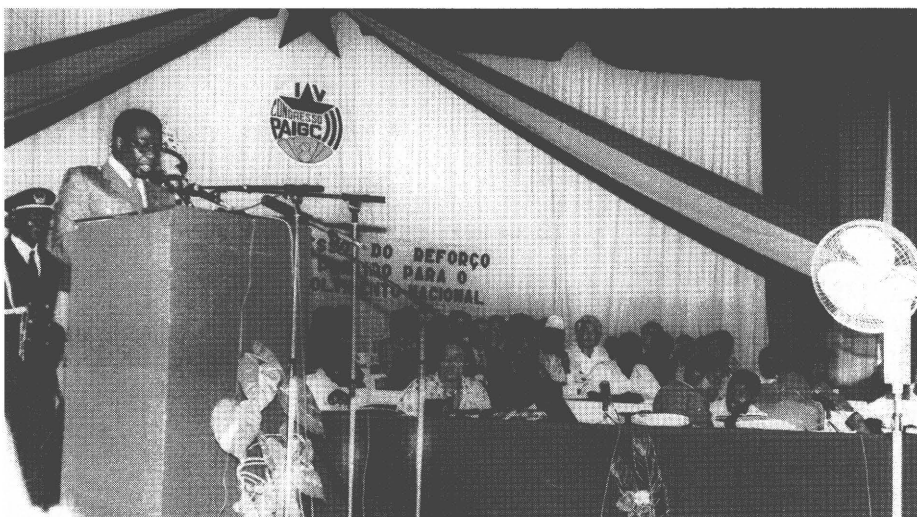
Although Guinea-Bissau does seem to be in the early stages of profound structural rationalisation of its economy, the liberalisation that has been

adopted and is gradually being brought in has clear effects outside the economy proper. The whole of society is affected. The change of direction reflects a desire for greater wellbeing for the whole of the population — without seeking a *deus ex machina* and only using what the nation knows how to do where it has the greatest potential. This means agriculture. "We must produce, produce and produce some more", said Minister Pereira, and his appeal seems to be heard throughout the *tabancas*. There are handicaps of course — take the lack of infrastructure and, above all, the shortage of cadres and qualified staff — and they will be difficult to overcome as they are a constant, powerful brake on the development potential. Capitalising on human resources is a major challenge. As soon as it was formed, the Party also plunged into literacy campaigns, because illiteracy tended to be the rule. Since then, progress has been made, of that there is no doubt, in education and training, as it has in the social services and health care in the broadest meaning of the term. But the country is still a poor one. It has few means and is very dependent on external aid.

Economic liberalisation seems to be generally well received by the aid donors. EEC aid (ECU 35 million under Lomé III) will obviously be in line with the Government's main priorities, as about 85% of the programme resources have been earmarked for rural development and an increase in food production. In fact, as Minister Pereira pointed out, "EEC aid is one of the best suited to our development process and has remarkable institutional backing. It is cooperation that helps us a great deal and Community action is evident all over our country. Our only regret is perhaps that our history did not take us through Yaoundé I and II, because at that stage it was mainly infrastructure that was financed. Thinking has changed since then — but our infrastructure is still wanting because most of the little there was was destroyed in the fighting. Yet it is vital to our marketing. But all in all, there is no doubt we made the right decision in 1975 when we asked, as the first of the former Portuguese colonies, to join Lomé I".

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Roger DE BACKER



Jornal Nô Pintcha - P. Fernandes

President João Bernardo Vieira speaking to the 4th PAIGC Congress in November 1986. The Congress was the culmination of a long process of reflexion on what was not working properly and on the ways and means of getting the country onto another track

“Our economic liberalisation is the result of a long process of maturing”

Interview with President João Bernardo Vieira

The list of posts held by President Vieira is certainly an impressive one—President of the Council of State, Commander-in-Chief of the Armed Forces, Secretary-General of the PAIGC (African Party for the Independence of Guinea-Bissau and Cape Verde)—but in Guinea-Bissau he is known more familiarly as “Nino”, the nom de guerre he used in the underground, during the struggle for independence. In 1960, when he was 21, he joined the PAIGC and attended the political school set up by Amilcar Cabral in Conakry, later becoming a regional political commissar. After military training in China, he played a notable part in the war of independence; from 1970 he was overall head of military operations in the National War Council. He was made Commander-in-Chief of the Armed Forces as well as President of the National Assembly on independence, and was named Prime Minister in 1978. After the putsch of 14 November 1980, the Party requested him to take over the post of Chairman of the Revolutionary Council to replace Luis Cabral. He became Head of State in 1982 and was elected, after the



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adoption of a new constitution and general elections, for a further five-year term in 1984. In this interview with The Courier, he pinpoints what he considers to be his main task at the moment: implementing the economic, and indeed social, turn-about decided by the fourth Party Congress in November 1986.

► *The 4th PAIGC Congress of November 1986 would seem to have ushered in a certain amount of economic liberalisation. What are the main lines of this new approach and how far have such policies been implemented? Also, what are the main constraints on the economic development of your country and how do you plan to eliminate them?*

— The question of economic liberalisation has been a topic of debate for a number of years. I recall that the Party’s first decisions along this road were taken at the meeting of the Economic Council in September 1982, somewhat prior to any negotiations with international organisations, notably the IMF and the World Bank. This is an important point because it shows that our present economic liberalisation is basically the result of internal deliberation on the problems and constraints of our economy and the means of resolving them. The decisions of the 4th PAIGC Congress were thus the culmination of this whole process rather than the beginning of it.

The new line of policy springs from two basic facts. First, since the biggest

obstacle to our development is the extreme shortage of skilled manpower, we need to mobilise all our national resources—public, private and cooperative—in a combined effort to combat underdevelopment. So, it became important to do nothing which would impede all sections of our society from playing a full part in the development process.

Second, Guinea-Bissau has great unexploited productive potential—in agriculture, fisheries and forestry. Our main problem, though, is the extremely low level of production. The call for initiative on the part of the national population and the creation of the right conditions to foster such initiative must be complemented, selectively, by a more open policy towards foreign initiatives and investment, preferably in association with national efforts, with a view to securing productive technology and administrative know-how. As all this results not from a decision taken from on high but from a long process of maturing, there is now a great dynamic spirit of business creation—though focused on small businesses—in both the agricultural and commercial spheres. There

has been a great deal of activity also in the sphere of foreign investment, though this has not yet got beyond the phase of studies and assessment of potential. We hope such investment will start becoming a reality in 1987 and will extend to fisheries, forestry, industry and tourism.

► *A new Four-Year Development Plan is now being drawn up. What will be its main features?*

— The 2nd Development Plan 1988-91 is currently in preparation. This Plan will follow the lines already described, with emphasis placed on promoting and supporting basic initiatives, in a context of joint endeavours and community participation in line with socio-economic traditions and the pattern of work organisation in the rural environment. Around 80% of the population are peasant farmers who live by cultivating family plots and account for between 50% and 60% of production. The development strategy has necessarily to take this form of mobilisation, encouragement, support and consolidation of the productive capacity and living conditions of this major section of the popula-

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tion. The Plan will also underline the need for a very austere brand of economic and financial management as well as restoration of the major macro-economic equilibria, namely the production/consumption ratio, external accounts and budgetary management. The level of investment will have to fall, given the enormous pressure of the country's external debt, and should be directed for the time being towards activities that are immediately productive and have a favourable impact on the balance of payments.

► *In an effort to cure its economic and financial problems, your country is in negotiation with the principal international fora in this field, the IMF and the World Bank. How far have these negotiations got and what are they expected to achieve?*

— With the World Bank we have virtually concluded an agreement on a Structural Adjustment Programme, which will be backed up by a Structural Adjustment Credit. This Programme is also supported by the IMF, with which we have been in negotiations as with the World Bank and discussions are in the final phase. We hope that agreements will be reached within two or three months and that the Programme can get under way during the first half of the year.

► *Guinea-Bissau is primarily an agricultural country. What are the main prospects for development in this sector?*

— In terms of our agricultural potential, I need only say that a mere third of the country's arable land is currently under production and that cultivation techniques are still rudimentary. In the past three years there has been no serious drought and we have seen a substantial increase in production. Nevertheless, we are still well below our potential and a very great effort is called for. I believe we can very quickly achieve self-sufficiency in cereals and in the medium term become net exporters of food products. As regards cash crops, the prospects are not so encouraging. World prices for all products apart from cashew nuts have fallen to such an extent as to render non-viable plans to increase production. As regards the other sectors, we think we can sub-

stantially increase exports of marine and forestry products. However, though almost immediate results can be obtained in the case of fisheries, given the unexploited potential and the relative speed with which the resources of this sector can be developed, forestry development on the other hand must necessarily take place over a longer span and requires prior investment in terms of equipment and infrastructure. As regards industry, we feel, on the whole, that conditions are not favourable. The small size of our domestic market and the force of international competition argue against large investment in this area. Indeed, I



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“Our main problem is the extremely low level of production”

can say that our experience here has been disastrous. We intend to hand over to certain foreign private-sector concerns that have shown interest various enterprises that have reached a state of semi-paralysis. Private enterprise will also be the most appropriate context for new undertakings, though for reasons of viability they should be confined to small-scale concerns involving simple technology aimed at import substitution; above all, there is a need for agro-industrial undertakings to develop local production with export potential.

► *What is Guinea-Bissau's position vis-à-vis the rest of the world?*

— Guinea-Bissau is a sovereign, independent state like all the other

member countries of the United Nations. It is accordingly signatory to the United Nations Charter and, as an African country, also to the OAU Charter. As such, Guinea-Bissau upholds compliance with the principles laid down by these two Charters and the tenets of contemporary international law. Guinea-Bissau is an active member of the movement of non-aligned countries. It has, moreover, always made non-alignment a cornerstone of its foreign policy. This, then, is Guinea-Bissau's position in the international arena.

► *Could you say how the situation is as regards cooperation between the Portuguese-speaking ACP countries?*

— As far as we are concerned, such cooperation is excellent and from the economic angle is quite encouraging, but in the medium and long term; this is because of the current war situation in Angola and Mozambique and, second, because a shortage of resources prevents us in the short term from engaging in more active economic cooperation. On the political and diplomatic fronts, there are no difficulties. At the economic level, as we acquire more experience and greater resources both internally and externally we are improving the systems of cooperation already set up. Currently, over and above political and diplomatic cooperation, we are making solid and encouraging progress in economic, scientific and cultural cooperation, notably in transport (sea and air), trade, finance, banking and insurance, education, health, social communication, to mention but some areas where tangible results have already been achieved. Cooperation between the Portuguese-speaking ACP countries could represent a new option in terms of economic integration and merits special attention by the international community in general and the EEC in particular.

► *What concrete opportunities do you see for ACP regional cooperation, and in what spheres?*

— We feel that ACP regional cooperation, if viewed in terms of complementarity, could cause problems, due, among other things, to the fact that most of the countries produce and export basic commodities. However, greater diversification, even in agricul-

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tural production, for example, could certainly provide the basis for a new policy of complementarity. Other areas, such as transport, development of natural resources, technical assistance and industry could also be explored within this context.

► *How do you view cooperation with the EEC up to now and what do you expect from cooperation under Lomé III?*

— Despite the deep world economic recession which has affected almost all international organisations, cooperation with the EEC, both now and generally in the medium and long term, favours the revival of our econ-

omy. To date, the EEC has been involved in implementing a number of operations in various spheres of our economy. The future of such cooperation will depend on our own capacity and determination to take economic measures to resolve the problem of external dependence on foodstuffs. Management of the financial situation must aim at curbing imports and increasing exports. So far, cooperation with the EEC has been favourable and we hope that it will continue thus. In recent years, development assistance has been criticised for having failed, after nearly a quarter of a century, to improve living conditions in many developing countries, particularly in

Africa. Three of the causes currently considered responsible for this situation are: inadequate food production, desertification and the low level of foreign investment in the poorest countries. Lomé III has addressed these problems, as reflected in a considerably reinforced chapter on agriculture, greater emphasis on fisheries, and a new section on drought and desertification control. Moreover, a new fund has been set up to help refugees and new provisions introduced on social and cultural cooperation. The Convention covers virtually all possible areas of cooperation. This is very encouraging. ○

Interview by R.D.B.

Profile of Guinea-Bissau

Area: 36 125 km² (of which 8 000 km² of coastal plain composed of creeks, swamps and mangrove) — ±900 000 hectares cultivable (of which only 1/3 cultivated)

Capital: Bissau (±100 000 inhabitants)

Population: 900 000 of which more than 80% live in rural areas; average density ±22 inhabitants/km²

Principal ethnic groups: Balantes, Fulas, Mandingoes, Mandjaques and Pepels

Languages: Portuguese (official language); crioulo or Guinean creole

Religions: animist (±65% of pop.); Islam (±30%); christian (±5%)

Independence: September 1974

Ruling party: PAIGC (African Party for the Independence of Guinea-Bissau and Cape Verde)

Head of State: President João Bernardo Vieira

Currency: Guinean peso (PG); 1 US dollar = 650 PG (May 1987)

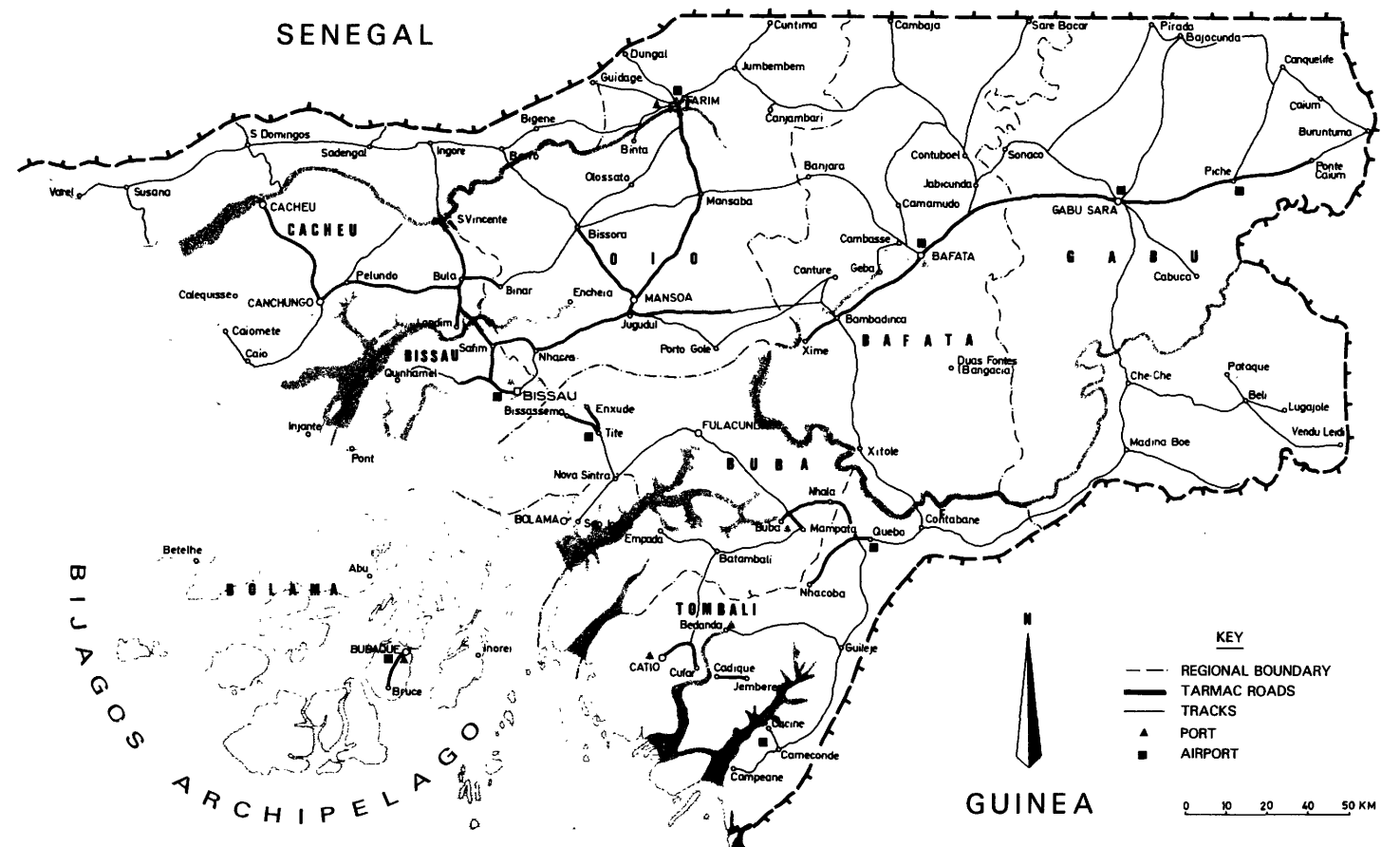
GDP: ± US \$ 160 million (1986); GDP per capita: ± US \$ 185

Principal exports: cashew nuts, palm kernels, groundnuts, cotton, fish and shellfish, wood

Trade balance: (1986) deficit of US \$ 48.8 million

External debt: (end 1986) ± US \$ 307 million (debt service including arrears ± US \$ 22.5 million)

REPUBLIC OF GUINEA-BISSAU



EEC – Guinea-Bissau cooperation

by Diana WATSON(*)

Guinea-Bissau became independent in September 1974, and the following year saw the start of its association with the European Community as one of the 46 ACP signatories of the first Lomé Convention.

The European Community and its Member States are Guinea-Bissau's most important source of development aid.

In addition to bilateral aid from Member States, the Community has allocated about ECU 124 million to Guinea-Bissau since 1975 through National Indicative Programmes, Stabex payments, EIB funds, emergency and food aid, regional cooperation and NGO cofinancing.

The funds made available to Guinea-Bissau under the National Indicative Programmes for Lomé I—ECU 20 million—and Lomé II—ECU 25 million—were allocated in accordance with priorities identified by the national authorities at the beginning of the application period of each Convention.

Rural development

Special emphasis was put on rural development operations designed to satisfy the population's food requirements and boost exports of agricultural goods.

Since the beginning of Lomé I, resources have been allocated to the development of the Bafata and Gabu regions. These two regions in the north

east of the country account for about 30% of the population of Guinea-Bissau. Although the development programmes have gone some way towards ensuring food self-sufficiency for these regions, their success in meeting the other objective of providing much-needed foreign exchange by the export of cotton has been limited, due to the slump in the world price of this commodity.

Water supply is an important factor in agricultural development and two programmes involving the sinking of 135 wells were carried out in villages in the Bafata and Gabu areas.

In order to improve exploitation of the country's abundant fish resources, a programme to support artisanal fishing was established at Cacheu, under which warehousing and marketing structures were set up and local fishermen were trained. As a result, fishing techniques have improved thereby leading to an increased supply of fresh fish in the area.

Communications

There have been a number of communications projects—road building

and improvements, supply and maintenance of river transport and the building of bridges, as well as equipping and repairing the port of Bissau.

Asphalting of the Bambadinca-Xitole-Quebo road rendered it usable all the year round. It gives peasant farmers easier access to markets and makes it possible to exploit better the area's agricultural potential. Communications with the Republic of Guinea have also improved.

Work on the Guinea-Bissau section (M'Pak-S. Vicente) of the Banjul-Bissau road was financed to the tune of ECU 5 m under a regional cooperation programme involving Guinea-Bissau, Gambia and Senegal, and has considerably improved communications with the other countries involved.

A bridge was built over the Campossa river to replace an old wooden bridge, which was in a precarious state, on the Bafata-Gabu road. The new bridge has improved the traffic flow and the transport of agricultural products from Bafata and Gabu. The construction of four other bridges is also foreseen under Lomé II.

River transport was improved by the provision and maintenance of ferries, and a tug and equipment for handling and lifting goods were supplied to the port of Bissau. In addition, the European Investment Bank (EIB) put up ECU 3.8 m for the overhaul of the Bissau shipyard.

Social welfare

Health and education projects have been given priority in the allocation of resources. In the health sector, the most important operations were the building and equipping of the maternity unit at Bissau general hospital, five local hospitals, eight health centres and of a mental rehabilitation centre. Essential medicines were also supplied.

A number of local schools were also built and equipped and refresher courses provided for teachers. In building the schools, which were of very simple design, care was taken to use locally-available materials so that they would fit in with the rural environment.

Assistance in the field of training took the form of study awards for Guinea Bissau students and refresher

(*) Deputy desk-officer for Guinea-Bissau, Directorate-General for Development.

EEC – Guinea-Bissau Cooperation – 1975-1986 (ECU)				
	Lomé I	Lomé II	Lomé III	Total
1. National indicative programmes	20 000 000	25 000 000	35 000 000	80 000 000
Rural development	37%	43%	85%	
Economic infrastructure	41%	24%	} 15%	
Social development	19%	14%		
Miscellaneous	3%	19%		
2. Stabex	11 288 257	3 639 211	424 315	15 361 783
3. EIB		3 800 000		3 800 000
4. Emergency aid	452 000		45 000	497 000
5. Regional cooperation				
Actions directly or indirectly in favour of Guinea-Bissau		5 000 000		5 000 000
6. Food aid				17 000 000
7. Actions cofinanced with NGO (EEC contribution)				2 710 685

courses for national staff. The inclusion of a training component in other projects financed should ensure the continuation or maintenance of projects when external technical assistance comes to an end.

Trade and Stabex

In an effort to make the country's marketing structure more efficient, a programme to reorganise the domestic commercial distribution network has been implemented with Community support. Support for this programme, under which the state sector will be restricted to wholesale trading and the retail trade will be privatised, took the form of technical assistance to the Ministry of Trade and to the two State distribution companies (Armazens do Povo and Socomin), as well as provision of equipment and training of personnel.

Between 1975 and 1986 Guinea Bissau received a total of ECU 15.4 million in Stabex transfers, 78% of which was in compensation for substantial losses on groundnut exports. Palm kernels, shellfish, cotton and timber accounted for the rest. Since Guinea-Bissau is one of the least developed countries, the transfers were made as grants.

Emergency and food aid

The severe drought which affected Guinea-Bissau in 1977 led to an emergency aid operation being launched to supply the country with fertilisers, insecticides and agricultural equipment. More recently, emergency aid in the form of pesticides and spraying equipment has been provided to help Guinea-Bissau combat the threat to its crops from an invasion of grasshoppers. In order to cover the short-fall in domestic production, food aid has been given since 1975 in the form of cereals, butteroil and milk powder.

Fishing agreement

Guinea-Bissau was one of the first ACP countries to conclude a fishing agreement with the European Community, providing fishing rights in Guinea-Bissau's territorial waters for Community trawlers in return for payment of a licence fee by the shipowners and of general financial compensation by the Community. The first agreement dates from 1980 and was renegotiated in 1983 and again in 1986. The current agreement covers the period 1986-1989 and provides ECU 7.5 m as financial compensation, as well as a scientific programme worth ECU 400 000 and training awards for an amount of ECU 720 000.

Lomé III

The Lomé III National Indicative Programme, which was signed in Bissau in January 1986, provides the country with ECU 35 m over a five-year period, in the form of ECU 31.5 m in grants and ECU 3.5 m as risk capital, the latter to be managed by the European Investment Bank (EIB). In addition, Guinea-Bissau could also benefit from the Lomé III regional cooperation programme for West Africa and from resources made available by the EIB. In accordance with the national priorities of achieving self-sufficiency in food and an increase in the production of export crops, 85% of the grant aid will be allocated to the focal area of rural development. As well as including a wide

Community operations in Guinea-Bissau, 1975-1986 Lomé I and Lomé II

Rural development	ECU million
<i>Agriculture</i>	
Integrated rural development of the Bafata and Gabu regions	6.8
Development of cotton in the north east	6.4
Supply of agricultural inputs	0.2
Agricultural survey	0.1
<i>Forestry</i>	
Inventory of forestry resources	0.5
<i>Fisheries</i>	
Artisanal fishing centre in Cacheu	2.2
<i>Water supply</i>	
Rural water supply in the Bafata and Gabu regions	1.8
<i>Communications</i>	
<i>Port and inland waterways</i>	
Supply of river transport and port equipment	3.8
Supply and overhaul of 3 river ferries	1.2
Upgrading of port facilities in Bissau	3.8
<i>Roads</i>	
Bambadinca-Xitole-Quebo road	2.2
Banjul-Bissau road	5.0
<i>Bridges</i>	
Ruo Campossa bridge	3.3
Technical studies	0.3
<i>Industry</i>	
<i>Energy</i>	
Study on the national electricity industry	0.4
<i>Mining</i>	
Study on the development of the South East	0.4
<i>Social projects</i>	
<i>Health</i>	3.7
Bissau general hospital maternity unit.	
Local hospitals at Cacine, Fulacunda, Empada, Quebo and Cossé	
8 health centres	
Home for mentally-handicapped at Bor	
Supply of medicines	
<i>Education</i>	
Building and equipment for 7 schools	1.0
<i>Training</i>	
Study courses and scholarships	1.3
<i>Trade</i>	
Studies and assistance for the reorganisation of the trading sector	2.2
Stabex transfers	15.4
<i>Various</i>	
Microprojects	1.3
Scientific and technical cooperation	2.4
NGO cofinancing	2.7
Food aid	17.0
Emergency aid	0.5

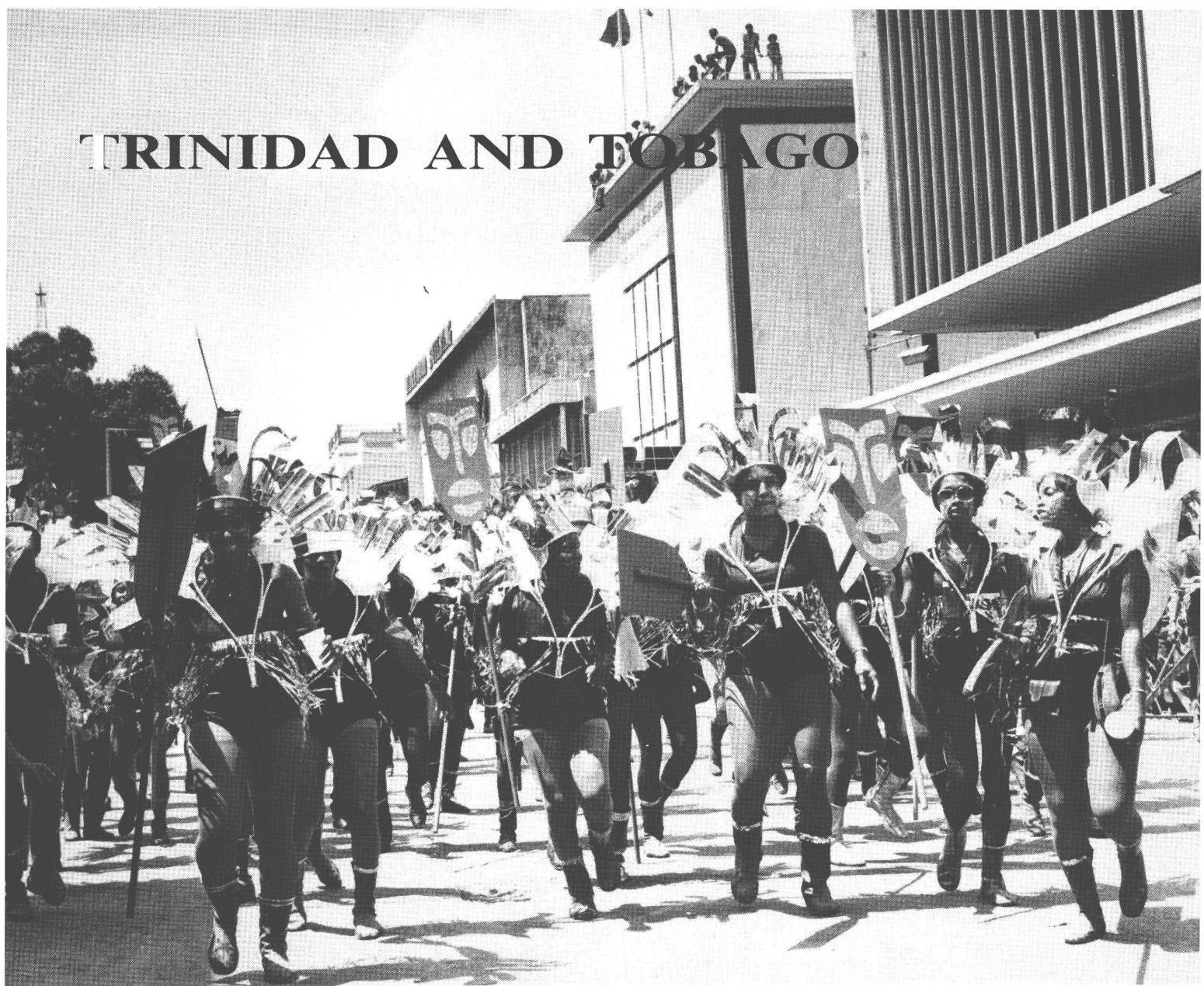
range of actions designed to stimulate food production, the rural development programme will also cover a number of other measures vital for the success of the development process, such as continued assistance to restructuring the commercial sector and provision of credit lines to farmers, traders and craftsmen. ○

D.W.



The S. Vicente ferry was rehabilitated and overhauled

TRINIDAD AND TOBAGO



A land of music and of charm

Trinidad and Tobago conjures in the mind of the foreigner a number of images. There is Carnival, the annual extravaganza of songs and dances and parades of colours and costumes the people call "the greatest show on earth". Then there are calypsos, steel bands, rum and beautiful women. Visit the capital, Port of Spain, at Carnival at the beginning of the year and you can confirm the view that these people's traditional way of life has not been changed one iota by the oil boom of recent years, nor has the natural exuberance of the people been dampened by the current economic crisis. This national character, a fundamental source of strength, has been forged over 460 years of chequered history.

British control

The explorer Christopher Columbus discovered the islands in 1498 and

ushered in nearly 300 years of Spanish occupation of Trinidad and over 260 years of Dutch and French control of Tobago. In 1763, Britain acquired Tobago through the Treaty of Paris, fulfilling the claim laid on the island as far back as 1608 by King James I. Thirty-four years later, in 1797, it seized Trinidad from Spain under the pretext that the island provided a haven for pirates and others who raided the neighbouring colonies for slaves. British control of Trinidad was recognised by the Treaty of Amiens in 1802. The two islands were unified for administrative convenience in 1889 and became a joint Crown Colony in 1899.

In the 18th century European colonial rivalry, Trinidad and Tobago was a choice prize for the British in the Caribbean. Situated only 7 miles from the South American mainland, Trinidad covers an area of approximately

1864 sq miles and had a blanket of dense tropical forests. Its immense resources of pitch, together with the fact that the harbour of Port of Spain provided ships with ideal shelter from hurricanes, made the island even more attractive. Its soil was fertile for agriculture—an industry the Spanish could not develop. African slave labour enabled the British to introduce farming on a large scale, specialising in sugarcane which grew marvellously on the island.

A mosaic of cultures

The abolition of the slave trade in the 1830s led to labour shortages so critical that in 1845 British planters began importing indentured Portuguese and later East Indian labourers. Chinese immigrants began arriving soon afterwards in the 1850s. They were followed by Syrians and Lebanese. By independence in 1962, Trini

dad and Tobago had become a mosaic of cultural and ethnic diversity: whites (the descendants of earlier Spanish, French, Dutch and English colonists); people of African descent; of East Indian descent, of mixed races, Chinese, Syrians and Lebanese with Catholicism, Anglicanism, Hindu and Muslim faiths intermingled.

Each faith has, of course, its own festivity but Carnival has become, one gigantic event that brings everyone together and with which everyone identifies. An artistic expression of the highest order, Carnival is itself a celebration of life. It is a festivity that requires a whole year of preparation, particularly with the design and the making of costumes. If Carnival provides the people with an occasion to manifest their unity and faith in themselves, it has, over the years, enabled them to acquire a high degree of skill in the design of clothes—a talent that is increasingly being exploited in the economic development of the country.

The music that has emerged from this society, calypso, like its counterpart reggae in Jamaica, has its roots in Africa and sprang from the slave era when the satirising of slave-owners was a source of spiritual strength to the enslaved. Its satirical role has continued to this day and is flourishing in a country where the Westminster style of parliamentary democracy, inherited from the British, remains as vibrant as ever.

Huge investment in education over the years has brought the rate of literacy in the twin island state to over 95% and raised standards at all levels, from primary schools to the University. This has enabled the country not only to acquire a high sense of political awareness both domestic and foreign, but also to have control of what they call the “commanding heights” of national economy.

Rum-making here is as old as the history of sugar-cane growing. It is an art that has been perfected to render Trinidad and Tobago almost synonymous the world over with good rum. And what about women? Suffice to say that in this racial crucible, their statuesque features are a delight for the eyes. A Miss World has already emerged from their ranks.

Racial tension is, of course, not uncommon but, on the whole, there is harmony. Of the seven identifiable groups, two are dominant—the Africans and the East Indians who represent respectively 43% and 40% of the estimated population of 1.1 million. Tobago is almost exclusively populated by people of African descent (95%).

Physical features

Separated by a 21-mile stretch of water, Trinidad and Tobago are physically and economically distinct from one another. Trinidad is believed to

have once been part of the South American mainland, splitting away round about 10 000 B.C. Its northern range of mountains formed one continuous range with the Paria peninsula in Venezuela. It is not by accident that both countries are major oil producers. Half of its area is still covered by dense tropical forest. The coastal areas are swampy and the lowlands dry and fertile. As well as oil, there are gas and asphalt deposits. Tobago, by contrast, is of volcanic origin. Covering an area of only 116 sq miles, its soil is equally fertile but agriculture is still on a small scale. Coconut, sugar cane, cotton, coffee, nutmeg and tobacco are grown. The coastal areas are covered by white sandy beaches, a typical Caribbean tourist paradise.

Relations between the two islands have not always been easy. Tobago, the poorer, has often felt neglected and has threatened on a number of occasions to secede. It has, however, its own House of Assembly to which greater powers were recently devolved, along with substantial economic concessions, following a change of government in the country last December. Its House of Assembly has now been given full control over revenue collection, economic planning and the provision of social services. Peace and quiet reign currently, despite the parlous state of the economy. ◊

Augustine OYOWE

A clean slate and a fresh start

“Ah the 1970s!” Nostalgic sighs of this type are not uncommon these days in Trinidad and Tobago, for this was the decade when it seemed there was, after all, a short cut to development and a higher standard of living. With revenues from oil tripling in 1973 and thereon increasing annually by 40%, a transformation of the oil-dominated economy into a more resilient, broadly-based economy seemed on the cards. Industrialists and businessmen from all over the world descended on the capital, Port of Spain, as the Government embarked on a wide-range of invest-

ments; in public services and utilities, petroleum and banking through to agriculture and manufacturing. Wages shot up and Trinidadians flocked to major United States cities on spending sprees.

Today, after nearly four years of depression following sharp falls in oil prices, Trinidadians look back at the boom years with bitterness at a missed opportunity and at what is perceived by some as a mismanagement of resources. Out of that experience have emerged a new sense of realism, of self confidence and a de-

termination to wipe the slate clean and start afresh.

Last December at the polls the Peoples National Movement (PNM) which had ruled the twin-island state for 30 uninterrupted years, was heavily defeated by the National Alliance for Reconstruction (NAR) in a 3 to 33 seats tally. NAR, a coalition of four opposition parties, had come into existence only nine months previously.

No doubt, the exchange of a party which has given the country 30 years of political stability with one made up

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of an alliance of different ideologies which has no experience of government and at a time of serious economic difficulties was a gamble. Observers of Trinidad and Tobago's political scene, however, saw the change as absolutely necessary, for it was clear, they say, that the PNM Government had itself become a handicap to the country's economic development both in terms of its structure and of ideas.

Founded in the 1950s by Dr Eric Williams, the People's National Movement is said to have, over the years, been moulded in his authoritarian image. Dr Williams was Prime Minister from 1956 until his sudden death in 1981. He is said to have, during this period, established within the party and in government a system of decision-making which left little room for initiatives from subordinates. This in a country with an abundance of expertise was devastating. Dr Williams' successor, the amiable George Chambers appeared to have recognised the problem and attempted to carry out reforms but to no avail. There was a general feeling of lack of a coherent approach to development—the kind of situation that led the present Prime Minister, Arthur Napoleon Robinson, to resign from the party, accusing it of becoming more interested in exercising power than in running the country properly. Mr Robinson was a founder member of the PNM and had risen within that party to become deputy political leader, Finance and Foreign Affairs Minister and was even tipped to succeed Mr Williams.

Strange bed-fellows

But what effects will the collective inexperience and the heterogeneous nature of the National Alliance for Reconstruction have in the coming years? Mr Robinson's personal experience in the PNM government can be said to have compensated somewhat for NAR's inexperience. Six months into governing the country, the Alliance has held together in an atmosphere of quiet satisfaction for its component parts. With greater power devolved to the Tobago House of Assembly, the Democratic Action Congress (DAC) led by Mr Robinson,

Ministers in the forefront of the battle for economic recovery

 <p style="text-align: center;"><i>Minister of Agriculture, Lincoln Myers</i></p>	 <p style="text-align: center;"><i>Minister of Industry and State Enterprises, Senator Ken Gordon</i></p>
 <p style="text-align: center;"><i>Minister of Energy, Kelvin Ramnath</i></p>	 <p style="text-align: center;"><i>Education Minister, Senator Clive Pantin</i></p>

which has threatened secession in the past, has seen its main demand met. The leftist United Labour Congress (ULC), the biggest partner in the coalition led by Basdeo Panday has, on the other hand, got the lion's share of cabinet posts while the right-of-centre Organisation for National Reconstruction (ONR) led by Karl Hudson-Phillips and the Tapia House Movement of intellectuals led by Mr Best have received important concessions on the approach to the economy.

Strange bed-fellows these parties are, but they have been brought together by the overriding concern to halt the decline of the economy. And

in this they have the overwhelming support of the population. Although Mr Robinson estimates that economic recovery will take at least 10 years, his government has just five years to justify that support. In a country with a long democratic tradition, a very literate and well-informed electorate with access to radio, television and newspapers, this requirement would appear a tall order given the nature of the economic legacy. But it is a job that has to be done. *The Courier*, talking to key ministers, found them in high spirits and ready to meet the challenge, with each considering his role as crucial in the whole exercise. ○ A.O.

The challenge of reconstruction

Trinidad and Tobago is believed to have earned, between 1974 and 1985, some US\$ 28.8 billion from oil. While this windfall enabled the country to acquire, in terms of income per head, the highest standard of living not only in the Caribbean but also in the whole of the ACP Group, evidence that all was not well in the approach to development emerged during this period with the last realistic development plan ending in 1984 and the direction of the economy as a whole at any given moment difficult to determine.

A policy of diversification was surely in place as it had been since the early days of Eric Williams' administration and it was known that Trinidad and Tobago had moved from a phase of industrialisation geared to domestic requirements to an export-oriented one. There were, in this regard, the Caribbean Community Common Market (CARICOM), the Lomé Convention provisions and the Generalised System of Preference Scheme to be exploited.

While the annual budgets provided opportunities to establish guidelines, investments, more often than not, appeared uncoordinated. Analysts have, indeed, often pointed out the lopsided nature of the growth of the economy—

the inability of infrastructures to cope, as shown for example in the constant failure of electricity supplies and frequent breakdowns of the water, sewerage and telephone systems during the boom years.

In spite of professed interest, foreign investment was in fact very welcome only in as much as it made available expertise and know-how which were then in short supply. There were no attempts to seriously court foreign investors. This was clearly indicated in a statement issued on foreign investment by the government. True enough, Trinidad and Tobago is no exception in the English-speaking Caribbean where history and geography have combined to give rise to one

form or another of state capitalism, but with the opportunity offered by the windfall from petroleum and in the absence of a strong indigenous entrepreneurial class, the state was, to a large extent, justified in becoming the main vehicle of investment. But was the PNM government right in acquiring participation in almost every sector of the economy as it did? State enterprises are generally known to operate sometimes with less commercial consideration and with a tendency to see themselves more as public utilities. The huge losses that most enterprises fully owned (and even partially owned) by the State have made during the past five years in Trinidad and Tobago lend credence to the belief that that was clearly the case. High wages and inflation combined to increase costs to industries, and the weakest went to the wall, closing down altogether in the private sector and, in the public sector, surviving with massive State subsidies.

Of these loss-making enterprises none has had a more damaging effect than the iron and steel project. The plant required a huge investment that totalled US\$ 460 million but came on



An aerial view of Point Lisas Industrial Estate with its port, the hub of Trinidad and Tobago's industrialisation

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stream just as the world steel market collapsed and has since had to be propped up with subsidies. Indeed the PNM government's overall concentration on heavy capital-intensive industries was seen by many observers as wrong. There were claims, by most people, of a sedate approach to the "avalanche" of money accruing to the government but there is a widespread belief today that the pressure led to projects that were not carefully thought through. Certainly the strategy to set aside surplus revenue in a series of "Special Funds" for specific purposes until they could be efficiently and productively spent was a wise one. It prevented at least the worsening of the inflationary pressure which the spending of very large sums would have created. The Funds were nevertheless considered as an integral of capital expenditure and the government did delve into them from time to time.

The legacy

When, in 1982, oil prices began to slip and the economy was thrown off balance, the austerity measures instituted by the PNM government were not successful. There were cuts in expenditure, curbs on imports, strict foreign exchange controls and a 33.3% devaluation of the national currency designed to attract foreign investment and boost the local export-oriented sector. The beneficial effects were minimal but the depressive effects were great. There was a slackening of the consumer boom which in turn gave rise to business closures and massive layoffs. Losses by State enterprises, by 1985, had reached a total of TT\$ 400 million. (Price increases necessary to make these enterprises break even were resisted for fear of aggravating unemployment). GDP growth, which averaged 6% per annum in the boom years, declined: 3.4% in 1982, 2.8% in 1984 and negative in 1985. Foreign exchange reserves which stood at US\$ 7.2 billion in 1982 plummeted to less than one billion by June 1986 and in fact represented the equivalent of no more than three months of imports at the time of *The Courier's* visit in March this year.

This rather depressing economic legacy notwithstanding, the government of the National Alliance for Recon-

struction, which came to power in the twin-island State last December, is lucky that, unlike most oil-producing countries which, in addition to huge earnings during the boom years, borrowed heavily and are today bogged down with repayment problems, Trinidad and Tobago's external debt is small, at only US\$ 2.3 billion, most of which is medium-term. Furthermore, it has at its disposal the "Special Funds" accumulated during the boom years, which will provide it with some kind of room to manoeuvre in its efforts at economic reconstruction.

Diversification

For years, the building of a more resilient economy through diversification has been at the centre of government thinking. As seen, it has not produced the desired results—not for lack of assets, but essentially for ineffective strategies and the absence of realistic planning. Trinidad and Tobago is unlikely, in the near future, to experience a windfall from oil on the scale of the 1970s, so diversification will more than ever before be taken seriously, if only because of the need to create more jobs, solve the problem of growing unemployment and move quickly to reduce dependence on oil. Streamlining public services and utilities and State enterprises and avoiding waste are necessary.

Although the radical strategies enunciated by the National Alliance for Reconstruction in its manifesto have been watered down in most cases as the new government took stock of the seriousness of the economic situation and came face to face with the realities of government, observers see its policy as being in the right direction. A development strategy is to be worked out for the next three years, and an element of planning is to be reintroduced into the economy. Reforms are being made to minimise bureaucracy and plans are afoot to involve more local and foreign investment. Divestment of loss-making state enterprises remains in the government books, despite obvious reluctance at this stage to implement the policy.

Stabilising the economy

In the coming years, though, oil will remain a crucial factor in the economy. It still accounts for at least 80%

of foreign exchange earnings, 25% of the GDP and 40% of government revenues. Beset with uncertainty over reserves and the problem of market and prices which remain volatile despite stabilising at US\$ 18 per barrel in March, Prime Minister Arthur Napoleon Robinson nevertheless drew up the 1987 budget on the assumption that "the renewed buoyancy of the petroleum market will last most of 1987". So far it looks like doing just that. The P.M. expects TT\$ 619 million from the sector this year. But is this sufficient?

Emphasising manufacturing and agriculture, the budget was clearly designed to stabilise the economy. It saw an overall increase of expenditure by 13% over 1986—TT\$ 9.4 billion as against 8 bn. With funds available estimated at 5.7 bn, the 3.6 bn deficit is being financed through a series of taxes—an across-the-board 5% tax increase on all items subject to taxation, a 50% increase in the price of gasoline, an additional 5% tax on airline tickets and a 5% cut on the salaries of government ministers. The budget foresaw an overall government borrowing of TT\$ 1.9 bn (791 million from foreign sources and 300 m from internal sources. This borrowing programme will not be easy. Lenders are becoming more tight-fisted). It was a bold budget based largely on what the Prime Minister saw as the "new spirit" in the country, by which he means the renewed self confidence of the people and their readiness to make sacrifices to see the country's economy back on its feet. But the trade unions are increasingly reacting negatively to it.

Private investment

With divestment stalled, subsidies for loss-making State enterprises will remain a drain on resources. But the government's cautious approach to the divestment issue appears justified. Immediate divestment could have serious repercussions on the already bad unemployment situation. Furthermore, private investors are unlikely to invest in loss-making State enterprises. There is a belief that, with reforms and efficient management, these enterprises could be made profitable and attractive to investors. What is important is that the government remains committed to it and to privatisation in general. Experience has it that

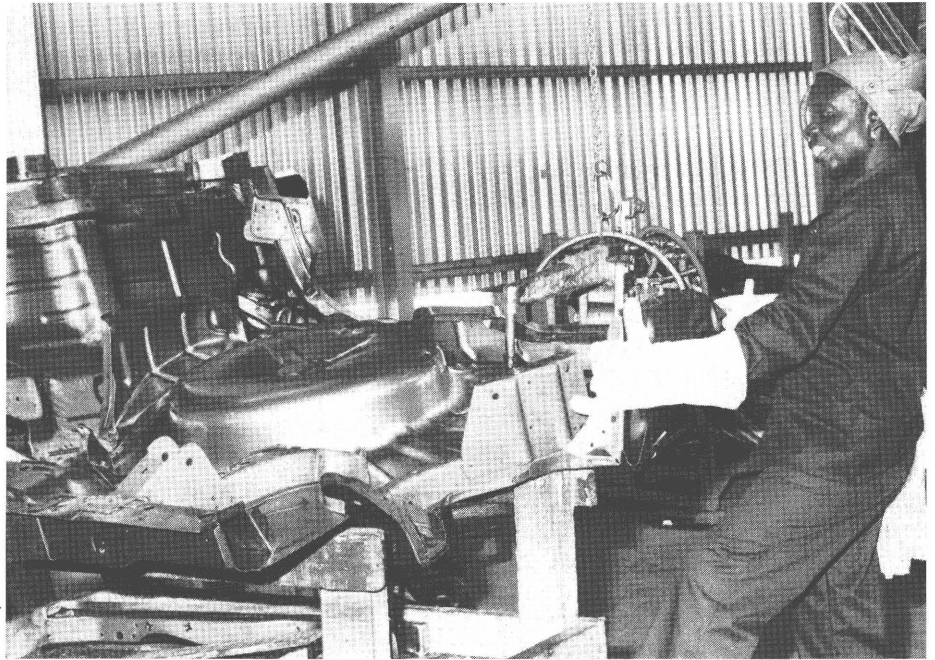
the State cannot be expected to provide everything. It is no use competing "with the private sector in areas where it is doing well and perhaps does better", says the Minister for Industry and State Enterprises, Senator Ken Gordon.

With this in mind, a number of reforms have been carried out. These include the appointment of new boards of State enterprises whose responsibility is to ensure greater accountability from State firms both in terms of output and financial management. There are altogether 67 companies that can be classified as state enterprises. Of these, 38 are wholly-owned by the State, the rest are semi-private.

In order to improve the business and investment climate, a new and fast system of licensing of investors has been established⁽¹⁾. It is called a "one-shop" system whereby applications are processed under the sole authority of the Industrial Development Corporation (IDC) and under one roof. The Committee is required to make a decision on all foreign applications within 45 days of receipt and on all local ones within three weeks.

Overall the new administration's industrial strategy is to move away from over-concentration on heavy industries towards light manufacturing—industries that will be based as much as

(1) It was known during the PNM administration that delays in the granting of licences were sometimes as long as one or even two years. Many foreign entrepreneurs were believed to have been turned away as a result.



Ministry of Information

A worker at a car-assembly plant

The closure of one of the two major car assembly plants resulted in massive layoffs

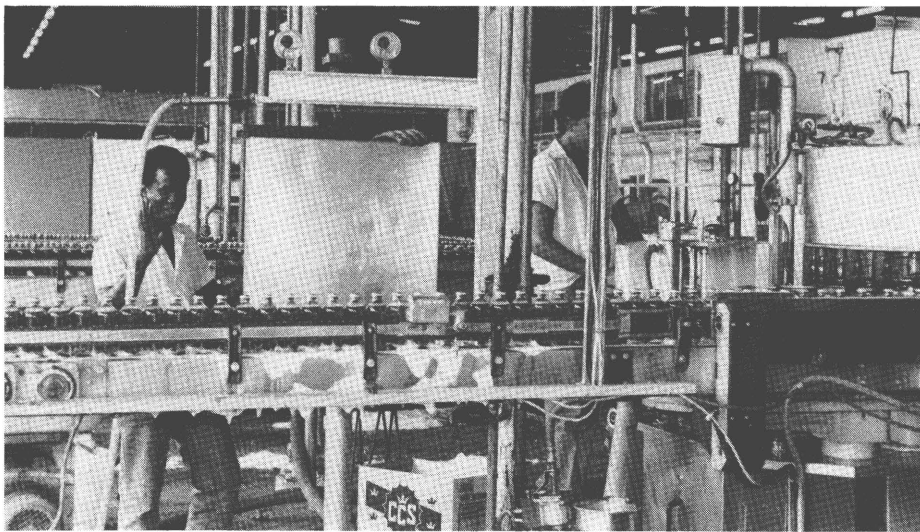
possible on local resources and spread throughout the country to avoid rural migration to the cities.

When divestment comes, it is believed, the first candidate will be the loss-making iron and steel mill. The ammonia, methanol and urea factories may also be privatised. But what are the prospects?

In 1984, a contract of management of the Iron and Steel Company of Trinidad and Tobago (ISCOTT) was signed with two European Steel Companies, Neue Hamburger Stahlwerke of West Germany and Voest Alpine of Austria. Although changes wrought

under the new management resulted in a 50% increase in production, ISCOTT has continued to lose money. It hopes to break even and perhaps, even, make a profit as from 1989 and Prime Minister A.N.R. Robinson believes it can. In his opinion, these heavy industries have failed in the past mainly because of "political interference and bad management". Iron and steel is now part of the economic landscape. It is already giving rise to secondary activities whose survival is vital to Trinidad and Tobago's overall industrial future. A whole range of new generation downstream industries is expected, from construction through petrochemical to agriculture (steel-frames, machine tools, asphalts, plastics, fertilisers, etc.).

Trinidad and Tobago's relatively narrow raw material base and small domestic markets are major constraints to expansion. Nevertheless, as mentioned earlier, heavy emphasis is being placed on industries that use as many local raw materials as possible. Those that give value added to cheap imported products in which the country has an advantage in the Latin American and Caribbean hemisphere are also being favoured. A clear example of the latter is garments. Trinidad and Tobago imports some US\$ 27 million worth of textiles from the United States annually and exports garments back to the US. This arrange-



Inside a brewery in Port of Spain
Emphasis is now more on light manufacturing

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ment is now being carried out within the framework of the US Caribbean Basin Initiative (CBI). Protectionist attitudes in the US have, however, adversely affected the industry. In the mid-1970s, the 750 registered garment manufacturers in the country provided jobs for over 15 000. Now recession, coupled with difficulties in the American market, have seen the workforce reduced to 5 000. The authorities are fighting hard to revitalise the industry. A new memorandum of understanding signed in Washington last year gave Trinidad and Tobago the possibility of doubling its textile imports as well as a guaranteed quota of garment exports to the US market. Pressure from the industry led the PNM government, in 1985, to impose an 18-month ban on all garments to protect the home market. The industry, through the Trinidad and Tobago Manufacturing Association (TTMA), has continued to press for exemption from tax on locally manufactured garments ex-factory and the removal of stamp duty on machinery and spare parts and to clamour for more soft loans from the Industrial Development Corporation. In return, it is promising to create 7 500 new jobs. The Government, at the time of writing, was examining these demands. It has already bowed to one, by renewing the ban on garment imports for 12 months, though this time, the Caribbean has been exempted in pursuance of its policy of improving both political and economic relations with Caribbean countries, particularly CARICOM member states.

The importance of the Caribbean market

Wealth, critics say, had given Trinidad an image that bordered on arrogance, aloofness and introspection in the Caribbean. When economic depression forced it to impose import licences on Caribbean products and to act slowly in implementing measures to stimulate regional trade in accordance with the agreement reached at the 1984 Nassau CARICOM summit, relations with the rest of the Community reached a low ebb. Admittedly, the CARICOM member states feared Trinidadian regional domination and the tendency of some to reject the Trinidad's national airline, British West Indies Airways (BWIA), and to create their own in direct competition, may have played a role in Trinidad and Tobago's attitude to the sub-region. It had, for example, adopted at one time a *quid pro quo* stance, granting exemption to St Lucia from garment import restrictions in return for that country's recognition of BWIA as its carrier.

Relations between Trinidad and Tobago and its CARICOM partners have improved tremendously since last December when the new administration took office: several Caribbean heads of state and government have paid official visits to Port of Spain to discuss both bilateral and regional issues; Barbados and Trinidad have signed an agreement which, henceforth, will enable BWIA to fly directly from Bridgetown to London; Guyana and Trini-

dad have reached agreement on trade between the two countries. In Port of Spain, measures necessary to improve regional trade are being examined. There is now widespread belief that if Trinidad and Tobago is to succeed in its industrial expansion plan, CARICOM trade must improve. Although the volume of trade between Trinidad and the rest of the Caribbean has fluctuated over the years and is in decline, it has always been in Trinidad's favour. The decline is, sadly, a reflection of the decline in the oil sector, but there is definitely room for manufacturers to recover the country's share of market. So in that sense, the Caribbean is of tremendous importance.

Of course, the Caribbean Basin Initiative provides the twin-island state, in theory at least, with great market and investment potential. Trinidad and Tobago's proximity to the United States, its political stability, its skilled manpower resources, generous incentives as well as the measures announced by Senator Ken Gordon, the Minister of Industry and State Enterprises, to improve the overall business climate are sources of strength which could attract investors, particularly those interested in "enclave industries".

On a much wider scale, Trinidad could take fuller advantage of what the Lomé Convention offers on the European market, although the authorities are frowning upon difficulties they have encountered with regard to steel and urea—areas where Trinidad and Tobago has been accused of dumping in Europe.

All in all, competitiveness is the name of the game, particularly in light manufactures. Apart from the main industries namely iron and steel, fertilisers, chemicals and of course garments, Trinidad and Tobago has developed a range of small industries; car, radio and television assemblies, concrete production, food processing, rum distilling, paper products and asphalt (of which it is a major world supplier).

Relieving unemployment

The energy, finance and banking sectors aside, manufacturing recorded the highest growth during the boom years. It contracted in 1984 and 1985 leading to massive loss of jobs, particularly when one of the two biggest car



An aerial view of a housing development in east Trinidad

To relieve unemployment, the Ministry of Works and Infrastructure is embarking on a programme of construction, particularly on housing



Small-scale cultivators of rice in Tobago

Traditional agriculture is showing signs of a comeback. Efforts are now geared to making Trinidad and Tobago largely self-sufficient in food



A fruit and vegetable market in Port of Spain

assembly plants in the country closed down. It recovered last year by registering a 13% growth and today accounts for 7% of GDP. It is now being looked upon as holding the key to the unemployment problem. Over 76 000 people are believed to be out of work, about 17% of the work-force, and there are an estimated 10 000 school leavers annually. The target now is to create between 7 500 and 10 000 new jobs every year, according to Industry Minister Ken Gordon.

To relieve the unemployment pressure in the short term, the Ministry of Works and Infrastructure is embarking on a programme of construction, particularly of housing. This, it is hoped, will stimulate a whole range of activities in the industry which last year declined by 18%. The construction industry still contributes about 12% of the GDP and the potential for expansion is there, particularly with regard to the establishment of tourist infrastructure such as hotels and recreational facilities.

The intractable problem of sugar

An aspect of manufacturing that is also commanding increasing attention is the agro-allied industry. Here, of course, sugar readily comes to mind, for this is an industry that has been in the doldrums for more than 10 years. Except for 1985 and 1986 when production rose slightly, to 91 000 tonnes and 92 314 tonnes respectively, the overall trend has been downwards. The projection for 1987 is 100 000 t.

but plantation fires early in the year which seriously affected the quarterly targets makes the achievement of that figure less likely. One hundred thousand tonnes, however, compares poorly with peak production of 250 000 tonnes in 1965. Factors responsible for the decline include fires, bad weather conditions like flood and drought, sugar cane diseases, constant breakdown of equipment and very low world prices. Subsidies have come over the years from the EEC under the Lomé Convention's Sugar Protocol.

The largest employer in the country, the rationalisation of this sector will centre on diversification into the production of ethanol and industrial alcohol. Although there are proposals to divest the State-owned Caroni (which monopolises sugar production in the country) of some of its land under sugar cane for the production of fruits and vegetables, it is doubtful whether such a reform can be carried out given the strength of the trade unions in the company. The unions now have powerful allies in government. Caroni loses, on average, US\$ 100 million per annum. It will require tremendous courage, indeed, to carry out radical measures, for ethnic considerations are also bound up with it.

The other plantation-based crops, cocoa and coffee—have so far shown no sign of taking over from sugar cane. Except for citrus which, in the second half of last year, showed an increase in production of 4%, cocoa and coffee output were falling behind by 3% and 37% respectively. This kind of agricul-

ture generally is being called more and more into question. Indeed, the NAR manifesto talked about transforming some of the plantations into small-holdings. But the Minister of Agriculture, Lincoln Myers, has expressed caution. It would be necessary, he said, to establish, first of all, whether the breaking up of such large units is appropriate in tropical agriculture and whether it would result in an increase in production. It should be noted that plantation agriculture evokes in Trinidad and Tobago, as elsewhere in the Caribbean, slave labour and that there is a natural tendency, particularly with people of African descent, to resist it. This has been one of the reasons often advanced by analysts for the failure of cash crop cultivation generally in the country.

Towards greater self-sufficiency in food

Traditional agriculture, on the other hand, which was almost completely overshadowed during the oil boom, is showing signs of a comeback. Currently contributing 3% to GDP and employing less than 10% of the work-force, the recession seems to be working in its favour as jobless people attracted to the cities during the boom years return to their rural homes.

Once a food exporter, Trinidad and Tobago's annual food import bill is today close to one billion Trinidadian dollars. These imports represent 75% of requirements. Yet considerable resources have been allocated to agriculture since 1966.

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No particular measures have been taken to curb imports, but with the unification of the two-tier foreign exchange system by the new administration in the 1987 budget, imported food has become more expensive. The fact that there is not enough foreign exchange to go round is sufficient in itself to discourage imports and encourage local production. According to the Minister of Agricultural Lincoln Myers, more financial and technical resources will be devoted to traditional agriculture. More lands will also be brought under cultivation in response to widespread desire for greater access to land. Because drought and inadequate water resources have, in the past, been serious constraints on production, a programme of water management is being developed for "all agricultural areas including drainage and irrigation projects in South Oro-puche, Nariva Swamp and Caroni River Basin", he says.

The minister believes that research and development will be crucial. Henceforth the country will try to utilise the considerable experience it has gained in research into the production of cash crops for food production. In this regard, CARDI⁽²⁾ and CARIRI⁽³⁾ will be called upon to play a major role in the development of appropriate technology and in extension works. Officials in the Ministry of Agriculture point to Trinidad and Tobago's literate and well-informed small-scale farmers who, on their own, do carry out experiments in bids to increase and diversify production. Their readiness to adopt new techniques and to increase and diversify production, they say, need official backing through the provision of accurate information and supervision.

The overall goal, in the short term, is self-sufficiency in food. The same goes for fisheries, although here emphasis will be laid on conservation of stocks. There are about 7 000 fishermen in Trinidad and Tobago. Together they can satisfy local consumption with the provision of facilities such as cold storage and smoking and salting plants. A ban on fish imports is likely and the National Fisheries Company is likely to be sold off to private operators or to cooperatives un-

der the government's divestment programme. Minister of Agriculture Lincoln Myers is particularly concerned about the conservation of stocks. For this reason, plans are afoot to renegotiate Trinidad and Tobago's fishing agreement with Venezuela which has been accused of being responsible for over-fishing in the waters between the two countries.

Conservation is equally important for forestry. Nearly half of the country is under forest cover—a resource that has given rise to a very thriving local furniture industry. Although still considerable, the programme of replanting which has been in place for years is to be intensified. "Agro forestry", is the term Mr Myers prefers. The use of forest for recreational activity, he says, is also an objective. This means the creation of parks throughout the country.

Tourism, an unexploited asset

Manufacturing aside, none of the sectors that come under the diversification programme has greater potential for expansion, job creation and foreign exchange earning than tourism. Since emphasis began to be laid slightly on the sector in the wake of the fall in oil prices, for example, earnings have increased from less than TT\$ 210 million in 1983 to more than 240 million in 1985. Last year alone tourism recorded a 12% growth.

Until now, the industry in the twin-island state has consisted mainly of business trippers, foreign students and the large number of visitors that flock to the huge spectacular that is the Trinidadian Carnival. This annual extravaganza gets bigger and better each year. It will remain, no doubt, the biggest tourist attraction, but there are other areas that have hardly been exploited like the country's rich and varied natural life (particularly in the Arima Valley), the sun, sand, sea and water sports opportunities that the smaller island, Tobago, provides, the people's flair for music and entertainment and the country's nascent popularity as a fashion centre, especially of tropical wear.

With the construction of an international airport and a deep-water harbour in Tobago capable of receiving cruise ships, the country could, with effective publicity, become one of the

most important all-embracing tourist destinations in the Caribbean.

The role of education

In most developing countries, a plan for economic revival as ambitious as this would fall flat on its face for lack of qualified manpower. This, many believe, cannot happen in Trinidad and Tobago where there is obviously a labour supply that is literate and an abundance of expertise. But it is the composition of that expertise that bothers the Minister of Education, Senator Clive Pantin. The country's educational system, one of the most sophisticated in the Caribbean, in his opinion, has turned out, over the past decade, too many school leavers who specialised too early and who cannot easily switch from one type of job to another and as such, once out of work, stay idle. Specialisation, particularly in the technical and vocational fields, he says, should take place much later, to enable pupils to acquire a variety of skills that would stand them in good stead in the labour market. Presumably, reforms in the educational system in the coming years will take this into account. Meanwhile, a 3-month programme of non-formal education aimed mainly at the 20 000 or so unemployed youth is to start in September. It will lay stress on areas of diversification and include a system of apprenticeship to firms, industries and highly skilled tradesmen.

On the surface, at least, the government seems to have got its act together. But how effective will its strategies prove? Six months after assuming power, the going is proving tough, according to Prime Minister Robinson in a broadcast to the nation. Serious shortages of cash have led to the scaling-down of projects, with casualties mainly in construction where the 22 projects earmarked in the 1987 budget have been whittled down to only 14, thus seriously compromising plans for the creation of jobs in the short term. Lack of foreign exchange, on the other hand, has forced Industry Minister Ken Gordon to impose import restriction on vehicle spare parts—another severe blow to the car assembly industry. From here it looks as though 1987 may be just more than a difficult year, as Planning Minister Winston Dookeran says. ○ A.O.

(2) Caribbean Agricultural Research and Development Institute.

(3) Caribbean Industrial Research Institute.

TRINIDAD AND TOBAGO

Profile

Area: total 1980 sq miles (5128 sq km)

Trinidad 1864 sq miles (4828 sq km)

Tobago 116 sq miles (300 sq km)

Population: 1 087 000 (1980 census); 1.1 million latest estimate, mainly people of African and East Indian descent together with people of mixed races, Whites, Chinese, Syrians and Lebanese.

Independence: 31 August 1962.

Political system: *Parliamentary democracy.* There are two Houses of parliament, a House of Representatives and a Senate. The House of Representatives is made up of 36 members elected every five years under universal adult suffrage. The Senate is made up of 31 members appointed by the President, usually nine by himself, 16 on the advice of the Prime Minister and six on the advice of the leader of the opposition.

Executive power is exercised by the Prime Minister, who is appointed by the President. The Prime Minister is usually the leader of the party which won the election.

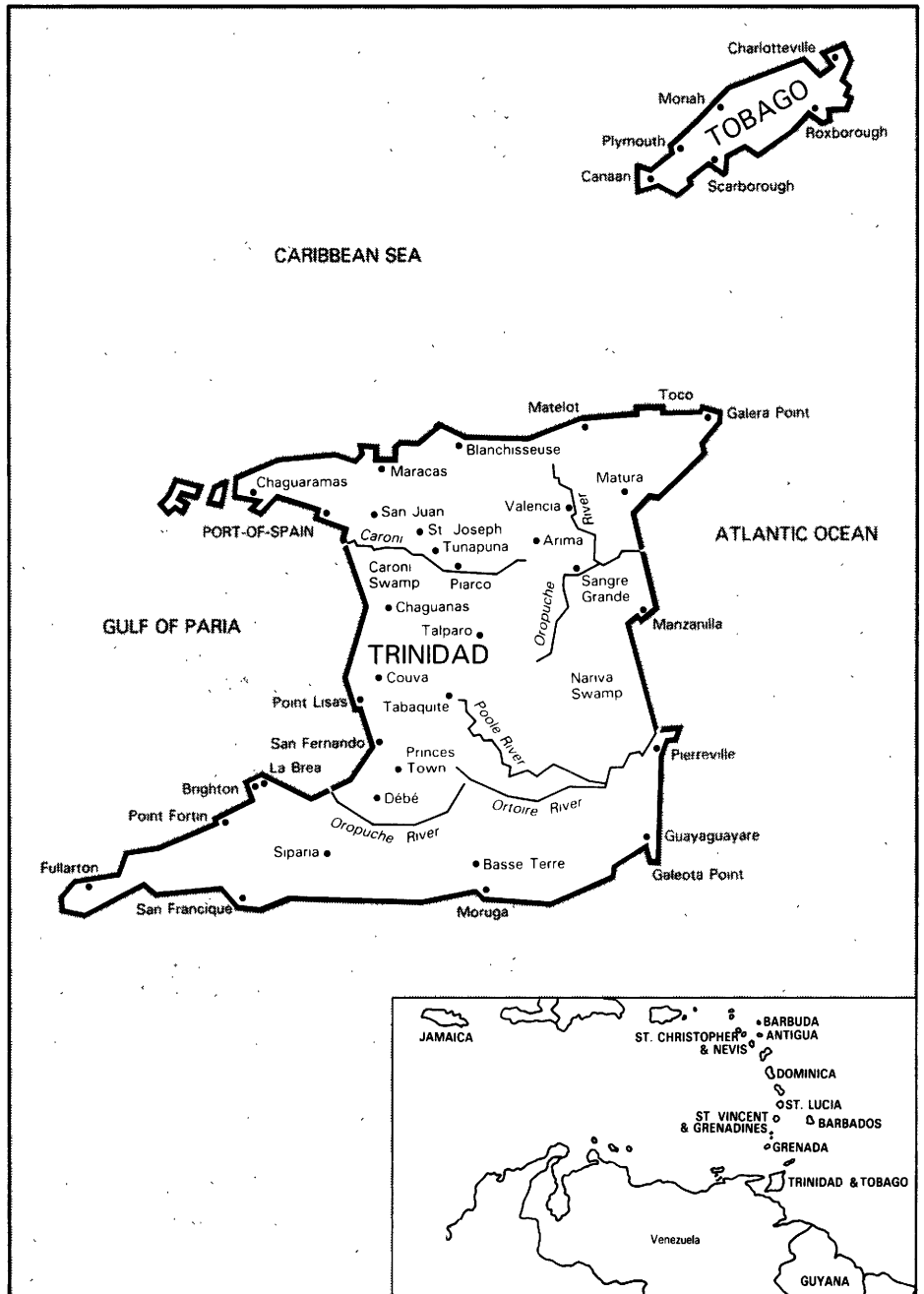
The President is the constitutional head of state, a largely ceremonial post. He is nominated by the Prime Minister and elected by an electoral college made up of members of both Houses of parliament.

Political Parties: (a) The National Alliance for Reconstruction (NAR) made up of four political parties: the United Labour Force (ULF); the Democratic Action Congress (DAC); the Organisation for National Reconstruction (ONR); the Tapia House Movement. NAR won 33 of the 36 seats in the December 1986 elections. (b) The People's National Movement (PNM) was founded in the 1950s. This party governed for 30 uninterrupted years before being defeated in the December 1986 elections. It won only 3 seats.

The Prime Minister is Arthur Napoleon R. Robinson.

The President is Noor Hassanali, who succeeded Ellis Clarke in March this year.

Economy: Overwhelmingly based on *petroleum* which contributes around 25% of GDP, 42% of government revenue and 80% of exports. There are considerable gas resources.



Agriculture consists of sugar cane, coffee, cocoa and citrus. The fishing sector is small and food production is yet to meet domestic requirement. The country has timber resources with at least half of the country still under forest cover.

Industry is based on steel, fertilisers, chemicals and light manufactures that include rum distilling, paper production, radio, TV and car assembly, textile and concrete production.

Gross Domestic Product per capita: US\$ 6 000 or TT\$ 21 600 (under the unified rate of exchange: TT\$ 3.6 = US\$ 1).

Main exports: Petroleum and petro-

leum products, fertiliser, sugar, chemicals and garments with the main destinations being the United States, United Kingdom and CARICOM countries.

Main imports: Consumer goods, food, machinery and crude oil. Imports come mainly from the United States, the United Kingdom, Saudi Arabia, Japan and CARICOM countries.

Media: Two TV stations. One national and one commercial radio station. Two major daily newspapers, the *Trinidad Guardian* and *Trinidad and Tobago Express* and two evening papers: the *Evening News* and *The Sun*. There is total press freedom in the country. ○

“We are on the right track”

— Winston Dookeran, Minister of Planning and Reconstruction

A former lecturer in economics at the University of West Indies, Mr Winston Dookeran became Trinidad and Tobago's Minister of Planning and Reconstruction last December following the victory at the polls of the National Alliance for Reconstruction. In this interview, he talks about the measures being taken by the new government to stabilise the economy.



Winston Dookeran

► *Minister, low and unstable oil prices make the job of planning and reconstruction a rather hazardous affair. What level of income from oil have you set as your target for economic growth in the next five years?*

— Well, we are actually in the process of forecasting development over the next three years. What we did as a new government was to put into place the budget for 1987 based on a realistic assessment of the situation — of the price of oil hopefully remaining intact between \$16 to \$18 a barrel. In our forecasting for the years ahead we will try to reduce our dependence on oil as the basis for a good orientation of projects. That's what we are engaged in at this point in time.

► *What rate of growth have you projected for the economy as a whole?*

— We have not quite determined what rate of growth is likely to take place, because, as you are aware, we have been in office three months⁽¹⁾ putting the budget in place. We are now developing the basis for our five-year plan in which we would try to have a target for growth. We have had a period of negative economic growth for the last four years. Nineteen eighty-seven we know will be a difficult year for us, and we're trying to stabilise the economy so that by the end of 1987 we would be back in a positive economic growth line. A fair amount of that, of course, will depend on the success of our other policies to stimulate investment — private investment — in terms of a diversified economic structure and a revival of activity in the energy sector as well as the development of the food processing sector. In addition to that the need for

concessionary funding to assist us to complete our development infrastructure, which, though at a relatively high level of development, requires that we go just over the bridge, so to speak, and put on the final touch. That kind of injection of funds over the next two or three years will complement the private sector investment — both local and foreign. We have therefore been setting the framework to provide the inducement for such type of activities to take place, and hence by 1988, we ought to have stabilised the economy, prevented it from sliding down, and from there move on to a positive growth rate.

► *The 1987 budget counted on the understanding of the population of the need for sacrifices to revitalise the economy. Has the trade unions' negative reaction to the reduction in the cost of living allowance affected the government's morale?*

— Not at all. We expected of course to have some response to what is conceived to be a drastic measure. But we have been able to convince the wide majority of people of this country that it was necessary to reduce our consumption levels in order to provide funds for investment purposes and to increase incomes later on. We had to convince them that our consumption levels had gone way beyond our existing capabilities. From that point of view our morale has not been disturbed. We are very sure we are on the right track in terms of reordering the macro-variables in the economic system, and having reordered them into a more sane kind of ritual, we believe we will reap the rewards after. In any event, the responses to the withdrawal of the cost of living allowance have been important. We have dealt with the social aspect of it, which is that

that concerns the lower income groups. The Prime Minister recently announced a programme to help alleviate the negative social consequences of it, and as such, I do not really see it as being a major problem for us. It has not affected our morale in any way.

► *Unlike most oil-producing countries, you have the advantage of not being weighed down by heavy short-term debt burden. How great, though, is the temptation for you to go in for this kind of loan?*

— We are very concerned about establishing a proper ratio between our external debt and our capacity to export as well as our GDP. We are not tempted to go into large-scale foreign borrowing. We are very conscious about the absorptive capacity of the economy with respect to foreign borrowing too. It is necessary nonetheless to raise some funds during 1987/88. We do not expect to go beyond the basic limits that are normal in prudent management.

► *The World Bank has threatened to reclassify Trinidad and Tobago on the basis of its income per capita. How far have you gone with negotiations with the Bank to prevent this?*

Well, I recently visited the World Bank in Washington and had discussions with them on these matters, and we agreed that it was necessary to look at the area of technical cooperation and technical assistance. The World Bank therefore will be sending a mission next month⁽²⁾ to Trinidad and Tobago to prepare for such support. Their position with respect to the graduation issue remains by and large the same. It's a global situation, and

(1) Interview conducted in March 1987.

(2) April 1987.

therefore the peculiar circumstances of individual countries are not catered for in that approach.

We would continue discussions pending the introduction of technical assistance which will provide us with the basis for an effective planning process which we are now reintroducing in Trinidad and Tobago. This time around we want to give heavy weight to the process of planning. We do not see planning really as a technocratic function as much as a participatory function. I mean we want to set in motion a process by which planning would take place, rather than developing a specific plan. We hope that we will get the assistance of the World Bank in this regard to put into place a diversified structure which would give us long-term resilience.

► *With your foreign reserves now down to three months of imports, how do you expect industries to restructure if they have little or no access to foreign exchange?*

— Well, it is true, the foreign exchange gap is now emerging as a major gap in our developmental process. The fiscal gap is also there. We are back therefore to the period where we had the two gap models as the academician would call it. The developing world was faced with the fiscal gap and the foreign exchange gap. Both of those gaps are now currently with us. We are working of course to try and remove the limitations that they impose. I recognise therefore that it will be difficult in the short-term to try and deal with this problem, and I think we've been very effective so far in at least stabilising the situation. Oil remains our dominant export and to that extent what happens in the international market will influence our decisions here. In the meantime, the non-oil manufacturing sector has begun to show increases in exports, and our Government's policy has been to give that as much impetus as possible. With the new confidence in the economy—which is perhaps a more important ingredient than financial flows—we expect, over the next year, that confidence will be translated into real projects. There is a lag, and that's why I indicated earlier that 1987 is, indeed, a difficult year for us, but we believe because of that new confidence that the investment process and

the accumulation of capital of a productive nature is likely to increase during this year.

In addition to that, of course, the government itself is reviewing its public expenditure programme in order to direct it to more productive types of activities—activities that may have short-term economic benefits. We are trying to give all the necessary impetus for the economy to increase its capability to export. At the same time, we believe that the imports of the country have been somewhat too high in certain areas in which there are good prospects for local production. You will find a new opportunity is now being created, especially in the agricultural sector where we can, in fact, produce for export goods that were formerly imported. So when we talk about our three months' foreign exchange position, we are, in fact, talking about opportunities for increasing local production, especially in areas that can respond immediately like agriculture. And with a high food-import bill, as we do have, we see the lack of foreign exchange as an opportunity. There is a big problem as to whether we can get all these initiatives to become realities within a reasonable space of time. The confidence is there and confidence to me is the most important resource for the development of any country.

► *What positive effects are you expecting from the unification of the two-tier system of exchange?*

— The unification would have given the agricultural sector a boost because now they will not be subject to a low foreign exchange rate which meant distinct advantages for the importation of food, and this therefore provides a coverage for the agricultural sector. In addition to that, it will allow our foreign reserves to be more available to us, because on the dual-exchange rate system, we estimate that we as a government lost large sums of money. We did not argue in support of the unification only on the grounds of revenue, but primarily on the grounds of the administrative aspects of the arrangements as well as the need to provide a stimulus for local production in the two areas that were covered, food and agriculture as well as drugs. We recognise that in the short-term it does have an impact on the cost of living. But it creates possibili-

ties for many projects that were marginal in those sectors to be no longer marginal because of the price difference.

► *The idea of establishing warehouses in Europe to boost Trinidadian exports was mooted here not long ago. What's your opinion of it?*

— A number of measures to give us the capability in US and European markets have been put to us in recent times—the question of getting involved in the distribution sector in these countries in a more meaningful way. Perhaps the provision of warehouses might be one of those such things. Establishing close relationships with large distribution companies might be another. I think the argument here is that we must move beyond the marketing of our international commodities at the level of selling the products in a public relations way, that is, we should get ourselves involved in commercial relationships with bodies and enterprises abroad that do perform such functions in their own country to supplement our effort. I know it is not as easy as that because we are a small country. We do not have the kind of resources to bargain with many of these larger distribution networks, but I believe we can work out some possibilities to change international marketing and give it a more structural and institutional base.

► *What role do you expect the European Community to play in your reconstruction efforts?*

— To some extent we have not fully exploited the possibilities that have been open to us in the Lomé agreements, minimal as they are in terms of world standards. We believe that perhaps it is necessary, in the same way that we argue with the World Bank, that the European Economic Community and its various agencies should consider, in looking at the developing world, and particularly at small countries like those in the Caribbean that are vulnerable to external factors, that we have come a long way with support and that such economic benefits as we have had can be reversed overnight. When a country gets to the point that it is almost on take-off and is still vulnerable to international developments, such countries should be seen

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in the context of that time and that situation, so that one does not use a blanket rule that applies throughout the world and does not look at the specific situation in a country, because you might undo a lot of the investment of the past by one simple tragic measure, so to speak, or one development. One therefore might have to bring in flexibility in approach, particularly with respect to the availability of development finances that could come from European sources. It has not traditionally been very strong I admit. We look forward to a closer relationship with the European Community.

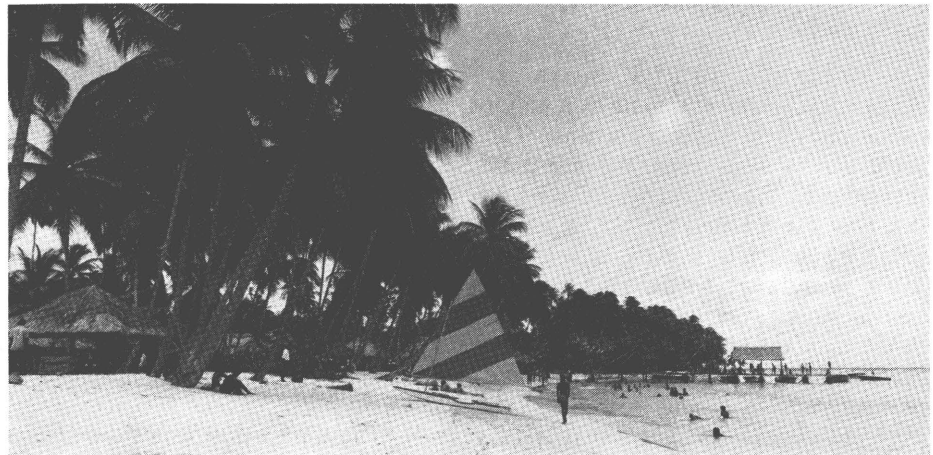
► *You are looking forward to tourism playing a vital role. What plans have you to boost the industry?*

— Well, tourism is going to be important to us. We have enunciated two basic approaches so far. One is that we would like to develop a new tourism thrust that integrates local recreation into tourism. So we are not going in the traditional way of having tourism being something of an enclave in the society. We want it to become totally integrated into the local recreational plan and integrated with all the various cultural festivals that take place in Trinidad and Tobago. Trinidad and Tobago, as you know, is a mosaic of cultures. People from all over the world reside here, I think we probably have one of the richest array of cultural works in the world. So we would like to integrate our local recreational plan with a new tourism thrust. In addition to that, of course, we are now engaged in giving full support to the development of the infrastructure. We have traditionally not done so. Trinidad and Tobago has, I understand, just a relatively small number of hotel rooms available for the tourist sector. It will be necessary to find ways and means to bring in private hoteliers into this operation. While we are doing all these, there is need to make the society accept the legitimacy of the new kind of tourism we are now engaged in—not tourism in the traditional sense but tourism that involves us expressing our own self. Once we have succeeded in bringing about basic attitudinal change in the society we believe that the climate for tourism will be more conducive. Of course in the final analysis it will depend on price and our competitiveness. But I



Below, a beach and, above, a golf course, both in Tobago

“There is a firm commitment to utilise culture, tourism, sports and recreation as key areas of economic life in Trinidad and Tobago”



have no doubt that we can, with the expansion of our airline services and our intention to try and reap the rewards of what has become a very mature airline. The British West Indian Airways, as you know, owned by Trinidad and Tobago Government, is a very mature airline today, and we are a small country. We have been able to achieve this within a short space of time. We know that there are not likely to be immediate gains but we have already begun to sense, because of the confidence that has been established in Trinidad and Tobago since this Government came into power, that there has been an increase in tourism, particularly during the Carnival celebration of 1987. We hope that during this year and by the time we get round to the celebrations next year, we will

have many of the infrastructures in place and will have succeeded in changing attitudes so that we can attract people more. There is therefore a firm commitment to utilise culture, tourism, sports and recreation as key areas of economic life in Trinidad and Tobago. This, we believe, could also be a substitute for the expectation of the material increase in the living standards of people, that is, that there is a need to trade off the expectation of material increases, which have become part of our oil culture, and substitute it with the wider aspects of life—the quality of life related to sports, recreation, culture and tourism. There is going to be that philosophical thrust which we will try to have influence tourism policy in the years ahead. ○

Interview by A.O.

OIL

Still the engine of the economy

Despite the decline of the industry, oil remains the dominant factor in the economy of Trinidad and Tobago. It still accounts for at least 80% of foreign exchange earnings, 25% of the gross domestic product and 40% of government revenues. There is no doubt that in the coming years it will dictate the pace at which the NAR government's diversification programme succeeds—a programme based on world oil prices remaining between \$ 16 and \$ 18 per barrel. Anything below these figures, it is estimated, will seriously jeopardise it. But worries over prices aside, are resources adequate and can production be maintained at reasonable levels?

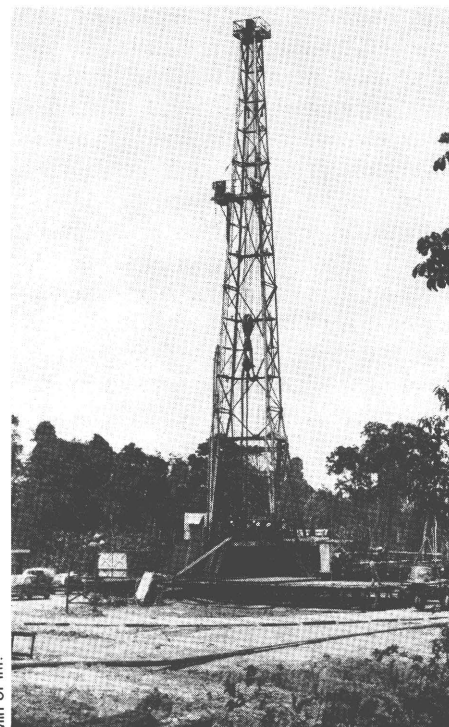
Trinidad and Tobago's oil reserves have been consistently underestimated over the years. In 1976 they were believed to have a life-span of no more than ten years. Today they are still believed to have a life-span of no more than 10 years. In 1986 proven crude reserves and secondary recoverable oil were estimated re-

spectively at 500 million barrels and 65 million barrels.

Exploration continuing

The underestimation may have been designed to avoid the nasty shock of sudden dry wells in a region whose very complex geology has proved a major challenge to exploration since deposits were first discovered in 1886. There is no reason to believe reserves are not higher. Exploration is continuing and is bound to intensify when the world oil market recovers, for Trinidad and Tobago remains attractive to producers thanks mainly to the very generous tax incentives it offers. These include, among other things, a 150% exploration allowance, a 100% allowance on offshore investment and a 140% recovery allowance for land operations involving enhanced extraction from old wells.

Weak oil prices have played their part in rendering some oil fields uneconomic but crude production,



Min of Inf.

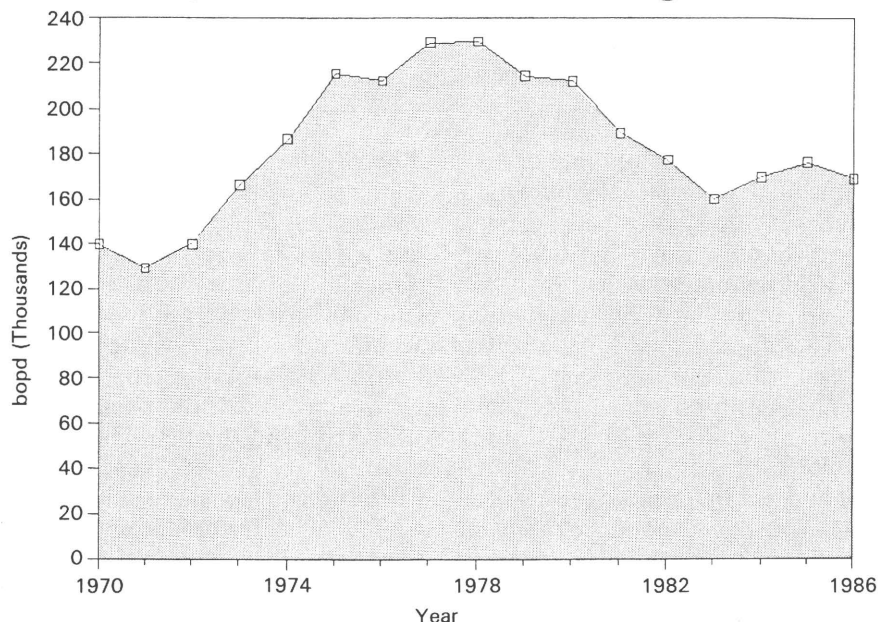
On-shore drilling in the forest area of Trinidad and Tobago

Exploration is continuing and is bound to intensify when the world oil market recovers

though low, has been stabilised somewhat since the dramatic fall to 160 000 barrels per day in 1983 from a peak production of 235 000 bpd in 1976. In 1984 output rose slightly to approximately 168 000 bpd and by a further 3.6% in 1985. It fell back to 168 913 bpd last year following technical problems and fires in some oil fields. Over 50% of production is accounted for by the US-owned Amoco Trinidad, one of the five oil companies operating in the country. The others are: Trimar, Trintoc, Trintopoc and Premier Consolidated Oilfields Ltd (PCOL).

While Amoco exports most of its crude to the United States, an issue on which it has constantly been at loggerheads with the Government in the past, Trinidad and Tobago's refineries continue to face the problem of overcapacity brought about by falling demand and unforeseen stiff competition in the United States market. The refineries were built to supply the US market but the appearance of many offshore refineries along the eastern and southern coasts of the US, accessible to large tankers, has rendered the Trinidadian ones

Crude oil production in Trinidad and Tobago 1970-1986



less competitive. The CARICOM market, on the other hand, has been depressed mainly because Jamaica, the only real potential customer, now has its own refinery. The answer for Trinidad and Tobago has been to refine higher grade oils which command higher prices and to resort to secondary processing; importing, for example, Algerian condensate for blending with local crude and buying fuel oil derived from Alaskan and Venezuelan crudes for further processing.

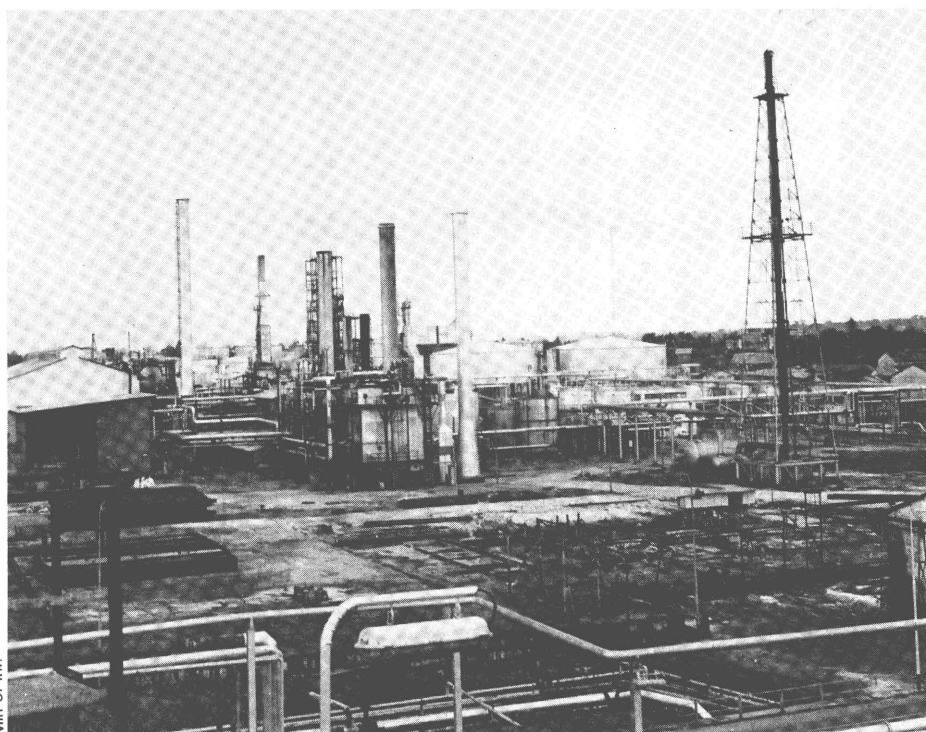
In March 1985, the Government acquired majority shares of Texaco Trinidad Inc, —shares which gave it ownership of such assets as the Point-a-Pierre refinery together with its shipping and harbour facilities. The Government handed over the refinery to Trintoc which, as a result, became the sole operator of the two refineries in Trinidad viz: at Point-a-Pierre which has a capacity of 220 000 bbl and at Point Fortin which has a capacity of 85 000 bbl. The refineries' average daily throughputs have gone from a peak of 266 274 barrels per day and 54 994 bpd in 1976 to 56 010 bpd and 25 450 bpd respectively in 1985. Point-a-Pierre's throughput recovered last year to 63 955 bpd while Point Fortin declined further by 26.2% to 18 873 bpd.

Under the NAR Government rationalisation plans for the oil industry, the Point Fortin refinery has been earmarked for transformation into a petrochemical complex. It will thus join five other plants in the country engaged in the production of such products as urea, ammonia and methanol, although Point Fortin is likely to specialise in urea.

Like oil, Trinidad and Tobago's chemical industry has market problems. Its growth has been based on gas, which will almost certainly become the country's biggest natural resource when oil runs out.

Gas as fuel and as feedstock

Proven natural gas reserves have been put at around 10.5 trillion cubic feet, enough to last for at least 50



One of Trintoc's refineries

Trinidad and Tobago's refineries continue to face the problem of overcapacity brought about by falling demand and unforeseen stiff competition in the United States market

Natural gas utilisation in 1984

Industry	Million cubic metres/day	(mmcf/d)
1. Fertilizer	4.70	(164)
2. Power Generation	2.86	(100)
3. Methanol	0.63	(22)
4. Iron and Steel	0.29	(10)
5. Oil Companies	7.13	(249)
6. Others	0.37	(13)
Total	15.98	(558)

years at the current daily rate of production of 731.3 mmcf/d. Although a preliminary study has been carried out on liquefaction, there are no plans at the moment to go down this road. As mentioned earlier, natural gas serves as feedstock for the petrochemical industry. Last year 27.1% of total gas utilised went to the manufacture of fertilisers, 16.2% to urea and 14.7% to methanol.

Oil and gas in Trinidad and Tobago, it is clear, cannot be seen in terms of foreign exchange earnings alone. Their roles in the industrialisation process and in current efforts to

diversify the economy are increasingly commanding attention. Oil companies themselves, it should be noted, use gas as fuel in refineries and in oilfields. A gas pipeline runs from Galeota Point fields to the Point Lisas Industrial Estate where heavy industries such as the Iron and Steel Company of Trinidad and Tobago (ISCOTT) and the petrochemical industries are located. Last year, ISCOTT's gas consumption rose by 47.9%. The Trinidad and Tobago Electricity Commission is the largest gas consumer, accounting for 28.5% of total gas utilised in 1986. o A.O.

EEC and Trinidad and Tobago (*)

The traditional ties between Trinidad and Tobago and Europe go as far back as the discovery of Trinidad by Christopher Columbus in 1498. Traces of Spanish, French, Dutch and English influence are still evident in the twin islands. Historically, trade was based on the export of raw sugar, cocoa, copra and later, asphalt and petroleum products. Europe was for centuries the country's major trading partner. With the discovery of oil in the North Sea and the decline of petroleum exports to the United Kingdom from Trinidad and Tobago, the United States has become the country's main trading partner, taking almost 70% of Trinidad and Tobago's total petroleum exports. Trade relations with Europe show, however, an improving trend and benefit from the import needs of an increasingly diversified manufacturing sector. Imports from, as well as exports to, Europe accounted for about 20% of Trinidad and Tobago's total imports and exports in 1986. Major export commodities to Europe are sugar and, to a minor extent, petroleum products while Trinidad receives mainly food products, manufactured goods, chemicals and machinery in return.

With the signing in 1975 of the Lomé Convention, Trinidad and Tobago entered into a new era of cooperation with Europe. Preferential trade conditions allow the country duty-free access for most of its exports to the European market; special arrangements exist for sugar and rum; capital and technical cooperation programmes on the national and regional levels are in force, including funds from the European Investment Bank (EIB) and from Regional Cooperation. Altogether the country has benefitted from the Lomé Convention by almost TT \$ 800 million.

The Sugar Protocol of the Convention sets a guaranteed price for raw sugar imports from ACP countries. Trinidad and Tobago has at present a quota of 43 500 tonnes. The guaranteed price for 1986 was more than three times higher than the world market price. The cumulative net benefit

to the country from the Sugar Protocol amounts to approximately TT \$ 320 million for the period 1975-1986.

The present Rum Protocol provides, for the whole of the ACP group, a quota of 170 000 hectolitres (hl) annually of pure alcohol which can be imported duty free into the European market. In 1985 Trinidad and Tobago exported to Europe, approximately 150 hl of rum of which two-thirds went to the United Kingdom and Ireland.

Lomé I

In view of the importance of industrial development for the economy of Trinidad and Tobago, the European Development Fund (EDF) under Lomé I provided technical assistance and training for instructors to the John S. Donaldson and San Fernando Technical Institutes in specialised areas of civil and mechanical engineering. The Bureau of Standards also received technical assistance for the standardisation of export commodities in line with international requirements.

Studies were carried out to find an optimum solution to water supply problems in the country, especially in St. Patrick county where the present tank capacity is insufficient during the dry season. A financing proposal is now in preparation.

A rehabilitation and extension of the water supply system in Tobago is also being financed by the EDF. An important part of the project is the construction of a water tank at Lambeau (Signal) Hill. The new tank will be linked with the Scarborough water supply by means of a booster station and pipeline and will greatly improve the security of the system.

A fisheries development project is proposed for the south of Trinidad — in St. Patrick county — where it is intended to provide fishermen with on-shore facilities for repairing boats (pirogues), mending nets, storage of equipment and marketing.

Lomé II

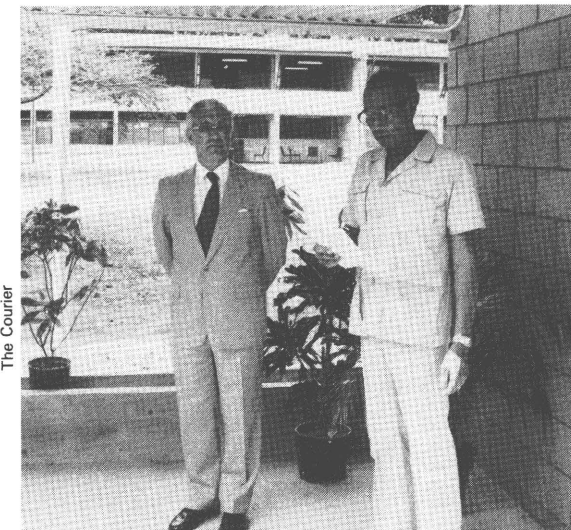
The training programme which focussed on technical education under

Lomé I was continued under Lomé II. Three technical assistants in the areas of road and highway engineering, instrumentation and refrigeration are at present attached to the John S. Donaldson and San Fernando Technical Institutes to assist with the development of curricula to meet the changing requirements of local industry. They are also undertaking special teaching and training assignments. New curricula for the courses have been developed and are ready for introduction. Counterpart instructors will, by the end of 1987, have finished their training in Europe and have returned to replace the present expatriates.

In order to cope with the problem of oil spills, the EEC has helped the Ministry of Energy in drafting the necessary legislation which would allow finger printing and better control of oil spills. Technical assistance, training and equipment form the main elements of this project.

In parallel with the technical education programme, a health training programme is being financed by the European Development Fund for 30 nurses in paediatrics. A first contingent of 12 nurses has already received training at the Great Ormond St. Hospital in London. In addition, the development of environmental health is one of the targets of EDF assistance. Major concern is being expressed concerning the effects on the environment of pesticides and industrial pollution. With the training of a Registrar (pesticides and toxic chemicals), the provision of laboratory equipment and the training of occupational health workers, the

Mr Max Richards, Pro Vice-Chancellor of the University of the West Indies opening a post-graduate hostel at St Augustine's Campus which was financed by the EDF. On his right is Mr Keith Shaw, the EEC Delegate



The Courier

(*) Article provided by the EEC Delegation in Port of Spain.

TRINIDAD AND TOBAGO

EEC's assistance to Trinidad and Tobago

A EUROPEAN DEVELOPMENT FUND	Amounts in TT \$ (*)	
1. National Cooperation		
LOMÉ I		
Training Programme (Technical Education)	8 664 000	
St. Patrick Water Supply	16 477 000	
Lambeau Hill Water Supply	2 280 000	
St. Patricks Fisheries Development	2 280 000	
Trade Promotion Programme	2 660 000	
Studies	5 779 000	39 140 000
LOMÉ II		
Training Programme (Technical Education)	15 580 000	
Health Training Programme	4 560 000	
Goat Breeding Project	2 850 000	
Quarry Sites/River Basin Management	1 820 000	
Forestry Research	300 000	
Tourism Development	2 660 000	
Rice Development	7 380 000	
Microproject	570 000	
Studies	4 180 000	39 900 000
LOMÉ III		
Agricultural Development, conservation of natural resources	28 500 000	
Human Resource Development	17 100 000	
Tourism Development	5 700 000	
Other (Land tenure, youth development)	5 700 000	57 000 000
Interest Subsidies on EIB Loans (Lomé 1 & II)		25 000 000
Sugar Protocol (1975-86)		320 000 000
2. Regional Cooperation		
CFC, CARDI, UWI, WISCO, CATI, CRU		
Lomé I		55 000 000
Lomé II		58 000 000
Lomé III		72 000 000
TOTAL EDF		666 040 000
B. EUROPEAN INVESTMENT BANK (EIB)		
LOMÉ I		
T & T Development Finance Co.	38 000 000	38 000 000
LOMÉ II		
T & T Development Finance Co.	76 000 000	
T & T Electricity Co.	46 000 000	122 000 000
LOMÉ III		
Projects not yet identified		95 000 000
TOTAL EIB		255 000 000
TOTAL ASSISTANCE		921 040 000

(*) TT \$ 1 = ECU 0.26.

EDF hopes to make a major contribution to Government's drive to ensure a safer environment.

Agricultural development under Lomé II has focussed on the improvement of livestock, forestry preservation and the better management of quarry sites and river basins. The target of self-sufficiency in food production, is now receiving high priority in Government's policy and a study on rice development has been revitalised.

Several studies like the Oropouche Basin irrigation scheme were financed by the European Development Fund but have not been implemented because of the budgetary constraints of Government after the decline of oil revenues in 1983.

Lomé III

In April 1986, an Indicative Programme Agreement was signed between Trinidad and Tobago and the

Commission of the European Communities. The Agreement defined as priority sectors of cooperation, agriculture and the conservation of natural resources; the development of human resources and of tourism. A dialogue on sector programmes has so far concentrated on tourism development for which technical expertise will be required.

European Investment Bank (EIB)

The European Investment Bank (EIB) has concentrated its assistance on the Trinidad and Tobago Development Finance Company Ltd., a development finance institution which assists the development of small and medium sized businesses. Since 1978 a total of TT \$ 114 m has been made available through four different lines of credit and in 1985 a loan of TT \$ 46 m was given to the Trinidad and Tobago Electricity Commission for the strengthening of its generating capacity in Tobago and linking the supply system to that of Trinidad by means of an underwater cable. The interest rates of all these loans have been subsidised by the EDF.

Regional Cooperation

Trinidad and Tobago hosts the headquarters of regional organisations which receive European Development Fund assistance under the regional allocations of the Lomé Conventions. Among these are the Caribbean Food Corporation (CFC), the Caribbean Agricultural Research and Development Institute (CARDI), the West Indies Shipping Corporation (WISCO), the Caribbean Aviation Training Institute (CATI) (now defunct) and the Cocoa Research Unit (CRU). These Institutes received ECU 26.9 m in aid under Lomé I and II. Under Lomé III, a total of ECU 72 m is available for regional projects and programmes. The Cocoa Research Unit is of more than regional importance. The EDF is assisting the Unit to establish a genebank for cocoa varieties which are of interest to ACP and non-ACP cocoa producers alike. The project started in 1983 and is progressing very well. Eventually some 3 500 cocoa varieties will be covered which will be made available to all cocoa producing countries. o

Meeting of users of statistics in Gaborone

by Daniel BYK (*)

The chief objective of the organisers of the seminar held last year from 6-10 April in Gaborone (Botswana) was to bring together producers and users of economic statistics with a view to promoting mutual awareness and understanding. Six countries accepted the Botswana government's invitation (Lesotho, Malawi, Swaziland, Tanzania, Zambia and Zimbabwe), each sending to Gaborone three representatives, either from their respective statistical offices, their Planning, Finance, Trade and Industry and Agriculture Ministries or their central banks. Taking into account the participants from international organisations and national organisations for statistical cooperation (the former represented by the World Bank, the Statistical Office of the European Communities (SOEC), the United Nations Economic Commission for Africa (ECA) and the Commonwealth Fund for Technical Cooperation (CFTC) and the latter by the Overseas Development Administration (ODA), the National Institute for Statistics and Economic Studies (INSEE), the Statistisches Bundesamt, Statistics Sweden and Noraid), a total

of 40 people attended and contributed to the week-long seminar, which was financed jointly by the United Kingdom's Overseas Development Administration and the Statistical Office of the European Communities.

Communication between users and producers of statistics is often a one-way affair, with the users claiming that available statistics are scarce, out of date, over-technical and unsuited to the new requirements of economic management and the producers counter-claiming that needs are never clearly expressed, which makes it difficult to allocate the limited resources available to best effect. Each side, confident that it is in the right, then falls back on the other's alleged inability to understand its point of view.

The seminar will, it is hoped, have allowed participants to appreciate the very considerable dangers of lack of mutual understanding, namely that the statistical system as a whole loses in both cohesion and reliability. Interests can only be reconciled on the basis of greater mutual awareness, genuine communication and more frequent contacts. If all are to benefit, producers and users of statistics must learn to collaborate with one another

on the basis of mutual understanding and respect.

In promoting exchanges of views and improving communication between producers and users, every possible avenue must be explored, be it the setting up of official committees, more frequent contacts and informal meetings, improvement of channels for the dissemination of information or exploitation of the scope offered by modern EDP facilities. No single strategy is to be preferred, since success depends on exploiting the full range of these various options.

However, although every effort must be made, nothing can be achieved without genuine goodwill on both sides, since even if the techniques exist, communication still depends primarily on human factors.

Thus, over a whole week, producers and users of economic statistics compared their ideas, needs and resources. Over and above the general problems discussed, the exchange of views was also fruitful on a more specific level, with producers and users from particular countries agreeing to pursue the discussion on their return home.

The proceedings of this seminar will be published by Eurostat towards the end of June (violet series — National Accounts Studies — Special Issue) and will serve as a follow-up to the proceedings of the seminar on Statistics and Forecasting held in Brazzaville in November 1984. ○ D.B.

(*) Of the Statistical Office of the European Communities.

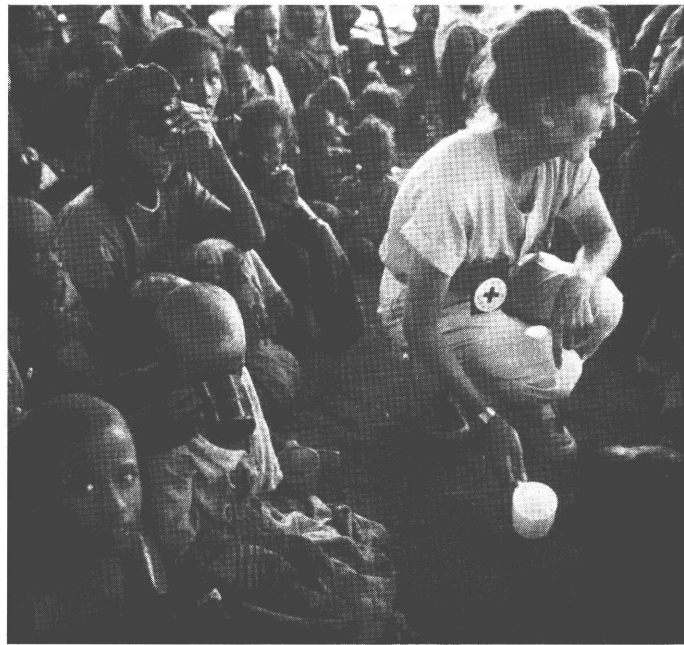


Left: opening ceremony of the seminar in the presence of Mr Obed Chilume, Assistant Minister for Finance and Development Planning, Mr Freddie Modise, Chief Statistician of Central Statistical Office, and Mr Brian Newson, Representative of the Statistical Office of the European Communities; right: some of the participants during a session

DEVELOPM



Volontaires du Progrès



The development world, like many others, abounds with its own jargon and—especially—its own acronyms, instantly understood by those within that world and as good as meaningless to those without. One of the commonest acronyms in development-ese is “NGO”—the universal shorthand in the developed and developing worlds alike for Non-Governmental Organisations.

So far so good, but what exactly are Non-Governmental Organisations? Confusingly, they are not merely organisations which are not governmental. Consultancies, for example, are not NGOs. Nor, usually, are foundations or institutes, a high proportion of whose funds generally come from the State. For an organisation to be an NGO in the true sense (and a number, it has to be said, are no more than businesses thinly disguised) it should fulfil the following criteria: firstly, it should be autonomous, neither depending substantially on the State for its funds (though it may—and often does—receive a proportion of its funds from public sources) nor being beholden to Government in the pursuit of its objectives; secondly, it should be non-profit-making, the funds it acquires being destined exclusively for the projects it undertakes; thirdly, the major part of its funds should come from voluntary contributions.

This, then, is what NGOs are, but what do they do? As a broad generalisation they work to promote the economic and social development of the poorer nations of the world, almost all of them in the pla-

net's southern hemisphere. (Development NGOs exist, of course, in the developed countries themselves, to assist the most underprivileged sections of their populations. For the purposes of this Dossier, however, the term is used exclusively in connection with NGOs working in the developing world). Education and health have traditionally been their principal foci: now they form a highly diverse group, of all shapes and sizes, ranging from the worldwide specialised bodies such as the Red Cross or the International Planned Parenthood Federation, which may employ several thousands of helpers, to the tiny, single-office body run by a handful of dedicated volunteers in their spare time.

To their traditionally favoured fields of work new ones have now been added: today there are NGOs specialising not only in agricultural or fisheries production, or in rural water supply (here the total NGO contribution is thought to be as much as three times that of UNICEF, the leading UN agency in that field), but also, for example, in environmental protection, appropriate technology, minority rights, disarmament and the fight against apartheid.

As well as the multiplication of types of Northern development NGO, the recent past has witnessed the emergence and growth of another variety of the species: the Southern NGO, an organisation with the same broad objectives as its Northern cousin but created and run by the nationals of a developing country and working for that country's own development.

ENT NGOs



Volontaires du Progrès



Martine Vyt/MSF

NGOs have played not only an increasingly significant part in development cooperation in past years but also an increasingly public one. They held centre stage in the media during the worst of the African famine of 1984/1985, when doctors, nurses and pilots from volunteer organisations from all over the world personified the commitment of the millions "back home" to alleviating the misery of the stricken populations. This personification of commitment is certainly one reason for the increasingly prominent role being given to NGOs by bilateral and multilateral government agencies alike. But it is not the only one: NGO fieldworkers, whether or not they are paid, are generally highly motivated—not necessarily, of course, by undiluted altruism, but because the experience (though frequently uncomfortable and occasionally dangerous) is invariably personally enriching. The framework in which NGOs operate is also less cumbersome than that of government bodies, making them better able to respond rapidly to emergencies. And in the field of development cooperation, where small is often beautiful, the very limitations of NGO projects or programmes are frequently a help rather than a hindrance. NGOs can undertake development on a human scale.

No less important than their work in the field is that on the home front, not only in raising funds but in development education—generating public awareness of the needs of the developing world and encouraging, by all manner of means, help in meeting those needs.

As organisations dedicated to the pursuit of development they are not, of course, without their critics—those who claim that too great a proportion of the funds they raise goes to cover their administrative costs; those who say that their fieldworkers are too young, too inexperienced; those who believe that the structures the NGOs work to build are doomed to crumble, like sandcastles with the incoming tide, once they pack their bags and leave.

True or not, what does seem certain is that, for all their merits, NGOs are not the answer to everything in development: they cannot, for example, fill the role played by official donors in the funding of major infrastructural projects and nor, of course, should the official donors abdicate their responsibilities in favour of the NGOs.

This Dossier looks at Development NGOs in their many facets, at their emergence and continuing growth, at the fields in which they excel, and at some of their present preoccupations—both in the field and at home. It describes the work and specific problems of NGOs working in the Caribbean, and it gives the floor to those on the receiving end of NGO work—in this case to the beneficiaries of a nursery project in The Gambia. Finally, it takes a look at the 12-year-old involvement of the European Community in the work of Development NGOs though the co-financing of projects and programmes—a marriage that has proved over the years to be far more than a mere marriage of convenience. ◦

M.v.d.V.

Northern NGOs: tradition, change and challenge

by Bernd DREESMANN (*)

The praise which has been lavished on Development NGOs and their work in recent years from all sides—from politicians, representatives of the media and international organisations—often gives the impression that the NGOs have found the “philosopher’s stone” as far as development aid is concerned.

Thus it was with delight that the European Parliament in a recent debate noted that the NGOs also considered the catalogue of measures they have taken to be “very significant”. This list, which the parliamentarians have taken as their list of desiderata, includes local participation, small scale actions, an integrated approach and the development of rural areas. It also sees self-sufficiency in food as the goal, and it includes respect for the social, cultural and religious characteristics of the local population.

In the same breath, the European Parliament praises the success which the NGOs achieved, with relatively little investment, their motivation, their quick reaction to emergency situations, their political independence, their cooperation with consortia as well as the very broad thematic framework of their development education.

A side-effect of these parliamentary songs of praise is that the NGOs can use the list of their successes as a check-list of the difficulties they have to face at the same time.

For the positive image of the NGOs should not obscure the fact that they, too, must contend with considerable and complex problems. Three areas should be examined here in order to provide a true appreciation of the NGO contribution towards international development cooperation.

That is to say:

1. The view NGOs have of themselves as something between a charitable-humanitarian institution and development radicals;
2. The rapport between NGOs and national, international and supranational institutions, especially when they are involved as a source of funds;
3. The cooperation between NGOs of the South and the North.

Helping has a tradition

The International Council for Voluntary Agencies (ICVA), probably the

(*) Secretary-General of Deutsche Welthungerhilfe (a German NGO), Adenauerallee 134, P.O. Box 12 05 09, D-5300 Bonn, F.R.G.

biggest worldwide NGO grouping, stated the following in a policy paper:

“Voluntary service and giving by individuals and groups to meet the needs of those suffering the consequences of natural or man-made disasters, and to strengthen their ability to keep themselves, is one of the more humane chapters in the history of international relations. Some of its characteristics have not changed substantially for centuries.”

Helping, therefore, has a tradition, especially when the help was a reflection of European progress at the time. In the early years there was medical help such as characterised by Albert Schweitzer; there then followed, for example, literacy programmes and social projects for children and wo-



Viviant Univers

A nun nursing in a Sudanese hospital

“Voluntary service... is one of the more humane chapters in the history of international relations”

men, who were considered to be especially underprivileged groups.

Even before the independence of countries in Africa and Asia and in Latin America, states which, though politically independent, were economically dominated by the USA and Europe, a large number of these responsibilities had been taken up by Church institutions, which—apart from the commercial sector—represented the only non-governmental authority.

It was not surprising therefore, that the first NGOs which were established in the '40s and '50s had their roots mainly in the Church. At the same time it was a remarkable intellectual achievement of those responsible in the Churches that they resisted the temptation to conceive development cooperation as "missionary work by other means", but instead organised it as an independent alternative to the church's task in devoting more attention to the poorest of the poor.

Alongside this church sector, an international network of secular NGOs gradually became established which frequently chose, or had assigned to it, specific fields of activity, as for example the national UNICEF committees, which had children as their target group; the national committees of the FAO-Freedom from Hunger Campaign/Action for Development, which concentrated on food security and the needs of the people in rural areas of the Third World; and NGOs concerned with family planning, the role of women, the transfer of appropriate technology, etc.

The members or constituent bodies of these secular NGOs come from highly varied social groups, including, for example, the trade unions, agricultural associations, charitable institutions or—in more recent years—groups for the protection of our threatened environment.

A thousand Northern NGOs

Although the number of NGOs within Europe and North America is estimated at about a thousand—accurate figures are difficult to establish due to the variations in defining NGOs—the present role of the NGOs and the development perspectives are, for the most part, determined by some 200 NGOs which provide more than 75% of NGO funds for cooperation

NGO resources for development and relief activities (1985)

	Private Grants Extended by NGOs		DAC Members' Official Contributions to NGOs	
	US\$ million equivalent	\$ per capita	US\$ million equivalent	Percentage of total ODA
Australia	52	3.30	13	1.7
Austria	18	2.38
Belgium	23	2.33	28	6.4
Canada	171	6.74	142	8.7
Denmark	16	3.13	7	1.6
Finland	13	2.65	4	1.9
France	65	1.18	43	1.1
Germany	424	6.95	174	5.9
Ireland	22	6.18	2	5.1
Italy	8	0.14	39	3.6
Japan	101	0.84	41	1.1
Netherlands	98	6.77	69	6.1
New Zealand	8	2.46	1	1.9
Norway	52	12.54	34	8.9
Sweden	78	9.34	41	4.9
Switzerland	54	8.27	41	13.6
United Kingdom	169	2.98	28	1.8
United States	1 513	6.32	803 (a)	8.5
Total DAC countries	2 885	4.13	1 510 (b)	5.1

(a) Fiscal year. Includes \$ 327 million related to food aid, excludes an additional \$ 243 million for emergency programmes administered by private voluntary organisations.

(b) In addition, the Commission of the European Communities contributed \$ 32 million for co-financing NGO projects (and \$ 44 million for food aid, as well as \$ 35 million for emergency aid channelled through NGOs).

with Third World partners. Many of these 200 NGOs work together in international associations such as the International Council of Churches, CIDSE or EURO-ACTION/ACORD, so that the number of actual decision-makers is again reduced. An important grouping of this kind in Europe is the NGO Liaison Committee with the European Community which has developed into a democratically elected "NGO Council", whose decisions increasingly influence the activities of many NGOs in the 12 Member States of the Community.

The NGOs of Europe and North America, through their joint political and social influence—their financial role will be touched on later—have left the "border of irrelevance" behind them some years ago.

This development brought more questions with it than most NGOs can conclusively answer.

It is true for all NGOs that they are increasingly called upon to answer political problems and to make their political position clear. And there is no shortage of difficult themes: apartheid, debt problems, food aid, defence

costs, the destruction of the environment...

Here it is easier for the specialised NGOs to take their stand than for organisations with a wide basis. One consequence of this state of affairs is that smaller NGOs such as Greenpeace or Terre des Hommes often have a higher media profile than larger NGOs which, under pressure of having to make well-balanced statements, tend not to produce anything worthwhile reporting.

For many larger NGOs, increasingly daunting problems are looming up, the discussion of which is being taken up only cautiously. As an echo of the fast-growing fundamentalism of Islam and Hinduism, voices are being heard in some Asian and African countries which the church NGOs could take to be an encroachment on their autonomy.

In the economic sphere, protectionism and subsidies on exports from industrial countries frequently announced as development aid require that the NGOs make clear comments for the benefit of their clientele in the Third World; here one can often note

DOSSIER

the obstructive influence of many trade unions and commercial associations which have to put the interests of their members first.

To sum up: the world of the NGOs is no "Brave New World" but reflects the problems of the ever-present North-South conflict of interests. That the officials of the NGOs appear as lobbyists for the Third World should not obscure the fact that their mandate is weak, if not even frequently self-made.

"The NGOs in public pockets"

The relationship between the NGOs on the one hand and the governments and some international organisations on the other, is also influenced by the relationship between the financial contributions made by either side.

During the last two decades the financial resources of NGOs have changed significantly; from an almost total dependence on private donors in Europe and North America in the '60s, the NGOs received, in 1985, almost 25% of their disbursements for development cooperation from governments or international organisa-

tions such as the Commission of the European Communities. The quota of public funds for NGOs has grown more quickly than the income from donations. In 1970, the NGOs spent US\$ 1.8 billion on their projects, 90% of which were private donations. Fifteen years later the total had increased to US\$ 4 billion of which US\$ 1.1 billion were public grants.

NGOs and public donor institutions (governments, international institutions) increasingly find themselves like siamese twins: they have grown together and have to live with each other.

Such coexistence should not necessarily be a disadvantage for the NGOs. The African saying "If you have your hand in another man's pocket, you must move when he moves" is certainly true, but it depends on what the NGO hand is doing in the public pockets. If it only wants money, then indeed it could be forced to move in time. However, should the NGOs, when the need arises, prod the donors where it hurts, they can provoke "movements" which are of mutual benefit. Those who have followed the cooperation between the European NGOs and their governments during

the past two decades will know that the NGOs have developed an effective balance between the system of a "paying pocket" and the instrument of the "prodding". Something similar is true of cooperation at a European level as a whole.

Although the total experience gained in the working together of non-governmental and public development organisations may, all in all, be rated positively, NGOs have constantly had to be on their guard that "big brother" doesn't just put *them* in *his* pocket!

For NGOs it will continue to be of vital importance that the relationship between their own funds and public grants be proportioned in such a way as to prevent irrevocable and dangerous dependency.

The growing proportion of public grants in the total income of NGOs calls for the introduction of new methods of deploying resources to allow for NGOs' autonomy, programme integrity and operational effectiveness on the one hand, and public accountability on the other hand.

As much as the NGOs can be proud of their achievements in the struggle

The practical side...

The success of development projects and programmes in fact depends on the extent to which development leaders at all levels can organise, manage and evaluate their activities.

IREN (Development Innovations and Networks), an international network of more than 600 peasant associations, women's and craftsmen's organisations and training centres and institutes, has just brought out a Handbook of Practical Management for rural development associations in the Third World.

It is primarily aimed at administrators and heads of development associations in the Third World—i.e. anyone heading, managing or organising a development programme or NGO.

Volume I deals with organising, administering and establishing communications for local associations—formation, project management and monitoring, the organisation and

management techniques of a local association and methods of evaluation.

The annexes give very practical examples of technical data sheets, case studies, plans and projects, as used by some associations in the Sahel. They include:

- technical data sheets for environmental study plus a village "reference book";*
- a programme production plan for a rural community;*
- a list of questions for use in market research;*
- standard letters associations may need to send;*
- a memorandum of agreement between a Government and an NGO.*

Volume II deals with financial management, under the following headings:

- financing the association and its activities, with special reference to the techniques of seeking external funding;*
- organising a savings and credit system in the association;*
- techniques of budget presentation,*

financial planning and accounts organisation;

- some examples of small project management;*
- an introduction to one or two accounting plans and systems;*
- details of operating accounts;*
- techniques for justifying grants received and running internal financial control.*

There are annexes on:

- setting out a financing application dossier;*
- a sample local association accounting system;*
- a sample grants justification method.*

The Handbook can be obtained from the following address. It is available in French and English (the Spanish edition will be out in late 1987) and costs FF 90 (ECU 13) per volume.

*L'Harmattan,
7, rue de l'Ecole Polytechnique,
75005 Paris — France*

against mass poverty, and against suffering and hunger, they also have to let themselves be used as a front to hide a development policy in which the social elements are passed on to the NGOs, while others pursue economic cooperation which is then absolved from looking after these social elements.

It is true, though, that the NGOs can not simply decline the offer of the governments and international organisations if they don't approve of some—even major—components of government projects; because there is the danger that the government authorities would then take over the NGO tasks themselves, or pass them on to governmental implementing agencies which have or could form themselves into "QUANGOs" ("quasi-NGO").

There exist present-day examples of both possibilities: while the European NGOs, with the help of the NGO Liaison Committee, have created a mature and cooperative relationship with the EEC Commission, in the relationship between the World Bank and the NGOs there are still, even after years of hard dialogue, more problems than achievements. In spite of the real efforts of some World Bank staff to arrive at a working basis with NGOs, the progress achieved is to be measured in metres rather than in miles.

The fundamental role played by the European Parliament as the partner of the NGOs becomes clear in this comparison. In Washington, the NGOs lack this parliamentary lobby against the superior strength of the powerful World Bank.

The emergence of Southern NGOs

The idea of development cooperation presupposes partnership. Unlike development aid, where the so-called donors have a built-in superiority over the "takers", the idea of partnership demands parity and equality of rights. For a long time the practical results of this partnership were to be found more in the scripts of fine speeches than in reality itself. The local NGOs in Africa, Asia and Latin America saw themselves—and to a certain extent still see themselves today—faced with a high level of external financial support. Characteristically, high dependency on external financial sources



Fund-raising from the general public. Almost totally dependent on private donors in the 1960s, development NGOs now receive some 25% of funds from official sources

and internal weaknesses in project conception and formulation often appear together. Hence, the programmes of the local NGOs are frequently a mere reflection of the programme range of the respective donor NGOs. Northern NGOs, for the most part, do not include their partners in the Third World in the programme planning phase.

For some time it has looked as though firm action was going to have to follow the fine speeches of the European and North American NGOs. In the most recent report from the Club of Rome entitled "The Barefoot Revolution", Bertrand Schneider emphatically pointed out that, during the past few years, not only are the poor and deprived of the Third World increasingly organising themselves into self-help groups, but the local NGOs of the South have also gained in strength and confidence.

The most recent manifestation of this new partnership was in March 1987 in London at a meeting organised by the Overseas Development Institute and the magazine "World Development" with the theme "Development Alternatives — The Challenge for NGOs". The NGO representatives from the Third World called the tune and defined their demands with such clarity and emphasis that their colleagues from the North could often only define their position haltingly and with lengthy pauses for thought.

Northern NGOs are not only under pressure from their partners in the South. During the European Parliament's debate, the wish was expressed that "the Northern NGOs, within the context of direct access to the Commission for NGOs from the South, jointly submit concrete suggestions" as to how the NGO partners might function with equal rights in the future.

The European Parliament sees in its present methods, i.e. the need to channel funds to a Southern NGO through a European NGO, the danger of monopolisation and the stifling of the emancipation process of Southern NGOs.

The opening of cofinancing opportunities for the Southern NGOs, also generally desired by the majority of European NGOs, may only be implemented in the form of a package deal. The following points must be taken into consideration:

- Southern NGOs have a wide and rapidly increasing specialist knowledge in the fields of agriculture, education and training, medical care etc.; they will, however, have difficulties in fulfilling the budgetary and administrative conditions valid for NGOs. A liberalisation of these rules must be a component of the "opening concept".

- For many Northern NGOs the financing of projects is an important, if not even *the* most important compo-

ment of their public relations work. If part of this area should be lost for the Northern NGOs as a consequence of direct project financing for Southern NGOs, then it would have to be suitably compensated.

As authorities on the NGO world do not give the "policy of opening" much chance of success owing to considerable difficulties in the immediate future, one must try harder to bestow on the partnership the significance which it deserves within the framework of the present system.

Here, the problematic nature of a conflict of responsibilities is becoming a serious problem. While the specialist know-how within the Southern NGOs clearly increases, this being reflected in the quality of the applications, the Northern NGOs have difficulty in countering this professional competence. This is not so much true at management level, but for the decision-making bodies of the NGOs. Here there is much grandiloquence, going with important titles held by former or active officials; the governing bodies do have a lot of goodwill and are well-intentioned. What is frequently missing, however, is practical NGO experience which is one of the most important preconditions for a dialogue with the fully-fledged NGO partners of the South.

In the near future it will be of decisive importance for the NGOs of Europe and North America that, for a new phase in the dialogue and cooperation with NGOs from Africa, Asia and Latin America, they have the necessary staff to be in a position to offer more than just money.

Positive perspectives for the NGOs

In view of the fact that the development cooperation of governments and international authorities has not so far been able to create an instrument capable of effectively combating poverty, suffering and hunger, NGOs with their grass-roots programmes will continue to fulfill this task in future.

If they succeed in solving the main difficulties outlined in this article, then there is no reason for them to back out of this task. The history of NGOs tells us that they are more than capable of adapting to the new challenges. o

B.D.

Development education: the role of NGOs

by Ton WAARTS (*)

There should not be any doubt about the fact that the various Non-Governmental Organisations (NGOs) play rather different roles in development education. Interpretations about the possible causes of underdevelopment, and about the priorities to be set for development policies, differ between human beings and between nations. So do ideas about education.

Some development NGOs, active in the field of direct aid, hardly bother at all about development education, their primary goal being to act as relief agents in situations of extreme poverty, hunger and disease. At the other end of the spectrum are organisations that consider the development issue to be caused predominantly by the abuse of man-made structural relationships, in which the "haves" of the world use the "have nots" for their own interests. The latter type of organisations, not normally appearing under the heading of development NGOs, will stress the importance of changing attitudes in order to change political and economic structures.

In some periods of recent history, especially in the early 1970s, the debate between the representatives of both views was rather antagonistic. "Structuralists" in the so-called Third World Movement apparently succeeded in getting most public attention. The fact that, in the late 1960s and early 1970s there was a broad movement in Western countries of—mainly young—people believing in the possibility of rapid changes in society, points to a favourable climate for such views.

Times have changed since then. The development issue itself may not have changed, but views about the issue developed. Development is seen more and more as a highly complex problem, with interrelated causes, with many differences between nations and without easy solutions. The debate has lost much of its antagonistic character. In the Third World Movement in Europe there seems to be more that unites than divides. Public attention recently was more attracted by the relief of hunger in Africa, than by structural problems like the debt crisis.

(*) Director of the National Committee for Development Education in the Netherlands and Member of the Working Group on Development Education of the NGO-EEC Liaison Committee.

NGOs vis-à-vis governments

A second observation about the role of NGOs in development education has to be made from the point of view of the relationship with governments. In development cooperation itself—through multilateral and bilateral aid—the role of states is, at least financially, stronger than that of NGOs. With respect to development education the reverse seems to be true, however difficult it may be to get reliable figures on activities and budgets for development education. There is, at least in western countries, a very good argument for an important role of NGOs in development education. As with any other type of information and education, development education has to do with the creation and transmission of norms and values in society.

In western societies governments are expected to play a "reserved" role in education and information and to leave much in that area to its citizens (NGO is in that sense an ill-chosen title; education is not an issue with responsibilities derived from governments).

The debate between NGOs and governments in Europe about development education has therefore centred on two related points: firstly, on the

request from NGOs for financial support from governments for development education; and secondly, on the conditions to be attached to such support.

Stimulating shared responsibility

The request for budgetary facilities originates from the idea that governments which are, or should be (!), committed to development cooperation, should also have a commitment to stimulate attitudes in society for a shared responsibility with respect to the development issue. Moreover, and this may be a paradoxical weakness in development education, it is hard to raise private funds for educational purposes as such. Most fund-raising is aimed at direct aid: use of funds for information and education has to be more than carefully defended to private contributors. Finally, many groups and organisations in Europe which see a primary task in development education, are relatively small and lack money. Their opinions are nevertheless important enough for the development debate.

Experiences with government support differ widely between countries. Reliable figures are hard to get, but a recent estimate by Michael Spencer for Europe and North America⁽¹⁾ points to the following:

- for those countries for which rough estimates are available financial support from NGOs themselves is higher than that from governments;
- in the past 5 years there has been a remarkable upsurge in funding by some governments (Ireland, Belgium, West Germany, France and the US);
- the U.K. and Italy are at the bottom of the list, both absolutely and on a per capita basis;
- the Netherlands is still the biggest spender in absolute terms, but is surpassed by Norway on a per capita basis.

Overall government funding in the field (in 1985/1986) is still low compared to government funding for development cooperation as a whole. Contributions to development education per capita per annum ranged from

US\$ 0.80 (Norway) to US\$ 0.003 (U.K. and Italy).

The conclusion seems valid that most of the money is still coming from private sources, mainly from fund-raising for development cooperation in general, and that government contributions differ very widely between countries.

Debates between NGOs and governments about conditions to be at-

since 1970, with an average period of three years.

Types of activities

NGO activities in development education take many forms. In well-designed activities there is a good combination of choices with respect to the theme (what is to be discussed? "Development", in general, is nor-

By way of example...

In 1986 the European Community co-financed with NGOs some 70 projects to raise public awareness of development issues in the Member States, its contributions ranging from a modest ECU 12 000 for a video on volunteers to a ECU 450 000 programme of educational activities on Southern Africa. On average the Community's share amounted to some 50% of the project's or programme's total funding.

Below are a few examples of such projects:

- *Stand concerning world food questions at a major agricultural fair, the "Grüne Woche".*
- *Awareness-raising activities directed towards opinion leaders on the links between development and the arms trade.*
- *Film about the position of peasants and the development of agriculture in Central America and especially in Nicaragua.*
- *Film and associated activities based on the bringing together of young people from Europe and from Africa to compare their experiences and to examine their role in the development process.*
- *Teaching materials for adult groups on development processes in India.*
- *Educational work in the informal sector on responses to changing job patterns in Scotland, Europe and the Third World.*
- *TV film on measures to halt the rural exodus and promote development at regional level in Congo.*
- *Education campaign on apartheid directed towards a wide range of sectors of public opinion. ◊*

tached to public contributions to development education have been much more "political" than with respect to NGO involvement in direct development cooperation.

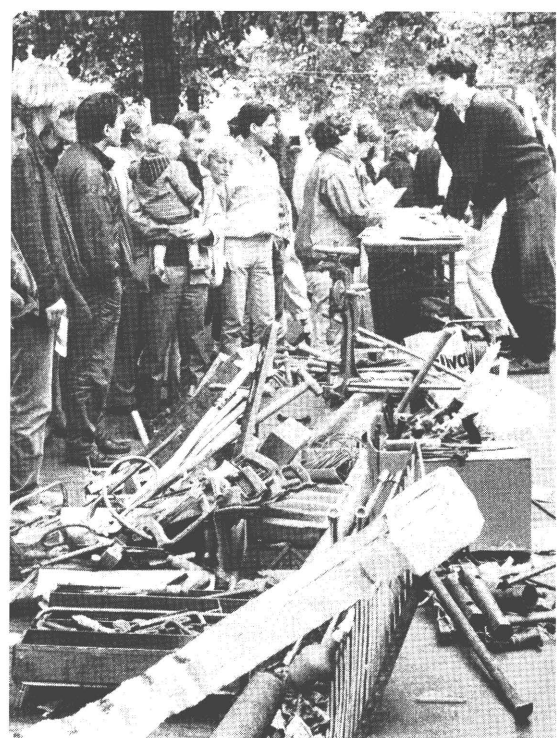
Of course, one might say, development education activities play a role at home, introduce converging opinions, sometimes even criticise government policies and could come in conflict with foreign policy-making. Experiences in Europe here also vary, between rather "permissive" conditions in countries where the government itself aims at a contribution to "a well-informed and many-sided public debate on development problems" (Norway) and countries where conditions are hardly relevant, because governments do not feel much of a responsibility. In Holland, the type of conditions attached to funds for development education actions has been subject to a periodical political debate

mally too broad); the "target-group" (to which audience is the activity directed?); and the method (the combination of themes and audiences require a specific method for activities).

The aims of activities, measured in educational content, will vary from emphasis on getting attention for new information about development situations (e.g. concrete developments in certain geographical areas) or on raising awareness and changing of attitudes through assimilation of information, to taking an active stand, action-oriented and publicly, on certain specific political issues.

In recent years there has been a considerable growth in development education activities and projects in most European countries. Initiatives are still coming from the "traditional" Third World Movement, but increasingly also from non-development organisa-

(1) "Government Funding of Development Education: a survey of Europe and North America", report by Michael Spencer, from figures collected from agencies and individuals in 13 countries; May 1986; published by CCDE, London.



Gerda Van der Veen

A "Festival of Tools" being held on Amsterdam's Museum Square by the "Tools for Self-reliance Foundation"

tions which aim to incorporate the development issue in their "normal" activities.

Although the variety is very great, these are some of the main trends:

a. Formal Education System

The education system is of great significance for attitudes held by young people towards development issues. At the same time, especially since government budgets are cut back, formal education is difficult to approach for new problem-oriented issues like the development issue.

Traditionally, NGOs have played an important role here from outside the system itself, in experiments with the theme itself or with experiments combining themes and new methods of education. Recently, however, in several European countries (like Ireland, France and Holland) government policies have become more active towards the integration of development education in schools.

b. Mass media approaches

The mass media play a decisive role in information and with regard to the forming of attitudes. This role will even increase in the future, especially the role of new, electronic media. People will increasingly "consume" information in an easy chair in front of the TV. Information from the mass media tends to be more and more embodied in amusement. People working in development education for the media

have therefore put greater emphasis on new forms, on daring and new views about development problems, in an attempt to countervail what they might call consumer-mentality in the media.

c. Sectoral approaches

In most European countries there have been successes in asking for attention for development issues from organised sectors in society like churches, trade unions, employers' organisations, agricultural organisations etc. Because of their important role in the mobilisation of people, this integration is very important, from the point of view of possible influences on the design of development policies.

d. Development NGOs

As said earlier, views differ between NGOs, but in most European countries there is a tendency to combine direct development cooperation with development education. There are, of course, still specialisations in the type of aid, approach to development education etc., but there is less mutual denunciation. The relatively successful NGO experiences with development projects, are good examples of positive development efforts, and can help to counter possible feelings in some sectors of public opinion that it is all wasted effort and money.

e. Solidarity groups

Such NGOs, taking active and loudly-voiced stands with respect to the situation in a particular country and region, have been successful in mobilising public opinion on very concrete issues (e.g. anti-apartheid movements). Their specific demand on economic and political issues, especially with respect to human rights, are their strength, though they may ultimately be a weakness too: if a situation of severe injustice changes, their energy has to be put elsewhere.

f. Local initiatives

A new orientation, in several countries in Europe (U.K., Germany, Italy, Belgium, Holland), has been that locally oriented groups and organisations, and local authorities, become active in the field of development cooperation. The emphasis there should

be on education and not on simple city-twinning or adoption of projects.

g. Broadening the issue

"Development" is a broad and complex issue. It can be related to other important socio-political problems, like peace and disarmament, environmental problems, and to basic attitudes such as the fight against racism. Each of these have recently seen interesting experiments and possibilities of mobilising public opinion. Whether they will be seen as development education or not, their advocates are right in one important argument in that they share with the development issue the fact that basic human attitudes and values are at stake.

New challenges

NGOs active in the field of development education will have to meet several challenges in the future, not least in the field of public attitudes to development.

Appeals from e.g. "Live Aid" and "One for Africa" are strong, especially among young people, and attention to cultural dimensions and cultural expressions from other countries is increasing, stimulated by the possibilities of the mass media and cheaper communications systems. Public opinion seems to be far less concerned, however, by the South's long-term structural problems.

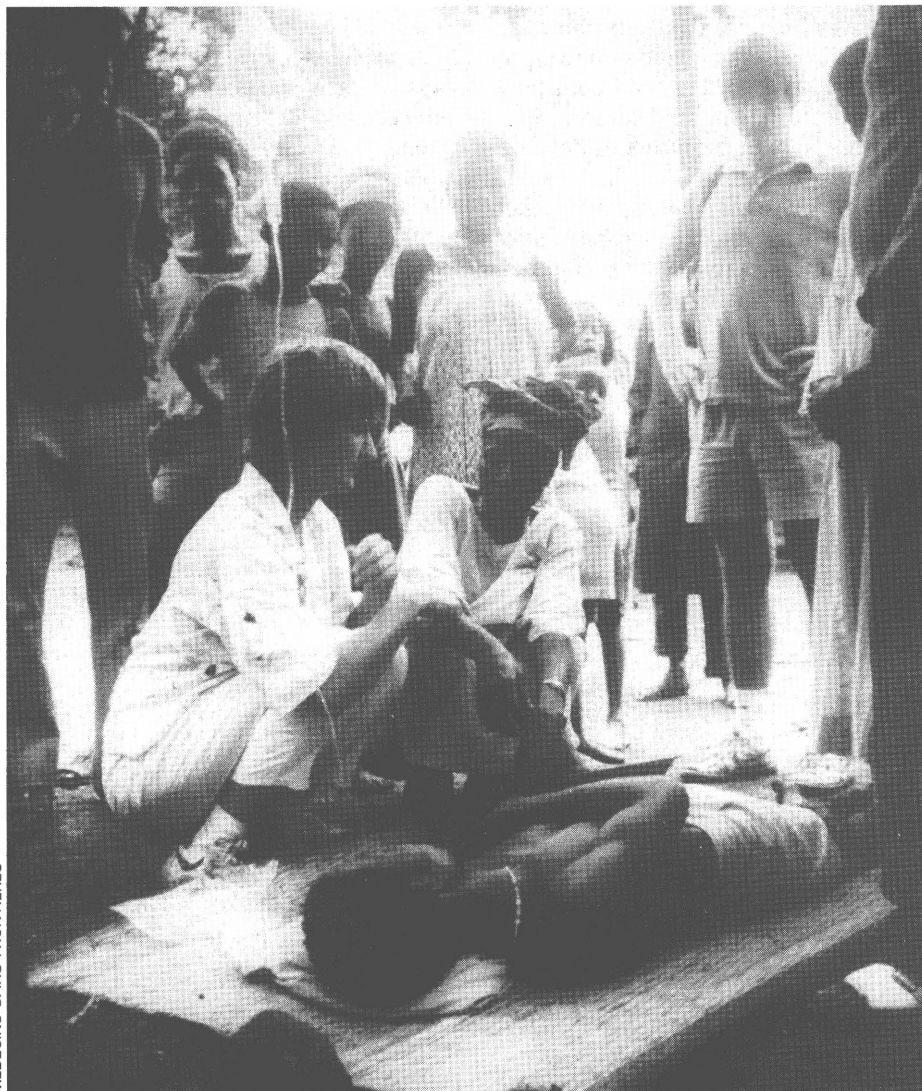
There is also the question of "charity beginning at home". Development education has not become easier with the increase in problems "at home" since the mid-seventies: the high rates of unemployment, increasing poverty, increasing pollution problems...

The message that it is still worse in developing countries may be very true, but not very appealing to large sectors of the European populations. Development education will have to show, again creatively and with new information and methods, that it is both possible and beneficial for both "sides" to work towards solutions.

In the last sense, which is a traditional orientation for NGOs in the field of development education, the world has not changed much. The task of shaping a better future through well-designed education remains the same, though it may call for new analysis and methods. ○ T.W.

Volunteers: fieldworkers unlike any others

by Jean-Dominique BOUCHER (*)



MEDECINS SANS FRONTIERES

The wood at Montlhéry, near Paris, and the buildings where François and Patricia are following their last course are swathed in mist. Patricia is a nurse and François is a doctor and they have just come from Toulouse, off to spend two years doing voluntary work in Africa. The days before departure are spent learning about the village health project they will be involved in and looking at slides to get to know the exact spot — a village south of the Equator.

It is a serious business. They have nothing of the tourist about them. “The important thing as far as we are concerned”, they maintain, “is to go and work in the Third World”. They may not be militants as such, but they have militants as friends. And they are certainly realistic — although with a dash of unostentatious idealism... and the pipe-dreams without which they would stay at home. “It’s not just one thing that’s attracting us”, they say. “We want a change. We need to go somewhere different”.

(*) Mr Boucher is a journalist with *Ouest-France*, the French daily, and is the author of *Volontaires pour le Tiers Monde*, published by Editions Karthala, 22-24 boulevard Arago, 75013-Paris.

Voluntary service is a useful adventure, if you like. For more than 20 years now, thousands of men and women from Europe, doctors, nurses, agricultural technicians and engineers, instructors, building specialists, hydraulics experts and craftsmen, have been seeking and actually living this adventure. You see them by wells and small dams, in market gardens, working with peasant groups and cooperatives and involved in social schemes around the towns. They are called ‘development volunteers’ to distinguish them from the ‘emergency volunteers’ who assist in times of natural disasters or wars.

At the moment, there are about 8 500 European volunteers, working in the Third World — 1377 from Germany, 984 from Belgium, 343 from Denmark, 1522 from France, 1321 from the United Kingdom, 762 from Ireland, 985 from Italy and 1220 from the Netherlands — practising a different kind of cooperation with their partners in the developing countries. Although increasingly higher standards of professional qualifications and skills are demanded of the volunteers, they are not professionals proper, as career technical assistants and experts tend to be. They do voluntary work for a period, without making a career of it, and the newspapers are always seeking new ways of describing them — “barefoot assistants”, they call them, “the development infantry”, “volunteer adventurers” and so on. But their story, like the story of François and Patricia, is a simple one.

Every little helps

Today, more than ever before, the development volunteers are the strong right arm of the non-governmental organisations, those NGOs we hear so much about in the media and the press and at every kind of conference lately. But their fame is not due to their numbers, which are relatively small. There are only 1500 French volunteers, for example, a tiny unit beside the battalion of 30 000 professional cooperation officers that France sends out to some parts of the Third World.

Here in 1987, these volunteers owe their reputation to being a movement, a phenomenon of our age — which was

DOSSIER

nevertheless supposed to be an age of individualism, self-interest and indifference. Volunteers – and unpaid ones at that – are flourishing to an ever-greater extent in communal life and in a broad range of activities, too, from aid for the aged to assistance for those on the margin of society; from running clubs to conservation. But in all this, the Third World is gaining in importance.

Their good reputation is not a cause for immodesty, though. When Barthelémy Raballand, a volunteer from the Vendée region (France), slipped inside the well being built in a village in Burkina Faso – after winking to his friends at the top – he did not think he was a saviour of mankind. It was his job. Raballand, who sports a woolly hat, is a building technician of 22 who went out to help with a village water engineering project in northern Burkina where the desert was advancing. He is easy and relaxed. “D’you see?” he said. “The villagers got together to build their wells. All I do is give them a little bit of technical help’.

And hundreds of little bits of help is what volunteers are all about. They have no great missionary spirit. They are very down-to-earth and unlikely to star on any great television programme or hit the headlines. They know their limitations and their weaknesses, but they still display an astonishing ability to guard the flame of solidarity, without any moralising, and they have been doing so for 20 years.

“It was kind, your good deed”

In the beginning, back in the '60s, people were feeling their way. It was kind of these young volunteers who turned up in the jungle with their safari boots and their illusions to do their good deeds. They were amateurs and the professionals of “real” cooperation looked at them askance, grinned, shrugged their shoulders and were occasionally irritated by them. For in a way these frank, inexperienced boys and girls, with their fine feelings sometimes too openly expressed, got in the way of cooperation.

But as the years went by, amateurism gave way to greater stringency and good deeds became development

projects. The vocabulary changed, and today we talk of “partnership” rather than “assistance”. Whereas in the early days the volunteers were called in as substitutes in countries where there was a lack of professionals, now they are involved in global development schemes which are themselves integral parts of coherent units and programmes. And so the trend continues. The volunteers who had hitherto been the promoters or monitors of development projects are now increasingly one step removed, joining with their local partners, village communities, associations, groups and development bodies to work alongside schemes that

Patricia, who is just leaving for Africa, says, “You always force a bit, just by being there. What we are doing is ambiguous, that we realise. But if you worried about it too much, you’d never go there. You just have to avoid seeing our contradictions as a barrier”.

A conference on volunteer work was held in Paris two years ago on the 20th anniversary of the founding of the French *Volontaires du Progrès* association. One of the questions was whether the volunteers were the last remaining trace of bygone relations between Europe and the Third World or the heralds of new relations of co-develop-



An ever-present danger... that the edifice will crumble when the volunteer leaves

are no longer properly speaking theirs. They are no longer parachuted in from outside with their good ideas and the best of intentions. The history of volunteers, as of fieldworkers of all kinds, is strewn with errors and failures – which, mercifully, have taught us a lesson... You don’t impose development models. But the volunteers’ adventure is still an ambiguous one, of course, like any cooperation.

The NGOs have questioned their every move ever since they started. As

ment. Participants had some important things to say.

In the presence of international and bilateral cooperation, they said, volunteers had an innovatory role to play in organising development. They could make contact with and get involved in the environment, they were anxious to meet needs and respond to requests made at grass-roots level and, as non-experts, they could question their approach to the development issues for which there is no stan-

dard answer and they could accompany a community in its development and make it more dynamic by trying to establish genuine partnerships between equals.

Volunteers in the year 2000

As said earlier, the "other cooperation" is not the miracle answer to developing countries' ills. And the NGOs, the voluntary ones especially, have sometimes too great a tendency to go it alone, convinced they have got it right, in both emergencies and development schemes proper. In spite of the existence of groups, they often find it difficult to pool their ideas and review their successes and failures together and in this way perfect new strategies.

Thousands of volunteers sent by dozens and dozens of associations have worked on development sites and their comments swell the information centres of each of their organisations. But there is never — or hardly ever — a pooling of information.

But the volunteers' associations are sanguine about the future. "Will they go on being needed?" asked one of the organisers of *Volontaires du Progrès* recently. And he concluded that, indeed, they would, as voluntary service today is surrounded by a wave of opinion which sees work in the field as important when it comes to giving a practical basis to the discussion of ideas and to appeals for greater solidarity. He also stressed that the relatively great success of the small-scale schemes run by the private cooperation organisations has been given due recognition, now that some of the big projects have patently failed.

And although they are aware of the limitations and contradictions, a certain number of volunteers now back in Europe agree that voluntary service for development will still be with us in the year 2000. For it is one means of communication between people from the North and people from the South. And, going beyond the technical and economic operations in which they are involved, 1987's volunteers are anxious — without any romanticism or high-flown words — to maintain the cultural interchange that has been their *raison d'être* from the very start.

J-D.B.

A day in the life of Bernard, a volunteer in Mali

His name is Bernard, he is 38, he has left his job teaching handiwork and technical subjects in a secondary school in the Drôme in France for two years and is spending 1986-87 as group leader at Léré. He loves the Sahara and Africa, where he has already done a lot of cooperation work, and he is signing on for another year because: "I like to finish what I've started".

By 7 a.m. day has dawned over Léré, a small town in the Sahel in northern Mali. Bernard, Olivier (the well specialist) and Titi (the mechanic) are having their instant coffee and their nivaquine, the two breakfast-time staples, and looking at the day's work. They share out the jobs. Titi dives under the bonnet of a truck to see to a weary clutch, which he then takes to the workshop to repair, with the help of Abba, the young Malian he is training. Olivier has gone off to the well sites, taking the pickaxes, the ropes and the concrete reinforcement bars and of course the food — millet, rice and flour to make bread — with him in the pick-up.

Meanwhile, Bernard has gone off to the school. He and the teachers see whether the equipment recently arrived from France is being properly distributed and used. He arranges a meeting of the school committee on which he sits alongside representatives of the teachers, the pupils and the parents.

*In the street and at market, people stop him. The head of a group of nomads wants to talk about his problems and they agree to meet later around the ritual cup of tea. A waste of time? No, even if it has to be limited. You have to talk to people and see what their priorities are and the best way of finding out is through human contact, one of the *raison d'être* of the Léré Committee (*).*

() A decentralised, regional NGO from the Rhône-Alpes area of France aimed at backing up development in the Léré district (the 6th region of Mali), in close liaison with the local people and authorities. Amongst other things Léré Committee helps to sink modern wells, fill lakes with water again, teaches literacy and plants trees.*

Now it is time to leave for the bush and visit the well. The track is all but impassable, rutted by the trucks that come to Léré for the Friday market. The dust-laden wind does not help. The heat is suffocating. Yet things are fine at Oumaglayeb, as they have struck water. In this little lost camp, marked by a single tree sticking through the scrappy bushes scattered over the plain, digging the well has not been easy, as hard rock had made the picks difficult to use. As soon as he arrives, Bernard joins Olivier who is already down the well investigating the problems of tapping the water. "When we strike water 60 or 70 m down, we are delighted and so are the local people", he explains. Plans for the back-up point — the cereal store, the extension of the pond, the possibility of growing vegetables, dry crops and the literacy hut — are made in the tent of El Kalifa, the head of the Tamachek group which has settled at Oumaglayeb. At the end of the day, Bernard and Olivier go back to Léré. After maybe 200 km of track, their backs are aching, but they have not finished yet. They swap their picks and their ropes for pens and calculators and sit down at the desk in light from the generator, one of the rare luxuries at the base, and do their accounts, sharing out the project money and paying the 70 people who work on the sites.

Bernard also plans his next trip to Bamako. He does the 10-hour journey over tracks and roads to visit the capital every month, as he has to make and maintain the vital contact with the Malian authorities, international organisations and NGOs, discussing experiences, coordinating schemes and seeking finance. His three days there will not leave him very much time to put through a call to his family in France or find out what is happening in the rest of the world. Isolation — and it is emotional and cultural — has real meaning when you live 600 km away right in the Sahel out there in the north.

After supper, the sounds of Léré stop and the lights go out. Tomorrow is Sunday, the day of rest — maybe. ○

Sowing the seeds to reap the harvest NGOs as seen by their beneficiaries

How does the work of NGOs look from the receiving end—from the point of view of those in developing countries whose living or working conditions NGO projects are designed to improve? Sainey Suso, a journalist with Radio Gambia, took his tape-recorder to the village of Tankular, where a tree nursery is being established with the help of the NGO, Action Aid, and asked the participants in the project just that.

First, however, he puts the nursery project itself and similar work by Action Aid in The Gambia in perspective.

In September 1985 Action Aid put forward an application for a block EEC grant to help their work in the areas of rural sports, improved brick stoves, furniture cooperatives, exchange training and tree nurseries. The grant was approved and Action Aid The Gambia (AATG) received a sum of £ 32 590 (ECU 52 500), constituting half the proposed expenditure for the year 1985-86, Action Aid itself putting up the other half.

The aims of the tree nurseries projects (for which some £ 12 000 – ECU 19 300 – was made available) were: to produce good quality seedlings for both fruit and firewood in adequate quantity, and at the right times, for village farming, gardening groups, and schools; to train the community in tree planting and manage-

ment: to establish three village nurseries under the management of women's groups and to establish live fencing and windbreaks in women's vegetable gardens.

Action Aid has already been very successful in assisting rural communities in communal vegetable growing and marketing in over 100 communities in the five districts of The Gambia. AATG and the women's groups it assists are concerned that fencing vegetable gardens with barbed wire and wooden poles is expensive and requires frequent repairs. Live fencing has been introduced into some areas, and has proved to be a great success.

Seven village nurseries had already been established. With the EEC grant, the existing nurseries were expanded to have a fenced area of 1½ hectares.

Live fencing was used. In the seven communities, mango, cashew and grapefruit seedlings were distributed by Action Aid's agricultural staff. The benefits derived include the provision of fuel, food, windbreaks for their crops, and a cash stimulus for the women's groups concerned. The communities, which are the beneficiaries, as well as the managers of the project, take leading positions in the selection of seedlings, setting up of the nurseries, nursing the seedlings, and the redistribution to nearby settlements. The EEC's contribution was used mainly for the provision of vital capital items, such as seeds, as well as transport (in the form of motorbikes) and salaries for new agro-foresters to work with the expanding village tree programme.

So successful has the project been that a considerable number of women's groups have expressed a desire for the extension of the village Tree Nursery Project to their areas following the success of the trial phase.

* * *

I visited Jali (and its feeder village Tankular, where the village tree nursery is situated) to find out at first hand from the villagers what their feelings were about this new venture into trees. I conducted a series of interviews in Jali and Tankular with participants from the programme.

► *Meeting an agricultural extension worker in the village I asked him what actually initiated Action Aid's intervention in the field of tree planting?...*

— The villagers have been very irresponsible—cutting down trees indiscriminately for fuel—charcoal—and for building. In a country where there was once an abundance of trees, we are experiencing serious deforestation. This has led to wind erosion of the soil, which has had effects on agriculture.

► *What are your hopes for the tree nursery programme?*

— We hope that by educating the villagers to the need for developing woodlots, we'll be able to combat this indiscriminate felling of trees, and restore the woodland to The Gambia... The programme will have many benefits for the villagers: the trees will



ACTION AID

"Action Aid is educating our children about trees. Our children will come out of school with some knowledge about the usefulness of trees"

provide the women with a source of income; the trees planted will serve as windbreaks for their crops and land, thereby combating soil erosion; they will also get nutritional benefit from the fruit trees, thus improving their diet.

► (To Sarko Drammeh, a member of the women's group) *How do you think that the tree planting will benefit your village?*

— I do not think that they will immediately benefit our village, but I hope that in my children's, and grandchildren's times, they will be able to harvest the fruit from the seeds that we have sown.

► *How will the programme affect the lives of the women in the village?*

— At the moment, the women go out to collect firewood for cooking in the evenings, often after a hard day's work in the fields. This is a long and tiring activity. Having woodlots near the village will, I hope, minimise this. Certainly this will be a great relief for us women. The programme will also generate income for us.

► *You said that that the women already have more than enough to do. Surely this programme has increased your workload?*

— No, not really. Once the young trees have taken up, and have been properly fenced in, they do not need much care and attention. Of course they do need to be watered. We take it in turns to water them... It is a true group activity, which has got us working more closely together, and that is much more productive.

► *What is the organisation within the village that deals with the tree programme?*

— The women's group comes together, and we decide which trees to plant... Some favour fruit trees... others would go for trees that grow quickly, such as *Gymelina* for fuel and building. Eventually we agree. Then we buy what we need. Before, Action Aid supplied us with the young trees. Now we purchase them by ourselves.

► (To Mama Dibba, another women's group member) *Don't you feel that a project that gave immediate returns would be more beneficial than the tree planting programme?*

— No. In the tree nursery, we are building for the future. However, the project was set up by Action Aid in such a way that, as we start selling seedlings, we would have some immediate cash returns, although not very large.

► *So far, how many seedlings have you sold?*

— We planted 6 000 young trees. Action Aid bought 1 500 for the school orchard, and private individuals bought another 2 000. We planted the rest in and about the village.

► *You mentioned that Action Aid bought some tree seedlings for the school?*

— Yes. I think that it is a very good thing. In this way, Action Aid is educating our children about trees. Our children will come out of school with some knowledge about the usefulness of trees. I think that it is a very good idea for the village as a whole, and for the continuation of the tree project.

► (To Mabo Samarteh, head of the women's group) *Apart from the women's group, what changes do you expect to come from the tree project in the village?*

— Well, we are encouraging our menfolk to grow lots of trees for our own personal use. We are beginning to plant fruit trees in and about the vegetable gardens, and maybe in my lifetime we shall see the benefits.

► *What was your situation with regard to information about trees before Action Aid came into the village?*

— We were not doing anything before. We were cutting down trees wherever we could find them. We might have one or two orange trees in the back yard of our compound, but we never imagined ourselves as being serious fruit producers.

► *As leader of the women's group, what more do you think could be done?*

— Well, I think that every compound should have its own garden of fruit trees. We can never have too many trees... In the village woodlot, we should plant trees like *Gymelina*, *Jalo* (red timber tree) and others for



ACTION AID

Responsibility for running the project was given to the women of Tankular... who, amongst other things, used the plants as windbreaks in their vegetable gardens (below)

firewood and for building materials. We should also consider growing mango and cashew, as they are very profitable.

► *What are your long-term intentions for the tree project?*

— We shall replace trees as we cut them down. We shall expand and diversify in our tree planting, and educate the village in the need for the continuation of the project. ○

Interview by Sainey SUSO



ACTION AID

The Caribbean Region — a new part to play for EEC NGOs ?

by Terry LACEY (*)

Caribbean islands evoke images of tropical paradise rather than poverty and underdevelopment. The clink of ice cubes in rum and coke and tourist advertisements have reinforced the preconceptions of many European Community NGOs. The social and political polarisation of Central America is clearer to them than the subtle ambiguities of the Caribbean. Nicaragua is still a Mecca for NGO pilgrims seeking alternatives to the North American way: the Caribbean islands have rarely offered such stark alternatives except, briefly, for the Dominican Republic and Grenada — aside, of course, from Cuba.

Links with the United States and Canada are vital for most Caribbean islands. Each family has a member or two in Miami, New York or Toronto. For better or worse the pattern of aspirations is transmitted by the relatives up North, and through tourism and satellite television. Despite the pervasive North American influence, the Caribbean NGO movement reflects Caribbean history, the growth of Caribbean nationalism and the desire of small fish to find their own balance with big fish.

The first wave of NGO creation, or implantation, was the setting up of the European churches in the region. Later the diversity of North American interpretations of Christianity overtook the traditional churches. The new evangelicals touched a chord in Caribbean consciousness, imposing faith on poverty, replacing doubts with certainty and modest righteousness with fervent evangelism.

Rastafarianism, reggae and black power

Since at least the 1860s another fundamental force has shaped Caribbean religious and cultural ideas. Starting with drumming in Christian churches, it became an independent movement of black African churches and cults. The Rastafarian "Back to Africa" movement traced its roots back to West Africa, to the black consciousness of Marcus Garvey and the mysterious history of the Ethiopian World Federation.

The impact of Rastafarianism was cultural and indirectly political. It was a peoples' movement that welled up from the bottom of society to respond

to the same changes and uncertainties that made the pentecostals successful. It struck against the Eurocentricity and social conservatism of more established "higher" church Christianity, popularising instead the reggae beat and ganja as part of the Caribbean scene.

In the 1960s black power had an impact in the Caribbean at the same time that student unrest and black consciousness were growing in North America and Western Europe. A generation of Caribbean middle class youth and young professionals discovered the limitations of political independence in micro-states. This was the environment in which Caribbean NGO leaders emerged.

Individualism and parochialism

The Caribbean NGOs could draw on a history of social and community action as well as the inevitable Caribbean legacy of organised labour. The growth of the Caribbean NGOs also reflected the parochialism of small islanders and the rugged individualism of those who had rejected the collectivism of slavery and the plantation. The interplay between personality, politics and power in the Caribbean contrasted with the relative weakness of structures and institutions.

Types of NGOs

Several types of Caribbean NGO emerged at different stages of Caribbean social history:

The burial societies, friendly societies and self-help movements grew in the 19th Century. These movements were relatively unstructured, their profiles not high, their praises rarely sung, yet they were authentic and independent local NGO movements. At the same time the churches created a variety of structures to meet needs in education, training and social welfare. The Caribbean voluntary sector grew up in the 20th Century based on the service clubs like Rotary, the Junior Chambers of Commerce and a host of replica voluntary agencies, inspired by NGOs like Help the Aged and Save the Children — mostly special interest NGOs originally established in North America and Western Europe.

After the evolution of this multiplicity of organisations and committees, the idea of the grass-roots developmental structure, backed up by a professional staff, began to take hold in the 1970s.

This first generation of modern NGO institution-building in the Caribbean region was largely backed by North American NGOs rather than European Community NGOs.

"Bottom-up development"

The first generation village-based informal NGOs did network together to exchange skills and created national and even regional institutions, like the credit unions. There were, however, few examples of alternative production structures, although much later in the 1960s the Rev. Claudios Henry did lead a rural Rastafarian community in Clarendon Parish in Jamaica in the 1970s.

In modern Caribbean NGO history there were attempts at organising farmers unions and higglers which shared these early traditions of bottom-up development, where local grass roots groups threw up their own leaders.

(*) General Secretary, Cooperation for Development, 21 Germain Street, Chesham, U.K.

Bottom-up networks

Organisations like Farm to Market led by Atherton Martin in Dominica, Organisation for Rural Development (ORD) led by Jethro Green in St Vincent and Staff Co-op led by Larry Leighton in St Lucia have worked together recently on a joint tripartite regional marketing initiative backed by North American NGOs and by Hivos, which helped to acquire probably the first NGO-owned trading boat in the Caribbean. The Inter-American Foundation and the Rockefeller Brothers Fund of New York also backed similar initiatives.

to training butchers. There are examples of urban projects like the St Andrews Settlement training programme in West Kingston, Jamaica, led by John Levy and of rural farming projects. The SERVOL project (Service Volunteered for All) led by the Rev. Gerald Pantin in Trinidad and Tobago specialised in providing job skills for young people, but also played a role in Caribbean regional networking, trying to help build the Caribbean NGO leadership.

Caribbean church networks

The most concerted church-based

sible that NGO leaders may one day lead governments, then learn in their turn how irritating NGOs can be!

The growth of the voluntary sector

The growth of "replica NGOs" based on branches of Northern NGOs and of a vast amount of voluntary social effort and fund-raising has helped provide a basis for a strong Caribbean voluntary sector.

Radical NGOs may sometimes frown on these "middle class struc-



Boys acquiring skills in electrical repairs (left) and tailoring (right) at an NGO-funded vocational training workshop in Kingston, Jamaica

The Inter-American Foundation supported attempts to organise higglers, hucksters and other women traders, notably the hucksters of Dominica, the traffickers of St Vincent and the turnhands in St Kitts.

These grass-roots movements based on economic activity (on farming and trading) produced structures and leaders and tried to tackle common regional problems, such as access to markets.

The churches and development

The Caribbean churches diversified their educational and training activities into everything from shoemaking

attempt at regional NGO networking in the region was the Caribbean Council of Churches (CCC) which promoted a programme called Christian Action for Development in the Caribbean (CADEC). This was a determined attempt in the 1970s and early 1980s to promote a programme of grants, loans and NGO institution-building which had a major regional impact but which probably lost headway through lack of access to sufficient skills and capital.

The CCC opposition to the invasion of Grenada set it out on a limb in a Caribbean regional political context, illustrating the difficulties faced by overtly radical NGOs in the Caribbean. In micro states it is always pos-

tures" because they are linked to local business. However, the new strategies of many development Caribbean NGOs now seek to reduce dependence upon external funding. This must mean more local fund-raising from the "haves" to raise funds for the "have-nots". The Caribbean middle class is fairly well off and not always socially conservative. Service clubs and similar structures are good fund-raisers and increasingly see the need for local and low level development strategies rather than hand-outs.

New development NGOs

In the last few years new types of grass-roots action development NGOs

have emerged in the Caribbean region and have begun to develop a new strategy. The National Development Foundations, women's development organisations and some rural development organisations have developed similar approaches, building up low level credit systems and developing their own management and supervisory capacity. Many of these structures started "top down" but are now developing a credible "ground floor".

Their emphasis now is on the diversification of income sources, often to reduce dependence upon previous USAID support and to include local income generation. They have developed networking capacities to widen access to fund raising and management skills and improve their capacity to manage relationships with donor agencies. They seek self-sustaining growth through improved management and financial techniques, better understanding of grant and loan conditionality and a more professional approach to the "NGO financial market".

NGO regional initiatives

The Eastern Caribbean Organisation of Development Foundations (ECOD-EV) meeting in Grenada in May 1987 illustrated problems and possibilities. The National Foundations got off the ground "top down" with the support of the Pan American Development Foundation (PADF), itself backed by USAID.

Self-sustainability

In February this year, Malcolm Harper of the UK Cranfield Business School led a seminar in Barbados on the theme of self-sustainability. Ten million US dollars to help small-scale credit schemes in the period 1963-1990 is already committed by USAID, or spent. For the ECODEV network, diversification is essential or their required level of short term capital replenishment cannot happen. Some European Community donor agencies are already interested in going into the small-scale credit sector and the pattern of cutbacks by USAID will serve to speed up diversification.

USAID is cutting back its commitments to Caribbean NGOs and to their North American funding partners.

The Inter-American Foundation (IAF) previously helped build the National Development Foundations, farmers' organisations like ORD and Women and Development (WAND). Subsequently USAID support for IAF has been cut.

Some privately funded North American institutions have also reduced or cut Caribbean programmes. The Rockefeller Brothers Fund of New York spent ten years in the region supporting NGOs like the Dominican Farmers' Union, ORD, WAND and the Caribbean Conservation Association. It has now withdrawn from the Caribbean and started a funding programme in Eastern Europe.

Caribbean NGO leadership

In 1984 Caribbean NGO Managers met in the Caribbean Leadership Exchange representing organisations like ORD, SERVOL and WAND. The seminar was supported by American International Voluntary Service Inc. and the Inter-American Foundation but Northern NGOs did not attend.

What price diversification?

Caribbean NGOs want to diversify, but not at the price of transferring dependence from USA-based NGOs and USAID to European Community NGOs backed by bilateral and multilateral funds. Caribbean NGO managers are capable of stepping into the NGO international financial market and are natural candidates for early direct access to Northern funding institutions. They may be ambitious in seeking for Caribbean NGOs the self-sustaining strategies that have so far eluded Caribbean countries, but they should have more chance to bargain at the micro level than some Caribbean countries at the macro level.

One of the key ways of increasing their bargaining power is networking together, but the main argument is over how best to do this, through functional cooperation in particular specialist areas or through attempts at wider ranging regional consensus?

The Council of Caribbean Institutes for Development (COUNCRID) was an attempt to bring Caribbean NGOs together into one forum. This initiative, like its Pacific counterpart, may

now be described as being "on the back burner", as the external NGO donors and regional NGO networks try to adjust their relationships. The lessons of the old West Indian Federation are clear for Caribbean NGOs. For why marry in haste and repent at leisure?

There is a parallel with the history of the integration process in the European Community. Progress did not come from the great global consensus but from functionally-minded and like-minded leaders and organisations getting together to achieve practical and realisable progress.

The failure of federation?

The North-South NGO debate is about how to set up fora to discuss relationships and to facilitate changing the rules. The EEC-NGO Assembly of European NGOs recognised this in its deliberations in April 1987 in Brussels when it welcomed direct funding access to Northern institutions by Southern NGOs. The heightened interest in regional NGO North-South meetings in Africa and Latin America underlined the climate of potential change. Yet the attempted Pacific and Caribbean regional NGO federations do not look like the best way to achieve progress, pointing instead to the dangers of federating at the regional level too fast and under external pressure, instead of building up component national NGO networks first.

The success of limited networks

Among the Caribbean NGOs initiatives like ECODEV, the tripartite trading initiative of farming groups and the networking of women's organisations point to a more limited but practical way forward, whilst attempts at global NGO discussions can produce as many obstacles as they can progress, at least in the short term.

The changes in NGO relationships in the Caribbean are probably a good thing, presenting European Community NGOs with a challenge as well as opportunities. The test will be if European Community NGOs are really ready to help Caribbean NGOs to alter the ground rules on access to Northern funding systems to help them achieve self-sustainability. ○ T.L.

Interview with Jef Ulburghs, MEP, Rapporteur on EEC-NGO cooperation in the field of development

Jef Ulburghs is a member of the European Parliament, and an unusual one. At an age when most men are thinking of a gentle-paced retirement, he embarked on a wholly new career — politics (first local, then European), combining it with his lifelong vocation, that of a catholic priest. His concerns, both in his ministry and as a politician, have concentrated firmly on the underprivileged: as a priest Jef Ulburghs worked closely with the poor and the unemployed, migrants especially, and the young, of his native Belgium, those sometimes referred to as the Fourth World. As an MEP he is an active member of the Committee on Development and Cooperation, and a staunch defender of the rights of the underprivileged of the Third World. Non-governmental organisations and their role in the development process is a subject particularly dear to his heart and he was responsible for the major report on the theme which was submitted to the Parliament in its North-South debate earlier this year (see Courier No. 103). As he explains in this interview, though, Jef Ulburghs' involvement in the work of NGOs far pre-dates his involvement in politics.

"I started taking an interest in the Third World when I was involved in Jeunesse Ouvrière Chrétienne, which began in Belgium (it was founded by Monsignor Cardijn) and has branches all over the world, including the Third World. So a good many Third World trainees — from the JOC and the Christian Worker Movement — came to me for their courses when I was a priest in a working class district in Liège. And I sometimes went and gave lectures or ran sessions, sometimes in the Third World, in Africa, for example.

Many Third World leaders I contacted in the '60s told me that the best way of getting development to work there was to find fair, proper development here in the developed world. Instead of going to their countries and developing their regions, they suggested we develop ours, as many of the causes of their underdevelopment were in the rich countries' poor organisation of international trade and their faulty economic and social arrangements, their unjust policies and so on. Some of these people made a great impression on me. As well as Cardijn, whom I mentioned just now, there was Paulo Freire, a Brazilian teacher who wrote a book called "Teaching methods for the oppressed". And there was Ivan Illich, who trained many of the Third World's teachers as

well as European teachers who wanted to go as fieldworkers to Latin America. As I said, I spent 15 years in a working class area in Belgium and then I spent eight years with the Christian Worker Movement in Seraing on the outskirts of Liège.

"... I wanted to work for the Third World's interests and against 'our' interests"

I returned to Limburg in 1959 and started a movement we called *Wereldscholen*, schools of world solidarity, if you like, by which I mean people who are open to the Third World and to the little world around them. It was at this time that I went to UNCTAD (*), the first time to Santiago in Chile in 1972 as a representative of the Belgian NGOs. I was delighted to be asked to do this because I was ready to plead the Third World's cause, because, in spite of everything, it often happens that the rich countries work for their own interests at conferences, for their own ends and their own profit, and I wanted to work for the Third World's interests and against "our" interests. It didn't work... any more than many other of these conference do. I have

(*) UN Conference on Trade & Development.

been to four UNCTADs — Santiago in 1972, Nairobi in 1976, Manila in 1979 and Belgrade in 1983. In Belgrade, the UNCTAD security staff asked me to leave as I didn't fit in the way they thought I should, as I always stood up for the poorest people, the oppressed, the exploited, the hungry... and the people of the Third World.

► *As rapporteur on the NGOs, were you able to speak from your own experience...?*

— Yes, I spoke from the heart, I gave them my attitudes and some of my experience. When I saw the report was "available", I volunteered immediately. "I'd like to do that", I thought. "It's terribly interesting, it's the right thing for me".

"If there really is wellbeing in the Third World, then we will benefit in the long run, too"

► *Those who have heard you know you are convinced that the North has an obligation to the South. But do you get the impression that people in the North, and Europe especially, actually share your point of view?*

— No I don't think they do. Not the majority of them in any case, in spite of the fact that people are more and more aware of the Third World. Although lots of the rich ones in the North still say they want to help those in the South — provided it doesn't cost too much and we get our *quid pro quo* and fairly quickly too. So we are well aware that if there really is wellbeing in the Third World, then we will benefit in the long run, too. But I get the impression that they don't realise this because it means giving something up. We have to accept a different economic order. We have to agree to their exports costing more so they can develop themselves and own their land — which often belongs to us. We have to abandon the rich fishing grounds off the Third World's coasts, nearly the whole of Africa, a large part of Asia, the Far East, Latin America

and so on... It is our firms and our fishing boats and our factory ships that are in their waters. We have to abandon "our" projects and encourage "their" projects aimed at meeting the genuine needs of the Third World rather than our own.

► *Yet you also think the situation in the South is literally explosive... you have talked about the "poverty bomb" what do you think is the best and the fastest way of defusing it?*

— To my mind, there is no fast way. The people of the Third World could, for example, unite to form a syndicate to protect themselves rather like the OPEC nations have done. All the countries which produce coffee and cocoa and bananas and fish or have coal or copper or diamond mines or have raw materials of any sort should join forces and face the rich. It would also help if more and more organisations worked with them — development organisations first, NGOs, as I think they already to a very large extent do — and workers and peasants' syndicates, humanitarian organisations, religious organisations should all be on the Third World's side, pleading the Third World's cause.

Meanwhile, we can but try to influence the political leaders — although they claim it's not a good vote-catcher. If you run an election campaign for, say, immigrants or political refugees, you won't succeed. You won't get the seat. Someone else will be elected and he'll do the opposite of what you want him to do. That's what they say, al-

though I personally am not sure about it. They also say that if in your campaign you plead for the Third World, for more cooperation and for their debts to be wiped off the slate but also for a higher price for their chocolate or their bananas, you won't get elected either. The political leaders should be brave enough to put the public in the picture. And NGO campaigns should be encouraged too.

► *Do you think that NGO assistance has an advantage over official aid?*

— Yes I do. I can see that official aid is often enormous, on a macro-scale. It's big, it's prestigious, it requires lots of money and it's modelled on our models and our technology. But to my mind, that doesn't spell efficiency in some of the countries of the South, especially Africa. The statisticians tell us 90% of the work done in the country is done by hand. If you import tractors, you get a different result from what you bargained for. I've been to Africa several times and I have seen that an awful lot of tractors are abandoned, rusty or on the scrap heap. They throw our fantastic aid in the dustbin. Or it doesn't work. I don't mean to say this is what happens with all official aid... but it's rarely a success.

► *So what is it that makes NGO-donated tractors better?*

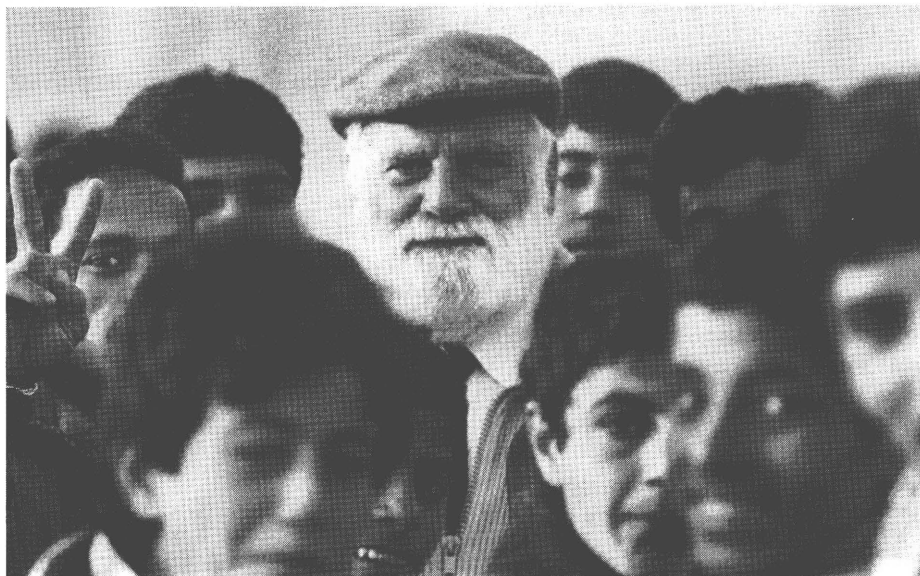
— The NGOs rarely use tractors. They do things on a small scale rather than building huge dams, for example,

prestige investments that cost the earth, can't be maintained and produce electricity that can't be transmitted and water that can't be piped. Why not bring in lots of small generators that the people can understand with a bit of training from the right kind of technical school? Why not replace the high technology of dam construction by a more modest approach, what we call intermediate technology?

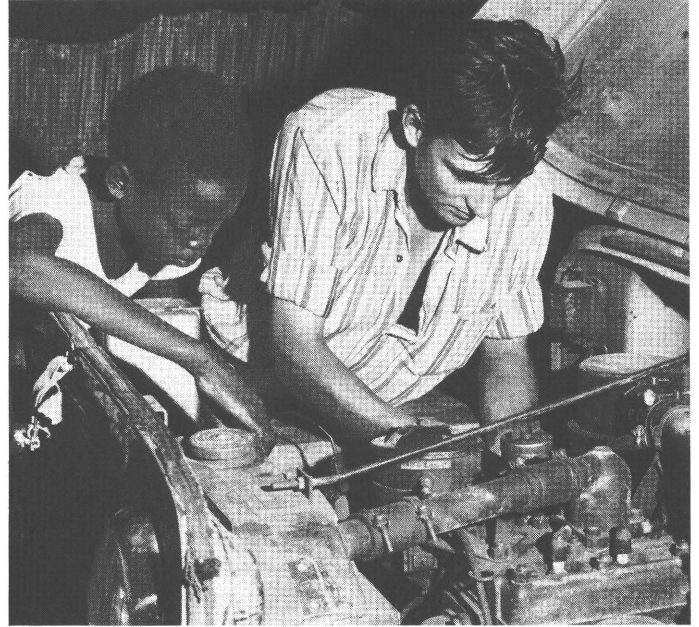
And the same goes for health care. Why do we have to have big clinics? What we want are small health centres that can treat people on the spot. Why import corrugated iron for houses? You see an awful lot of corrugated iron in Africa. It must get terribly hot in the daytime and terribly cold at night. And it goes rusty. And it's often imported from Europe — think what that must cost! Why not look for some other building material for walls and roofs that is available locally, bricks or blocks or something, or try to use straw and clay? Those are the lines we should be working along and I believe this is something the NGOs can do. They can do something much more stable and useful. I believe more in the NGOs here. The only thing that bothers me is that people are always saying we have to move fast, the Third World countries have got to catch up, otherwise they'll lose out. There I'm on the horns of a dilemma. Proper development goes through the minds and the hands of the people, it uses their means and their methods, not the mad technology that we have here. I think the NGOs are better able to grasp this, because they are close to the people. But they need money too, and here again I have made out a case for them to have more funds and to get then guaranteed over a longer term.

► *You have asked for funds, but doesn't there come a point where NGOs lose their human dimension if they become too big?*

— To my mind they shouldn't be given any more funds than they can absorb because that could well encourage red tape. This means increasing the number of NGOs and improving their apparatus. NGOs in the North have to be strictly vetted and prepared, say, after experience in our own Third World. And the NGOs in the South have to be increased too, there



Jef Ulburghs on a recent visit to a refugee camp in Jordan



The mechanic and the carpenter in these two pictures are not only turning their experience to good effect. By setting an example, they are also encouraging others to render service

have to be more and more of them, and there is a particular need for basic instructors, not just in human science and training technology and so on, but people who are prepared to get their hands dirty as well. The NGOs in the North and especially the South have to be increased. People have to be trained properly, but there has to be decentralisation towards the populations concerned so they can become self-sufficient and produce what they need to feed and clothe themselves and look after their health. And political leaders who are disinterested and honest have to be trained... in the West, too, as we have nothing to be proud about.

Coordination, of fundamental importance

► *You mentioned increasing the number of NGOs in the South—but don't you think there are times when the number of NGOs in the North should be cut, or at least their action coordinated, especially when it comes to emergency aid?*

— I think NGO action should indeed be coordinated, but it would be wrong to have an imported superclass, a kind of new development élite.

The way the NGOs in the North choose their staff has to be investigated too. Doctors just leaving university, for example, are not, to my mind, ready to be sent out to the Third

World. Look at the doctors we have in the working class areas in the West. They have extremely useful experience, working with people and meeting their needs. People like that, who have got experience here at home, should be able to continue their work in the Third World. The same goes for technicians. There are some, carpenters, for example, who have experience and who could well turn that experience to good effect out there. I am thinking now of someone who works with me in my *quartier*. He set up a little school to teach people on the dole. Then he went out to Peru, left the town he had set up in and went into the country to the Indians, to set up a school to show them how to do woodwork, make furniture and make roof timbers. He had a great deal of success.

So the NGOs have to be coordinated here, too, and people have to be chosen because they are motivated and have experience. And they have to be monitored once they get out there, too, and consult each other. That is something that happens increasingly often, but still not often enough. So aid to the NGOs of the North has to be stepped up gradually, but above all in the light of the NGOs of the South. For example, the carpenter I was talking about just now is directly involved with apprentice carpenters and the people who continue the work out there.

And of course we also have to think about exchanges with extension workers from South who could come here and teach us, motivate us and train us. Genuine development is a two-way thing.

► *How far could the major donors, the Community for example, make the NGOs' life easier? I am thinking about administration here...*

— The NGOs, of course, also have to manage their affairs and the money entrusted to them properly. And they have to teach the NGOs of the South about accounting and organisation and financial management and so on. Some of those working in development maintain they don't have the time for administration, but the infrastructure is very important for the superstructure. Accounting and budget control, producing budgets and keeping accounts are all extremely important and that is where I think the NGOs' staff have to be very stringently trained—and they have to train other people in turn. Everyone is in good faith, no-one is dishonest, but in the end the books can sometimes be cooked, which is suspicious. But the Court of Auditors has to be indulgent, because those who produce wonderful accounts and terrific budgets and admirable programmes on paper aren't always the best. If the funders give money, they ought to go out into the field to see what people do with it. ◊

Interview by M.v.d.V.

Responding to disaster

The role of NGOs in Emergency and Food Aid

by Thom KERSTIËNS (*)

At the end of 1984 the television viewers in the western world, comfortable and well-fed in their sitting-rooms, were shaken out of their usual complacency by the sheer horror of the pictures brought to their screens by a British TV crew—pictures of the hideous suffering of the starving millions in Ethiopia.

Galvanised into action by these haunting images, the general public began to put pressure on national governments and international bodies. For their part, the Non-Governmental Organisations were inundated by enquiries and offers of help. One NGO alone received, within the space of two months, 2 630 letters! The message they contained was usually simple: "Here's my cheque. Do what you can". It took the man in the street, schoolchildren and old-age pensioners, to shame governments and official bodies into taking action. Relief for the plight of the starving came first from the efforts of the NGOs and the spectacular fund-raising campaigns by pop stars like Bob Geldof. Tragic though the situation was in Africa, it did at least bring to light certain positive aspects. It showed the compassion of the general public and its willingness to help and it has clearly proved the efficacy of NGOs in emergency situations, their invaluable ability to arouse the public and to channel official funds and private donations.

One should not think that catastrophes are something new: they have occurred throughout the history of mankind. The Bible is full of tales of disaster; after all, one only has to think of the story of Noah and his Ark...

Emergency aid in different forms was probably the first expression of international solidarity put into practice by NGOs. The mention of the activities of the League of Red Cross Societies is sufficient to make one realise what is being done in this field, although many Red Cross organisations are not, strictly-speaking, non-governmental organisations, however, but are parastatal in character. A typical example of an NGO, founded to provide emergency aid, was Oxfam U.K., which was started by members of the university community in Oxford who wanted to bring relief to the people of Greece at the end of World War II. Though it met with opposition from the British government, Churchill was finally persuaded by a combination of Oxford dons and President Roosevelt to let Oxfam bring relief in the form of food, medicines, and

clothing to the Greek people in need. Oxfam had been preceded, however,

by a host of church-affiliated organisations such as the Caritas groupings, who, as early as the First World War, took care of refugees, children and displaced persons in Europe and brought relief to many stricken areas.

Food: a major component in both natural and "man-made" disaster relief programmes

Emergency aid nearly always comprises a substantial food component, as the 1984/85 African crisis clearly showed. The fight against hunger and disease certainly has an appeal to those who are better off. The pictures of starving people, especially those of children, evoked an immediate response from people in the richer countries. In The Netherlands, a national campaign to fight the African famine managed to raise more than 80 million Dutch guilders (ECU 34 m) in one day. One NGO in the USA, without organising any campaign at all, received spontaneously an amount in excess of \$ 20 million in the three months from September to December 1984.

This sudden "shower of money" for a particular emergency situation sometimes causes difficulties, however. Funds are generally earmarked by NGOs for one or other emergency situation. If a particular emergency is being supported by more and more organisations in a growing number of



A volunteer administers a nasal drip to a victim of the Sahel drought. Operating more flexibly than government agencies, NGOs are often the first to bring relief in emergencies

(*) Director for External Relations, CEBEMO, The Netherlands.

countries, thanks to modern means of communication, the case may arise where NGOs might be left with substantial funds which they cannot, morally speaking, use for another emergency case, while the need in the country in question has been met. Even more difficult is the position of NGOs which, thanks to the money available and the extent of the emergency in a given time and place, e.g. the Horn of Africa, extended themselves considerably by hiring field staff, increasing office staff for logistic operations, accounting, reporting, etc. and then after a few years, when the emergency situation is over, had to contract sharply—no easy task in present-day Europe.

Food aid, as has been mentioned, nearly always figures high in emergency-type operations, particularly in the so-called “man-made” emergency programmes. They are often caused through, or accompanied by, forms of civil strife, whereby the medieval concept of using food as a weapon, by starving certain areas, is still alas, practised today.

Food aid has, however, taken on another dimension through the growing awareness of the need for nutritional programmes for babies, young children and lactating mothers. The increasing realisation that a child of under four years of age who is underfed is likely to be handicapped for life has tremendous significance. Certain tribes or groups have been underfed for generations, which inevitably has its effect on their degree of intellectual and physical ability. Food aid programmes do need careful handling, however, and are frequently carried out through hospitals, schools, mother-and-child health centres or missionary posts, which is why NGOs are often seen as the best qualified to carry them out.

NGOs, apart from using food for emergency aid and nutritional programmes, later started to use food for “food-for-work” programmes, which need careful monitoring, however, if they are to be classified as true development programmes.

In Europe a number of NGOs formed an association, EuronAid, with the following aims: to use the EEC food aid programme through NGOs for worthwhile programmes in the

Third World; to try to promote collaboration between NGOs in North and South to incorporate food programmes into a development context, and to influence EEC food policies.

EEC-NGO collaboration on the increase

Luckily it must be stated that EEC-NGO collaboration is on the increase and is proving beneficial to many Third World people. The 1987 programme foresees, through EuronAid, with the assistance of 30 NGOs, the distribution of 90 000 tonnes of cereals, 25 000 tonnes of skimmed milk powder, 2 500 tonnes of butter-oil, 2 000 tonnes vegetable oil, 1 500 tonnes sugar, 1 600 tonnes beans, and 480 tonnes dried fish, for development or welfare programmes. (These quantities will be distributed irrespective of any emergency situations which might occur in the near future). The food products will be bought on the European market or through “triangular” operations in Third World countries. The increasing use of “triangular” operations, whereby e.g. Zimbabwean maize is bought by the Community for use in Angola and Mozambique, or beans for Argentina for consumption in Salvador and Nicaragua, is a development of great importance.

Amongst the conclusions reached at an EuronAid seminar held in May 1984 in Brussels were that NGOs should become involved in the Food Aid issue not only by contributing to emergency and disaster relief (including long-term programmes for refugees or disabled people) but also by participating in efforts to increase local production of staple foods in Third World countries, e.g. by organising cooperative groups, while giving greater attention to the role of women in food production. NGOs, it was also thought, should fulfill a “watch-dog” function for existing programmes, indicating when such programmes might become detrimental to self-reliance and/or to development.

Food aid: short-term relief with long-term dangers

Can something be stated about the general success or failure of emergency or food aid programmes carried out by

NGOs? There can be little doubt that literally millions of people were saved by the large-scale emergency operations in Africa in 1984/1985. But how prepared is the developed world to respond to disaster? What is being done about the legitimate preoccupations of NGOs, such as the right of free passage for relief in areas of civil unrest, such as is now the case, for example, in Mozambique, Angola, Southern Sudan, Eritrea and Tigray? Situations can also change quickly, and problems can arise where, through abundant rainfall, crops become plentiful while delayed food aid is still coming in, possibly ruining the local markets, as was indeed the case in parts of Africa in 1986. Success or failure are relative...

However, modern means of communication enable us all to know almost instantly that a natural disaster has occurred in, say, Italy, Chile, Cameroon or Vietnam. This allows for quick mobilisation of more and more diversified resources from all over the world, and to avoid chaos, mismanagement and other failures, coordination becomes a must both between governments and NGOs in Europe and in the countries concerned.

Prevention is better than cure. Food programmes can play a role in this and their social spin-offs should not be neglected. A small example is a food programme called “Vaso de Leche”, a cup of milk, carried out by a Dutch NGO, Cebemo, with the help of a Peruvian counterpart, Fovida, in the poor districts of Lima. The aim was to distribute milk powder, through a combination of the City Council and grass-roots organisations, to the poorest sections of the population. It reached around 850 groups of 10 to 12 families. For two weeks, one woman in each group had the task each morning of providing sufficient milk to allow each child one cup of milk a day. By arranging to do this, people who had migrated to the city got to know each other and began to organise themselves. This led to demonstrations which forced the government to adopt a law whereby the system would be extended to all cities in Peru. Laws are not, of course, always abided by, or may take some time to take effect, but the social spin-off in Lima, anyway, is beyond doubt. ○ T.K.

Partners in development – the EEC, the NGOs and the peoples of the Third World –

by Anton REITHINGER (*)

This is the twelfth year of joint action by non-governmental organisations (NGOs) and the European Community in the developing countries. Such action is young, therefore, compared with the development cooperation the Community has been involved in since it was created 30 years ago, and, though it occupies a modest place, it has a great and dynamic future.

In the beginning, EEC-NGO co-financing was confined to three main fields—emergency aid and food aid for distressed populations and grass-roots development projects in conjunction with local partners.

Today, the Community's contribution to combined schemes with the NGOs is worth ECU 140-150 million p.a., almost 7% of its total financial commitment to development cooperation, with the grass-roots development projects accounting for about a third of that sum.

The target populations are those of developing countries the world over, with particular priority going to the most disadvantaged. The bulk of the assistance is financed from the Community budget. The ACP countries get more than half of it, especially in the form of emergency aid and food aid.

Relief for survival ...

The first emergency and food aid operations that the Community handed over to the NGOs showed that these organisations were able to deliver the goods fast, with minimum costs and losses. The NGOs' traditional solidarity with people in distress, their ability to mobilise large numbers of committed volunteers and experts and the many long-standing links they have forged with individuals and associations on the spot in the Third World means that the provision of relief is never an anonymous, mechanical affair. The NGOs adjust to the situation and to the real needs of the victims as far as possible, and the aid they bring naturally comes with whatever humanitarian assistance is called for. These qualities proved their worth

particularly during the great famine in Ethiopia and Sudan when NGO action helped to save the lives of hundreds of thousands of men, women and children.

... and autonomous development

There is more to NGO solidarity, though, than relief operations. The understanding and experience of the realities of the developing world today that have been built up through close, sustained relations with their partners have long since led them to think about and work towards a different kind of development. Knowing the needs and conditions of the grass roots, running projects at and for this level and forced to invest their limited resources with a maximum of efficiency and impact, the NGOs have been able to avoid many of the mistaken concepts and errors of the types of de-

velopment cooperation embarked upon by official donors. They and their partners are not aiming at developing or maintaining macro-economic structures or the kind of large-scale modernisation that requires massive financial and technical input, national élites and foreign experts. What they want is, carefully and patiently, to establish the elementary conditions and structures which alone can promote the autonomous development of the people and the countries of the Third World.

An association destined to expand

Those involved in the world of development are unanimous in their belief that this particular approach to development has had very positive results. And what could be more natural than to recommend it to leading lights of official cooperation such as the EEC and its Member States? Yet although these institutions are inspired by NGO know-how, they cannot reproduce it faithfully on a large scale, which is why the Community and its Member States are seeking to learn from the NGO approach when running their



Martine Vrijt

A "Medecins Sans Frontières" team in the Sahel in 1985. Nearly 7% of the Community's aid goes to projects co-financed with NGOs

(*) Head of the "Non-governmental organisations" department, Directorate-General for Development, CEC.

Table I: Breakdown by recipient country of development projects cofinanced by the Commission (1976 to 1986 inclusive)

Country or region	Number of projects	Community contribution in ECU	Country or region	Number of projects	Community contribution in ECU
Afghanistan	3	40 390	Kiribati	1	8 718 (1)
East Africa	2	382 967	Laos	12	342 617
West Africa	2	112 376	Lesotho	20	350 210 (2)
Algeria	9	791 848	Lebanon	50	3 426 032
Latin America	1	11 257	Liberia	5	322 476
Angola	14	1 010 426	Madagascar	32	1 206 577
Argentina	25	1 982 876	Malawi	14	857 763
Argentina-Chile	1	154 499	Malaysia	5	104 046
Bangladesh	88	5 154 939	Mali	87	5 824 664 (3)
Barbados	3	309 012 (5)	Mauritania	18	1 642 051 (3)
Belize	1	53 544 (5)	Mexico	26	1 610 058
Benin	22	578 277	Mozambique	49	3 711 844
Bhutan	10	234 614	Namibia	11	1 386 914
Bolivia	78	3 948 999	Nepal	17	398 516
Botswana	16	1 424 925 (2)	Netherlands Antilles	1	59 226
Brazil	139	6 629 392	Nicaragua	135	10 141 104
Burkina Faso	133	5 986 759	Niger	31	1 651 253
Burma	3	19 310	Nigeria	14	869 449
Burundi	19	1 546 269	Pacific	3	254 955
Cape Verde	30	2 984 300	Pakistan	28	1 137 728
Cameroon	76	3 655 965	Panama	8	169 394
Caribbean	9	212 067	Papua New Guinea	19	302 341 (1)
Central African Republic	21	1 042 111	Paraguay	20	926 807
Chad	21	644 936	Peru	128	8 853 566
Chile	93	5 406 257	Philippines	80	5 424 673
China	2	106 681	Rwanda	126	6 295 711
West Bank & Gaza	26	4 020 175	Saint Vincent	1	11 163
Colombia	44	2 227 524	Saint Lucia	2	181 685
Comoros	6	200 112	São Tomé	1	132 404
Congo	17	351 762	Senegal	92	5 285 645 (3)
Cook Island	—	— (1)	Seychelles	3	110 064
Costa Rica	9	664 936	Sierra Leone	30	750 722
Côte d'Ivoire	30	1 581 541	Solomon Islands	6	115 876 (1)
Cuba	1	9 133	Somalia	26	2 144 239
Cyprus	1	43 200	Southern Africa	1	199 086
Djibouti	6	285 658	South Korea	8	798 640
Dominica	17	591 036	Sri Lanka	48	1 667 411
Dominican Republic	28	1 503 210	Sudan	34	2 345 978 (2) (4)
Ecuador	76	3 941 609	Suriname	3	122 106
Egypt	22	1 726 148	Swaziland	5	108 996 (2)
El Salvador	30	1 759 292	Syria	1	151 080
Equatorial Guinea	4	149 228	Tanzania	115	5 769 898 (4)
Ethiopia	81	6 182 493	Thailand	58	3 245 268
Fiji	5	432 949 (1)	Togo	24	717 143
Gabon	7	455 263	Tonga	2	103 358 (1)
Gambia	22	463 193	Trinidad and Tobago	1	33 125 (1)
Ghana	19	916 432	Tunisia	8	221 351
Grenada	11	543 612 (5)	Tuvalu	—	— (1)
Guatemala	27	1 135 576	Uganda	28	2 597 584
Guinea	1	11 563	Uruguay	24	1 655 096
Guinea-Bissau	33	2 710 685	Vanuatu	3	15 287 (1)
Guyana	2	65 501	Venezuela	4	84 242
Haiti	60	4 548 881	Vietnam	22	1 800 735
Honduras	15	459 129	Western Samoa	—	— (1)
Hong Kong	4	47 352	Yemen (A.R.)	13	808 799
Mauritius	18	814 295	Zaire	128	6 499 925
India	331	18 588 755	Zambia	45	2 169 155
Indonesia	52	2 266 567	Zimbabwe	72	4 433 503 (2) (4)
Jordan	8	1 169 435			
Jamaica	17	964 611			
Kampuchea	16	872 597			
Kenya	95	6 058 423 (4)			
			Total	3 719	214 360 581

(1) See also Pacific

(2) See also Southern Africa

(3) See also West Africa

(4) See also East Africa

(5) See also Caribbean

own schemes wherever possible and have joined with the NGOs to boost their activity at grass-roots level, thereby multiplying the resultant developing effects for the beneficiary countries.

In this association, the Community has confined itself to a financial con-

tribution for the NGO projects, but it does not finance them totally. This both protects NGO initiative and ensures their active human and financial commitment during the preparation and implementation of their projects.

This has been the framework for some 2500 projects in the developing

countries to date. They were run with more than 300 NGOs in 115 countries for a combined (EEC-NGO) total of ECU 526 m over the 1976-86 period, with the Community providing something like ECU 215 m. The multiplier effect of this contribution was therefore 2.5 — i.e. for every ECU 2 from

Liaison Committee of development NGOs to the EEC

This Committee is behind the coordination and increasing understanding between NGOs in the Member States of the Community and it respects the diversity and independence of the NGOs when carrying out its duties.

It comprises a representative of each of the Member States of the Community (elected at national meetings) and is the only European consultation body to provide a permanent link in development cooperation matters between the EEC and the NGOs.

The Committee works in close collaboration with the EEC, although it retains its autonomy of action and refuses to let itself be turned into an instrument of Community development policy.

After 10 years of cooperation based on mutual confidence, the Committee and the 600 or so NGOs it represents have gone through a number of decisive stages in the understanding of the part they play in development, thereby showing that they are valuable partners for the EEC in its development policy.

This collaboration has involved the European NGOs in shouldering particular responsibility for development education and getting European public opinion moving towards greater solidarity between North and South. Thus they have strengthened the associative movement and are making an active contribution to European civil society. This Europe has to be strengthened everywhere, so the citizens are more aware of what is at stake and of the fight for greater solidarity in development, so that groups are formed with initiative and a sense of responsibility and organisational abilities that mean they can bring about the

change. The whole idea is to make things better and march on to the year 2001 and co-development in which the peoples of North and South alike have a common interest in creating a world of greater social justice and greater freedom. This is the only way Europe can take off.

The Liaison Committee is representative of the various areas of development, with its five working groups which deal with problems related to emergency aid, food, volunteers, development education and co-financing of microprojects. Then there is a group that deals with development policy, which was set up by the NGO general meeting in 1986. This discussed matters outside the usual field of action — reform of the common agricultural policy, for example, apartheid in South Africa, racialism, peace and development, Central America, debt and so on. The NGO network in Europe and the defence of the associative movement are already political options in themselves which can have a real effect on the construction of Europe. This group is continuing its work along these lines and is anxious to extend the NGOs' contribution to development policy in the Community.

At the moment, the Committee is particularly concerned with two aspects of development — relations between NGOs of the North and the South and the situation in South Africa.

The idea of relations between northern and southern NGOs is to achieve genuine promotion of partnerships. The Liaison Committee is especially interested in this. The recently acquired capacities of our partners in the South mean that autonomy is vital for those who now want to work for their own develop-

ment and this realisation will bring about a fundamental change in the job of the NGOs in the North, which will go from being the implementing bodies of the South to organisations which provide more financial support and offer their assistance with improving local structures. Their role as lobbyists, defending the causes of the South in political establishments in the North, will also be stepped up and this trend in the concept of partnership was already put into practice at the NGO Conference in Dakar (Senegal) from 1-4 June. On this occasion, the NGOs of the North wanted to mark their approval of this process by being there. They will get another opportunity to prove their interest in greater autonomy for the South at the NGO Conference on debt and new means of financing in Lima (Peru) in early 1988.

South Africa and the fate of the black populations who are suffering as a result of apartheid was also very much the concern of the Committee and the NGOs — who for years have been helping all sorts of associations fighting for abolition of the system. So there is nothing surprising about the fact that the Committee helps keep public opinion in the picture and is taking steps to create public pressure that will ensure that the Community and the countries of western Europe take economic and political sanctions to isolate South Africa. The Committee helps the EEC run special programmes for the victims of apartheid. The struggle by the black population seems to have reached a decisive stage and the Committee and the NGOs will have to redouble their efforts.

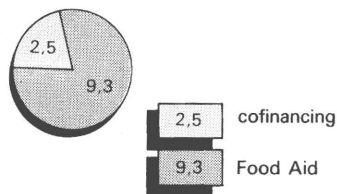
Perseverance, imagination, solidarity and a sense of responsibility — these are what characterise the action of the Liaison Committee and the NGOs that make it up. o

Pierre Galand,
Chairman of the
Liaison Committee

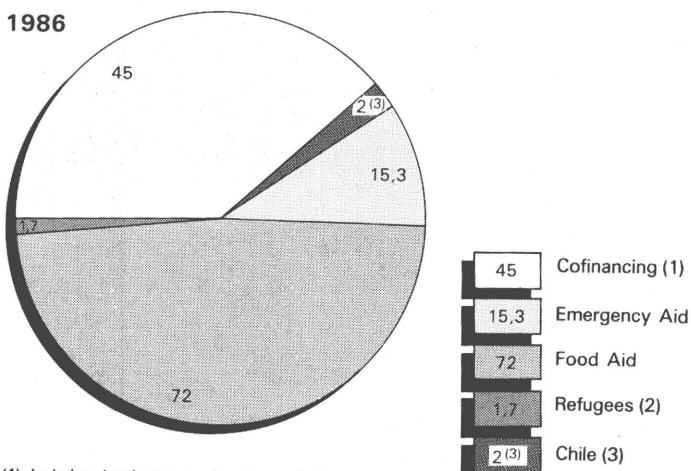
COMMUNITY CREDITS ALLOTTED TO NGOs' ACTIVITIES

in millions of ECUs

1976



1986



- (1) Includes development education activities.
 (2) Actions in favour of refugees and displaced persons of non-associated developing countries.
 (3) Actions in favour of NGOs working in Chile.

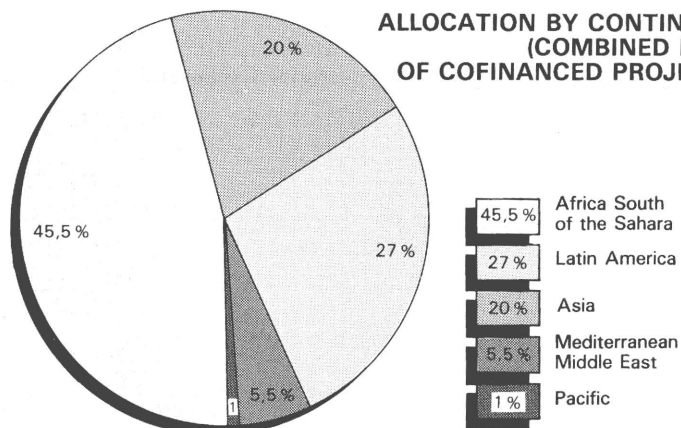
At present, the total volume of EEC contributions to NGOs amounts on average to approximately ECU 140 m a year, which represents roughly 7% of the Community's annual development aid budget. This sum is, moreover, constantly increased to reflect the growing awareness and solidarity of the populations of Europe, the enhanced popularity the NGOs enjoy with the general public, as well as the material support of the European institutions.

This cooperation is chiefly concentrated in four main areas, the first of which, historically, is the co-financing of development projects in developing countries, which began in 1976 (Budget Heading 941).

Exchange rates of the ECU*

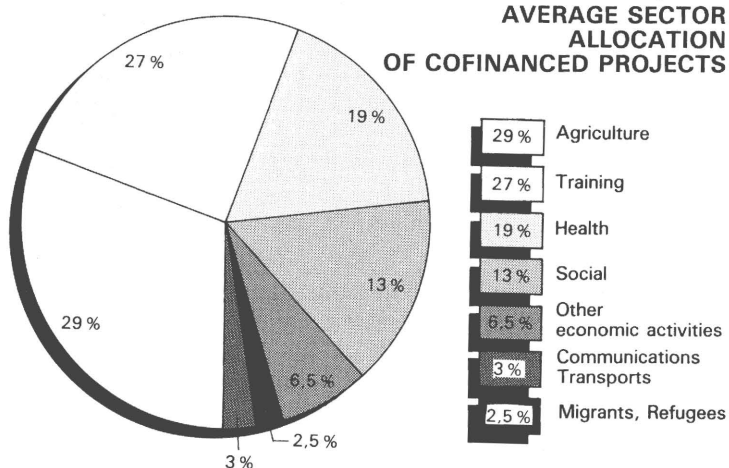
1 ECU equals:
 43.11 Belgian francs
 7.82 Danish Kroner
 2.07 Deutsche Mark
 6.93 French Francs
 0.77 Irish Pounds
 1486.51 Italian Lira
 43.11 Luxembourg francs
 2.34 Dutch Guilders
 0.69 English Pounds Sterling
 153.66 Greek Drachmas
 145.53 Pesetas
 160.95 Escudos
 rate for May 1987

ALLOCATION BY CONTINENT (COMBINED DATA OF COFINANCED PROJECTS)



Its annual budget for 1986, ECU 40 m, which is 16 times higher than it was ten years ago, enables the EEC to co-finance with the NGOs on average some 300 projects a year in practically all the developing countries of Africa, Asia, and Latin America.

AVERAGE SECTOR ALLOCATION OF COFINANCED PROJECTS



The range of projects cofinanced is extremely varied but the main emphasis is on integrated rural development, health and education and training. As different as the various projects are, they all have one thing in common and that is their resolutely humanitarian nature and total disregard for the political leanings of the government in power.

Table II: Breakdown by Member State of Community funds allocated to NGOs in 1986

NGOs in Member States	Development projects in developing countries		Projects to raise public awareness in the Community		Total	
	Number of projects	CEC grant in ECUs	Number of projects	CEC grant in ECUs	Number of projects	CEC grant in ECUs
Belgium	55	6 535 275	7	371 831	62	6 907 106
Denmark	7	898 524	3	135 818	10	1 034 342
Spain	3	313 613	6	316 343	9	629 956
Fed. Rep. of Germany	45	6 935 813	13	663 410	58	7 599 223
France	52	6 515 827	15	614 456	67	7 130 283
Greece	—	—	—	—	—	—
Ireland	15	1 375 759	3	260 217	18	1 635 976
Italy	34	5 760 202	9	539 789	43	6 300 391
Luxembourg	11	886 923	—	—	11	886 923
Netherlands	20	2 715 270	10	615 489	30	3 330 759
Portugal	1	308 241	2	159 840	3	468 081
United Kingdom	50	7 909 819	15	780 403	65	8 690 222
Total	293	40 155 266	83	4 457 596	376	44 612 862 (*)

(*) The grant to the Liaison Committee of ECUs 415 000 ECUs should be added to this figure.

the Community, the NGOs and their local partners have given ECU 3.

Although the projects vary widely, they are concentrated on three main areas—rural development, training and health—and most of them cover several sectors at once, thereby reflecting the integral approach so characteristic of NGO schemes.

Close and dependable cooperation

As this cooperation has proceeded, relations between the NGOs and the Community have become close and dependable. They are not confined to jointly carrying out projects in the Third World, but have moved towards a regular exchange of views on development cooperation between North and South in general, with all the problems of trade, debt, demography, the environment, migration and so on.

The Community thinks this discussion is a useful and necessary complement to the dialogue with its ACP partners under the Lomé Convention—which had already led to their cooperation being reoriented towards agricultural development and schemes to help the rural populations.

This new direction the Convention has taken means that schemes now have to be run in areas where the conventional instruments of public administration have often proved to be unsuitable.

So an extension of cooperation with the NGOs could well occur in the quest for greater complementarity of operations run by the authorities and the NGOs as part of the Lomé III programmes. Such complementarity could start with, say, greater consultation on the programmes each side is planning on. One or two examples in ACP countries where the NGOs' coordination activities involve representatives of the Government, the Commission and other funders seem to confirm the validity of this idea.

Without touching on the fundamental rules of the Convention or the specific nature of NGO intervention (their independence of the political and administrative authorities, their flexibility and their overwhelming concern with working directly with the people their projects are aimed at) the



Aurea Singh

Unloading of food aid at Geneina, Sudan.

"NGO action helped to save the lives of hundreds of thousands of men, women and children"

idea of going for direct NGO intervention in some EDF projects or programmes might seem a good one, as might that of involving EDF resources in some NGO programmes (environmental rehabilitation and resettlement of refugees, for example, by financing some of the more onerous parts of the operation such as transport infrastructure, building materials etc.). It would be possible, here, for the NGOs to play a major role in joining with their local partners to motivate the local populations and organise their contribution to large-scale programmes such as the anti-desertification campaign, deforestation, erosion and so on.

The development and improvement of local structures (village committees, cooperatives, groups of volunteers etc.) that are able and willing to back up development programmes that are

right for their conditions is another vitally important field where cooperation with the NGOs under Lomé could be strengthened.

Lastly, NGO action would be a particularly valuable contribution to cultural understanding and exchange—which are becoming increasingly important aspects of cooperation. Making people from different countries aware of other traditions, cultures and values and making for respect and tolerance between them is no small contribution to making cooperation a relationship between partners who see themselves as equals and doing away with the inevitable image of a world where three-quarters of mankind seem condemned to need the help of the other quarter, because they, the latter, are the ones who control the world's riches. ○

A.R.

“Set in a silver sea”

Development problems and possibilities of Small Island States



Ann Busby, VSO

The Small Islands Conference in London. From left to right, Fathullah Jameel, Foreign Minister of The Maldives, Graham Teskey, University of Bradford, Kaleopati Tavola, Fiji High Commission, London, Neil McIntosh, Director of VSO, Dr W. I. Morrison, UN Secretariat, Mohammed Shareef, Foreign Ministry, The Maldives and Neroni Slade, Commonwealth Secretariat

On 7 April, a conference was held in London, sponsored jointly by Voluntary Service Overseas, a major British NGO, and the Royal Commonwealth Society, on “Small Island States—Aid problems and practicalities”. It attracted over 150 participants, the large majority of them practitioners of development, either on the donor or the recipient side. The Commonwealth is the most obvious forum for discussion of this problem, since 27 of its members—the vast majority insular—have populations of less than one million, while 15 have populations of less than 200 000. Two keynote speakers addressed the Conference, Swinburne Lestrade, Economic Affairs Director in the OECS Secretariat, and Fathullah Jameel, Foreign Minister of The Maldives. But the lessons were there for all.

Evidently, the major focus of the Conference was on the economic effects of being an island. What are the costs, in terms of aid, of having a relatively high per capita GNP? What are the hidden disadvantages of having only a small bureaucracy? What are the perils in being a homogeneous “idyllic” society, when you have to plan the allocation of aid funds? Should regional cooperation extend only to neighbouring island states, or should it extend to cover the dominant regional economic

powers (USA and Canada for the Caribbean, Australia and Japan for the Pacific)? The potential for change in economic thinking, for donors and recipients alike, proved to be very large indeed.

But there were problems of attitude, of societal change to be discussed too—for much of the day, the participants separated into working groups, looking more closely at single issues. It was a pity that your correspondent could not divide himself, amoeba-like, among them: “The role of institutions”, “Absorptive capacity”, “Appropriate planning structures”, “Government services to investors”, “Integration of projects with tradition and custom”. What emerged from these working groups was a consensus on the overriding importance of the human factor, the lynch-pin of Lomé III. Time and again, the core of many problems was the need for good people—in planning, in coordinating and in executing aid. But how do you attract and retain those good people in a small island state? Swinburne Lestrade makes the point most trenchantly, that, if you are good, you will be inundated with projects and not have the time to coordinate them; and after a while, you will feel that you can do more with less stress in a different environment, whether international or metropolitan. And

thus another good administrator is lost.

There is also the problem that institutions tend to grow faster than the situation which produced them—the grass-roots service becomes, in time and with “upward drift”, a bureaucratic hindrance; the young idealists turn into older careerists; or the small staff becomes a mere adjunct of a powerful donor organisation.

All these are problems common to developing countries, but as Fathullah Jameel pointed out, they are exacerbated by the physical dimensions of small island states. The problem of the “metropolis” and the resentment of the “outer islands”; the fact that in small, scattered communities (The Maldives comprises 200 000 people on 202 islands, with 500 miles between the extremes) the same small-scale action must be repeated countless times to have an effect; the vulnerability of island societies, economies and infrastructures. One thing is certain, however. Island societies are internally strong—they do not want to be lumped along with others; cooperation is one thing, absorption quite another. And, as Swinburne Lestrade points out in the closing paragraph of his address, the inhabitants would not, despite the problems, wish to live anywhere else. And since they are here to stay, the London Conference was a most useful exercise in exchanging ideas on how they may not only stay, but grow and flourish, retaining the characteristics that make them attractive, and adapting aid practices to take account of them. And for those who are concerned with implementing Lomé III or planning for Lomé IV it revealed a wealth of experience and expertise that should be tapped in the future. All the ground covered at the Conference cannot be covered here—but *The Courier* is reprinting Swinburne Lestrade’s keynote speech and is publishing the view from the Pacific, expressed by Poseci Bune, Fiji’s Ambassador to the European Community. ○ T.G.

Economic issues affecting the development of Small Islands States: the case of the Caribbean

by Swinburne LESTRADE (*)

Background

The islands of the English-speaking Caribbean are characterised by their relatively small size. Their sizes range from 11 000 km² in the case of Jamaica to 102 km² in the case of Montserrat or 91 km² in the case of Anguilla. In population size, they range from 2.2 million people in Jamaica to 12 000 in Montserrat and 7 000 in Anguilla.

The structures of the economies of these countries are undiversified and are characterised by considerable dependence on a narrow range of commodities—bananas, sugar, tourism, bauxite, petroleum. This makes the economies of these countries open, fragile and dependent. Open in terms of the very high ratio of imports to total domestic output; fragile in terms of the high vulnerability of these countries to shocks, whether internally or externally generated; dependent if only because overseas markets and overseas capital constitute critically important factors in the pace of growth of these countries, and in the levels of welfare of their populations.

Size and survival and the small states issue

The circumstances and problems of the Caribbean and OECS states fit easily into the discussion taking place internationally on the issue of special problems of small countries. There is a sense in which especially the smaller Caribbean countries (the member states of the OECS) represent an extreme illustration of the problems of small countries.

The issue of small size has been much debated recently and much of this discussion has taken place at the level of the international agencies and institutions with which these small countries must relate in regard to the external financial and technical re-

sources necessary for their development. It is not our purpose to enter this debate but merely to recall the main threads of this discussion and to make some observations of our own.

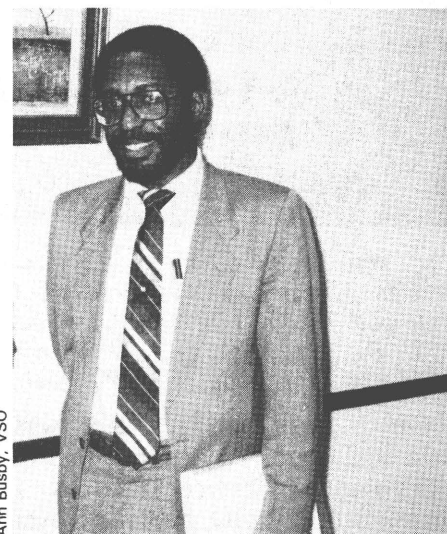
1. It is not clear that the fact of smallness itself constitutes *ipso facto* a problem which is unique to these small countries. There is no consensus, it appears, on the uniqueness of the supposed economic implication of smallness—a clear position on the impact of smallness would require a clear distinction between those problems which derive from the fact of smallness itself, and those which derive from the essential underdevelopment of the countries; or indeed those which derive from other factors or circumstances which are in some way peculiar to these countries.

2. In regard to the issue of the vulnerability of small countries there can be said to be an emerging consensus. The issue is that on the basis of certain indicators small countries can be said to be characterised by a relatively higher degree of vulnerability that derives from their very smallness. The elements in this vulnerability relate to a number of the characteristics of small states which conspire to render these countries rather easily susceptible to sudden and devastating shocks to their economic systems. These may be of an economic nature or they may take the form of natural disasters.

3. Among the more significant of these inherent characteristics are the following:

(a) dependence on a very limited range of exports of goods and services; this makes small states highly vulnerable to unstable world demand and price conditions;

(b) limited public and private savings deriving from high unit costs and low returns, a situation which requires significant inflows of concessional aid and foreign investment to finance capital formation; this greater dependence on external financial aid makes these countries susceptible to changes in the international environment for



Ann Busby, VSO

Swinburne Lestrade,
Economic Director, OECS

foreign aid, especially concessional aid;

(c) their economic structures are for various reasons fragile and their economic fabrics tenuous—within the Caribbean Common Market, for example, the economic consequences of difficulties of market access were felt rather more painfully in the smaller territories such as Barbados and the OECS countries. This was so especially in terms of the unemployment consequences of lack of market access.

4. We suggest that one interpretation of smallness is that it is a situation of limited options; limited development options. Small countries tend to be characterised by natural resource deficiencies, restricted agricultural potential, limited domestic market size which constrains the potential for non-export industry, and limited opportunities for the employment of both skilled and unskilled labour, a situation which results in brain drain as well as significant levels of unemployment. These circumstances conspire to circumscribe the scope of the countries for active, not to mention independent, development policies.

5. There is the issue of the kinds of economic indicators which might be appropriate to the circumstances of

(*) Mr Lestrade is the director of the Economic Affairs Secretariat of the Organisation of Eastern Caribbean States. The views expressed here are personal and not necessarily representative of the OECS.

small countries—in particular the use of per capita income to inform important policy decisions. This issue generated a considerable amount of discussion two years ago in relation to the eligibility of Caribbean countries for the resources of the World Bank. The almost exclusive use of per capita income was perhaps invidious considering all the relevant circumstances—but we shall be returning to this subject later.

6. There has also been discussion of issues such as remoteness and concomitant high costs of transportation, the special problems of small landlocked countries, the propensity for natural disasters etc.—issues which are interesting and relevant but which time does not permit us to pursue.

7. Three further points: first, that some attempt has been made to point to possible advantages of smallness. Among those advantages advanced are greater social and political cohesion; and the fact that these countries appear to receive higher levels of per capita official development assistance. Secondly, that it is clear that there are such significant variations among small countries themselves that generalisations may be hazardous; this is more so the case in the light of complications relating to definitions of smallness, and considering the array of countries (developed and underdeveloped) which are supposed to fall into this category. Thirdly, there is the issue of whether or not the fact of islandness imposes any unique constraints on the development potential of small countries, i.e. whether it is useful to point to peculiarities of small *island* states, as distinct from small countries.

Much of this debate can be circumvented by not attempting to establish that small island countries are unique and special; or that they are characterised by circumstances which affect them and no other category of developing countries. It seems sufficient for present purposes to agree that small developing countries are afflicted by similar kinds of economic difficulties and development imperatives as in the case of developing countries generally, but that these problems seem rather more intractable in the case of at least some small and particularly very small countries such as those that are found in the Caribbean. For present purposes

all that we really need to understand is that the Caribbean and OECS states, very small countries, are beset by certain problems and constraints which appear to relate directly and critically to their very small size.

One writer, Percy Selwyn, has asked rhetorically: “Are we concerned about problems of size as such, or about problems of poverty and backwardness as aggravated by small size?” Selwyn goes on to suggest correctly, that “most of us would prefer to think of small size as a constraint in tackling other problems rather than as a problem itself”.

One of the issues which has arisen in discussions of the economic circumstances of small states relates to their survival and viability. Can small states, especially the micro-states which make up the Organisation of Eastern Caribbean States, ever achieve viability? Worse, can they survive?

One writer did suggest, I do not know if he was being very serious, that micro-states had only nuisance value and might usefully be dumped back into the oceans from which they came. If only the solution were that simple! The fact is that these micro-states exist; so that the question must rather be put in terms of the policies and measures which are appropriate to their circumstances. This is precisely the more positive kind of approach which has been adopted by William Demas. In a piece on “the viability of the OECS states”, he uses one paragraph to pose the question and answers it in one sentence. His answer is simply: “I have no doubt that the answer is yes”. The remainder of his 40-page piece is taken up with policy and strategic discussion and he makes a number of recommendations aimed at ensuring the viability of these countries.

I am myself inclined to this approach to the question—a question which has been similarly responded to by George Abbott, who says: “Not only can small states exist as such, but they can play a responsible part in the international community”.

While the issue of viability of small states is certainly a very interesting one, it is, at the level of the policy practitioner, no more than an academic question. The more important and relevant task is to devise imaginative and practicable policy measures for

ensuring the long-term viability of these islands in the sun.

Dependence on international aid

If the experience of the Caribbean micro-states is any indication, small island states are characterised by very weak financial situations. Their public finances are structurally weak and this constrains their public sector investment programmes and the overall economic performance of their economies. This weak financial situation has two kinds of constraining effects: first, it has led to a build-up of arrears on public sector recurrent budgetary accounts involving increasing government indebtedness to local and overseas creditors; secondly, through their inability to provide local counterpart funding, some of these governments have been unable to borrow for development projects, even when loanable capital may be available on otherwise acceptable terms.

It is well accepted that fiscal reform is in all of the countries of the OECS, a critically important policy imperative. Yet it is fair to recognise that structural circumstances operate to limit the scope for fiscal reform in these countries. A derivative of some of the small state characteristics is that the Government must be a relatively large employer of labour. Given the relative absence of much other economic activity and consequently much opportunity for employment elsewhere, it becomes the Government's responsibility to step in and provide the jobs—many of which are what we call in the Caribbean “make-work”; i.e. probably unnecessary, probably wasteful of the scarce financial resources of the government, or probably marked by very low levels of productivity. These economies are characterised by a narrow tax base, and inbuilt limitations on the extent of tax revenues which Governments can expect to collect.

Yet precisely because of the over-large responsibility placed on the Governments of these countries, there are also inbuilt limitations on the extent to which they can contain public expenditures. So that there is considerable difficulty in balancing the books; in balancing the recurrent budgets. Indeed a fundamentally important indicator of the current economic and fi-

financial dependence of these countries is that they are generally unable to meet recurrent expenditures from internally generated revenues.

Hence there is a high degree of dependence on foreign capital. And it is certainly true that the Caribbean countries receive relatively large amounts of external financial support. Small countries do appear to receive external financial assistance in larger *per capita* amounts—a statistic of which far too much appears to be made since it derives precisely from the phenomenon of smallness itself. In the case of the OECS countries practically all of the resources required for the development programmes must come from outside. So that the size of the capital budget and the very pace of development is a function of the extent of the financial resources available from the international community from year to year.

Quite apart from financial support the countries also depend on the external community for significant amounts of technical assistance. This dependence may itself derive from the characteristics of smallness and a consequential insufficiency of the requisite high level manpower needed to plan, to formulate and implement policy and to perform the myriad other tasks that inhere in the development process.

It will be clear from everything that I have said so far that the strong need of these countries for external capital must relate to capital on the softest possible terms. Which are precisely the kinds of terms on which the bulk of their external capital has been made available. Such aid has been coming from sources which included bilateral donors such as the United Kingdom, the United States and Canada; and also from multilateral sources such as the World Bank's soft window, the In-

ternational Development Association (IDA). Resources of the IDA are the softest funds which are available anywhere and are intended to be made available to the world's poorest countries, and among the criteria applied to determine poor is per capita income. On the basis of calculations which placed the OECS countries above the critical per capita income level of US\$ 790 applicable in 1985 these countries were "graduated" out of eligibility for IDA resources. This decision gave rise to much controversy in international agency circles, much disgruntlement among the countries, and served to give some international prominence to the issue of the special circumstances of small islands.

The issue was essentially: was per capita income a sufficient criterion for placing small island countries out of reach of the most concessional financial resources available; were there distortions which may have been introduced into the statistics, into the per capita income calculations, which distortions may themselves be attributable to smallness; and thirdly, should not graduation out of eligibility for one set of resources be linked to, if not made conditional upon, eligibility for and access to, certain other kinds of resources? In relation to this third issue, the point was that the World Bank was graduating these countries out of eligibility for IDA resources while itself acknowledging that these wretched countries were not credit-worthy for borrowing from the Bank's ordinary resources; not to mention the strong likelihood of their being unable to borrow on international capital markets. One of the OECS Prime Ministers described this situation as a case of countries being made to graduate, complete with cap and gown, with no place to go.

It is true that the countries appeared

not to be credit-worthy for borrowing ordinary financial resources. This was so because of their projected inability to service such indebtedness, given their weak fiscal situations, and the fact that loss of concessionary financing was itself likely to exacerbate this structural weakness. Debt servicing has not yet featured among the pressing economic problems of most of the Caribbean states, one reason being that most of the resources made available to these states have been concessional, with non-burdensome debt-servicing implications. Yet one dimension to the vulnerability of these states is that the incurring of just one major borrowing obligation could suddenly and swiftly change the debt profile for the worse; it could put severe strain on the public finances and compromise the country's own credit-worthiness.

The issue is a very important one in the context of the economic situations for these countries and could prove to be critical in their future economic performance.

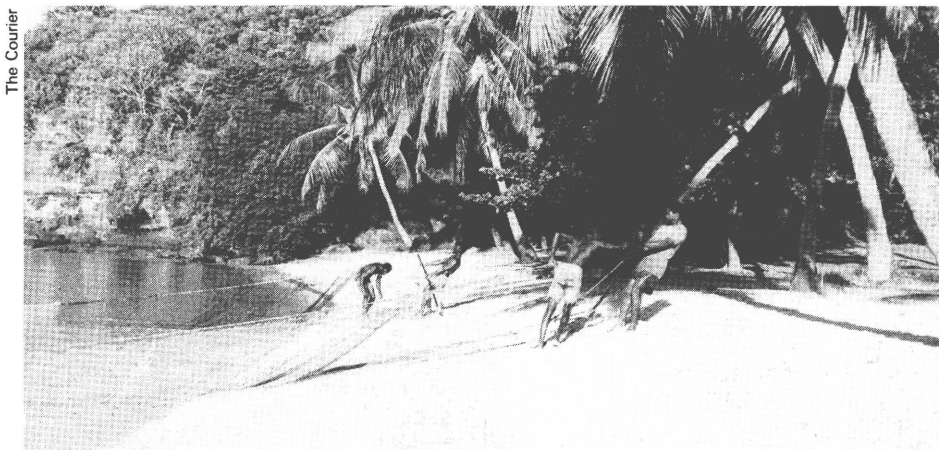
Improving the effectiveness of international cooperation

Given the critical role of international cooperation the issue of the delivery of external assistance assumes a large measure of importance. We might usefully discuss some of the lessons learned from the experience which our countries have had with international economic cooperation. In the main what follows will focus on areas where there appears to be room for improvement and will offer suggestions as to how this desired improvement might be brought about.

Time horizon

Sometimes it appears as if the procedures of some of the aid agencies reflect a time horizon for development which is too short-term. Aid agencies need to develop perspectives on the economic problems and on the economic futures of these countries which are more long-term and more appropriate to the circumstances and the potential of these countries. It sometimes appears as if some donors expect that injection of capital into the developing countries must produce results immediately or within a rather

"Smallness... is a situation of limited options". Here, beach seining in Grenada



short time-frame. These expectations are often unrelated to the realistic potential of the countries. Development, it must be realised, is a long-term process, more so because of the kinds of constraints that affect the development processes in countries such as the Caribbean.

Local capability

It has become clearer with time that an important constraint on the development of these countries and in particular on the efficacy of external financial support relates to insufficient manpower capabilities within the countries. This adversely affects the development process in the following manner:

1. Insufficient high level manpower slows down the process of project identification, formulation and implementation; it slows down the process of plan or strategy formulation;
2. It reduces the ability of the countries to relate in an expeditious and efficacious manner with the donor community; and
3. By dint of the foregoing, it serves to reduce the absorptive capacity of the countries and their ability to effectively utilise financial or technical support which might be available.

One factor in what I call the capability gap in the countries is the inability of Governments to pay salaries or otherwise to offer terms of employment which are sufficiently attractive to their qualified nationals. The countries have an enormous built-in inability to attract and sometimes to retain precisely the kinds of manpower which might be necessary for their progress.

This is a problem of which I believe the donor community is aware. Unfortunately, it also appears that while the donor community might be aware of these problems they may not be sufficiently sensitised to them. Donors do sometimes make unrealistic requests for the assignment of counterpart persons to technical assistance projects—these counterpart persons to be paid for by the Governments. These requests sometimes do not take into account the inability sometimes simply to find the right people or to find the resources to employ persons to do the job. It is known to be difficult for donor agencies to provide budgetary or

staff support. But it is precisely this kind of support which is necessary for some of the projects to be successful or for the assistance provided by international community to achieve its desired objective.

Resolution of this issue must, of course, involve the countries themselves. There is no doubt that the Governments of our countries, certainly of the smaller Caribbean countries must pay more attention to what they might themselves be in a position to do in regard to this issue. The solution to this problem may lie in the kind of approach being used in the OECS Secretariat, sometimes with success, where important technical assistance projects have built into them budgetary provision for appropriate staff support, on the understanding that after an agreed period of time (often two to three years), the organisation would be expected to take over the financing of these staff positions. In that way, the use of the technical assistance is maximised through the provision of the necessary staff support, and the staff capability of the organisation is enhanced. Further, there is provision for continuity in the provision of the kind of expertise which the expert had been brought on board to provide. Needless to say, the organisation and also the countries involved would have to be careful to ensure that the project involved was one in regard to which there needed to be provision for such continuity and in respect of which it was appropriate to give an undertaking for long-term support.

The issue of capability development is one which is particularly important to those of us who are close to the countries in the sense of having to relate with them on a continuing basis: lack of capability too often can be seen to constrain the development potential of the countries and the potential impact of projects. I venture to suggest that in the case of the smaller Caribbean countries, the development of appropriate national capability might constitute one definition of development.

Harmony of interest

It sometimes appears that elements of the donor community pursue their own agendas, which may not be suffi-

ciently informed by the particular wishes or priorities of the beneficiary countries. This is really a subtle point because given the nature of the development process, it can be difficult to deem a particular project to be not useful or relevant to the countries at any point in time. Closer examination does sometimes point to scope for greater consultation between the donor agencies and the countries on the programmes and agendas that the agencies set themselves. Unfortunately, one dimension to the capability constraint described earlier is precisely that there is a shortage of time to be spent engaging in the kind of continuing dialogue that will be necessary for effective consultation. Suffice it to note for present purposes that efforts should be made on the part of donor agencies to engage in a greater degree of consultation with recipient countries with a view to ensuring that the programmes of the agencies are as fully as possible reflective of the circumstances and priorities of the states.

In proposing this, it is recognised that this might be an area of some considerable difficulty. There will sometimes be genuine disagreement between donors and recipient countries regarding priorities and projects, and that there may be disagreement regarding the appropriateness of conditionalities which the recipient countries might be expected to satisfy. This applies not only in the well-known case of the International Monetary Fund but also sometimes in the case of other agencies which are strong on conditionalities such as disinvestment and privatisation. What I would argue for would be simply the avoidance of too dogmatic an approach to the enforcement of these kinds of conditions. I take for granted that the wishes of donor agencies would have to be taken into account especially when these wishes derive from strong political and philosophical orientations. Central to all this is the need for a closer familiarity with the countries' situations and a more empathetic consideration of the national issues and circumstances.

Aid coordination

There are a number of agencies now involved in the business of providing financial and technical assistance to

the developing countries. These range from multilateral financial institutions, such as the IMF and the World Bank to bilateral agencies such as the USAID and CIDA, and in the area of technical assistance from multilateral agencies such as the UNDP to bilateral operations, such as the VSO. It is not often realised that one dimension to this business of what we call international cooperation or what some persons simply call the aid business is that a small number of hard-pressed persons within these countries have to relate on a continuing basis with the whole array of international agencies taking part in the aid business. This places considerable strain on local officials who are often unable to ensure the effective utilisation of aid or to prevent duplication or excessive overlap between aid projects. A part of the solution to this problem must surely rest in the aid agencies talking to each other rather more than they appear to do at present, in a greater degree of aid coordination. The need for donor coordination has been recognised at the level of the World Bank—coordinated Caribbean Group for Cooperation in economic development and indeed there is an aid coordination project for the OECS countries to begin shortly to operate out of Barbados. Unfortunately one gets the feeling that there is no strong commitment to aid coordination on the part of the aid agencies themselves.

Structural adjustment

The term structural adjustment is perhaps most commonly referred to in relation to policy prescriptions emanating from the IMF-World Bank community. It connotes a restrictive package of measures most times involving targets which countries are required to meet in order to benefit or to continue to benefit from financing packages put together by these institutions. These targets often focus on public sector savings, the current account deficit of the balance of payments, net foreign reserves, and devaluation. In many of our countries in the Caribbean, structural adjustment instantly conjures up unhappy visions of currency devaluation.

The appropriateness of the IMF medicine to the circumstances of developing countries has been much dis-

cussed in the literature dealing with these issues and in international dialogue. It is not proposed here to repeat or contribute to this debate. It is proposed merely to do two things in this context: first to observe that it is a pity that structural adjustment has become something of a zombie, with countries wanting to put considerable distance between it and them. For various reasons some of the elements of the IMF prescription are anathema to policy makers in many of the Caribbean countries. Because, in the mind of these persons, there is an automatic association between adjustment and certain specific measures, a number of our countries are refusing to treat seriously with the issue.

Why this is a pity is because it does appear that in a number of the Caribbean countries there is a deep-seated need for structural adjustment. Economic performance in many of the Caribbean states is stagnant or characterised by low growth levels. There may well be little realistic prospect of significantly improved growth, of vastly improved labour absorption, of viability, unless certain of the structural rigidities which constrain these countries are removed. In the few countries which register relatively high growth rates there is another kind of danger—a danger of complacency and of further postponement of coming to terms with the issue of adjustment.

The second observation to be made in relation to this issue is that the interpretation to be given to the concept of adjustment in Caribbean circumstances needs to be grounded in a reality which more closely resembles the circumstances of small developing countries.

In the case of the member countries of the OECS, a programme of structural adjustment, it is suggested, should be viewed as comprising a package of mutually-complementary policies and measures consisting of the following:

1. policies for the development of the productive sectors;
2. fiscal reform;
3. appropriate monetary and foreign trade policies;
4. wages and salaries policies; and
5. public administrative reform.

Unless adjustment is viewed as a package of measures, a too narrow preoccupation with certain pet policy

instruments is unlikely to produce the kinds of effects expected of the so-called adjustment measures and may well set in motion attitudes to adjustment which are dysfunctional and counterproductive.

Without the time to discuss our package in detail I will merely say, in relation to its elements, that in a number of Caribbean countries the adjustment imperative consists in changing the production structures of the economies to make for more diversified structures, and for economies less critically dependent on a narrow range of high-cost non-competitive commodity exports. I suggest that this may be the essence of the adjustment imperative; the real challenge to policy makers both within those small island states and those whose bases are within the walls of relevant international agencies. The extent to which one is able to come to grips with this problem will determine the realistic prospects of these countries for long-term development.

Regional cooperation

Regional cooperation may well have an important role to play in assisting the efficacious delivery of external financial and technical support. This role may be even more critically important in the case of the small Caribbean countries such as those that make up the OECS. Donor countries may well find it in their interest to take advantage of the integration arrangements which the countries have entered into, to enhance the effectiveness of their aid and to make its delivery more cost-effective.

For example, we have found in the case of the OECS countries that the common services approach is, in appropriate cases, a useful, cost-effective means of providing assistance to these countries. There are cases where, for example, an expert in say fiscal policy has been rather more fully utilised by operating out of a regional office such as the OECS Secretariat and serving a number of the countries, than if that expert had been attached to one of the countries. We have had successful examples of this kind of common service operation. My suggestion would be for the donor community in appropriate cases, to give support to the

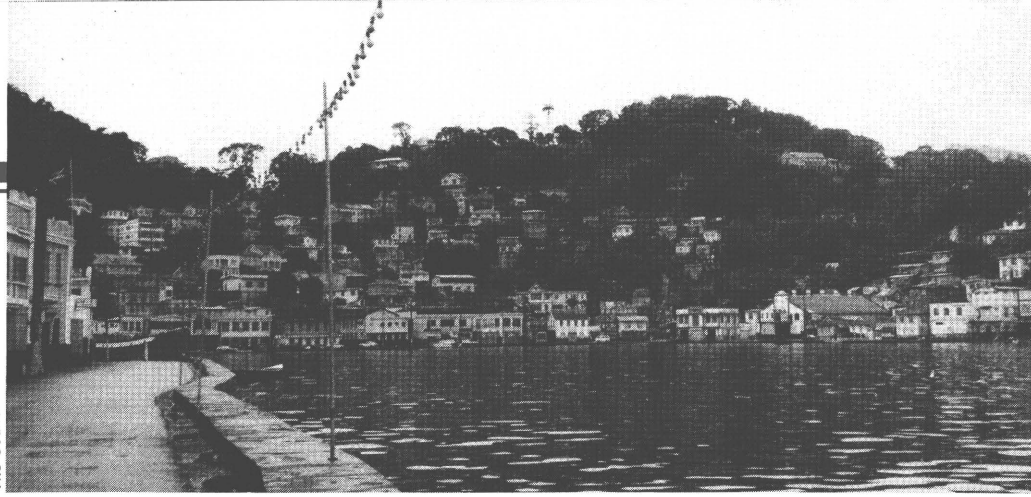
countries through regional organisations where these exist.

Economic integration

Small island developing countries have tended to band themselves together in arrangements for economic integration. This has happened in the case of the Pacific islands; it has happened in the case of the Caribbean countries. Perhaps the case for such banding together is even stronger when it applies to the smallest of small island states. This view may appear to derive support from the fact that the relatively smaller and less developed islands of the Caribbean (the Windward and Leeward islands) have formed themselves into the Organisation of Eastern Caribbean States, and have achieved progress which has been the envy of the larger Caribbean community.

The arguments for integration are well known, as may be the fact that integration schemes among developing countries tend to be characterised by failure, if the experience of such schemes in East Africa, Central and South America are any indication. In the case of the Caribbean Community it cannot be said to have failed, but it has been tottering on the brink for perhaps a decade. The economic integration aspects of the Caribbean Community have not been marked by overwhelming success in terms of the objectives of the movement itself.

At the level of the Caribbean Community there is a lot of tinkering with integration instruments such as the common external tariff, arrangements for the harmonisation of fiscal incentives and area origin rules. Much of our collective wisdom has been expended on building institutions and devising hasty solutions to problems that are but symptoms of serious underlying realities. I regret to say that we of the Caribbean Community still have to clarify its economic objectives, and to do this in a strategic and operational manner. I number myself among those who believe that the future of Caribbean economic integration will be critically determined by our success with joint production, by the extent to which we are able to successfully integrate production activity for the regional and especially the extra-regional market. It is only after we



"The smaller Caribbean states are small indeed." The Carenage, St George's, Grenada

have clarified our regional economic objectives that we will be able to work meaningfully towards progress in facilitating intra-Caricom trade, and can more usefully talk about appropriate levels for a common external tariff or for relevant arrangements for ensuring the commonness of the common market.

Economic development is not, of course the sole nor perhaps even the most important *raison d'être* for banding together. There are what we call our functional (or non-economic) cooperation objectives and also our commitment to foreign policy coordination. And there have been some successes. But we still have so much ground to cover. CARICOM nationals travelling from one CARICOM state to another must present passports and have them closely scrutinised by immigration officials, while American tourists have no difficulty entering our countries on drivers' licences. In some of our islands non-Caribbean foreigners appear to be far more welcome than Caribbean foreigners. These are examples of areas where important and certainly symbolically important steps need to be taken if we are to be taken at all seriously by the rest of the world and by our own people about our integration objectives.

One writer has suggested: "... islanders are never happier with insularity than when asserting that they are completely different from their neighbours, particularly in regard to language, customs and laws, legal and administrative regulations, currency, system of Government and all other symbols which demonstrate the small self-contained universe".

This statement is not relevant to the Caribbean in its totality—yet there is no doubt that some of our countries are very happy with their insularity; in their small self-contained universe. Or

to borrow the metaphor of Prime Minister Mitchell of Saint Vincent and Grenadines, it appears that some of us wish to continue to "trap ourselves in the smallness of our economies".

But as I have suggested, economic integration schemes are never easy at the best of times. I am not aware of any study of the issue of whether integration schemes among developing countries are more likely to fail than integration arrangements among developed countries, but I would suppose that this has something to with the essential condition of underdevelopment; with the perception that one is in some sense in competition with one's neighbours for investment, for industry, for aid, for prestige; the perception of taking part in a zero sum game of economic development. In the case of small island countries, it is possible, just possible, that these perceptions are exacerbated by insularity itself, by the islandness which defines island people.

The OECS also has its problems—problems that may fall into one or more of the categories just described. This is perhaps nowhere more tellingly reflected than in the case of our diplomatic representation in London, where the joint mission represents only four of the seven member states of the organisation. And there are other kinds of problems, for example in the area of industry where an agreed scheme for the allocation of industrial enterprises among the members states has operated very well in the breach.

Yet as some persons have pointed out, including the distinguished Secretary-general of the Commonwealth, the OECS has achieved some successes and appears to hold out the promise of better things to come. One reason may be our emphasis on common services. I have already suggested that in the case of countries as small as

the OECS states and as deficient in high-level manpower, it makes good sense to organise the provision of certain economic services on a joint or common service basis. This has been done in economic advisory services, the development of the statistical capabilities of the countries, the development of export strategies, coordinated investment and trade promotion, and in functional cooperation areas such as joint procurement of pharmaceuticals. Our experience has demonstrated that there are a number of such services which can be most cost-effectively provided on a joint basis. And in the case of the islands of the OECS this is an important justification for, and an important plank in, the integration process. It constitutes an important new dimension to the integration process as it operates at the level of the OECS states.

Conclusion

Even in the context of a discussion of small states, it is clear that the smaller Caribbean states are small indeed. Micro-states they might be called—although even this description may not suffice for purposes of Simon Kuznets who, writing in 1957, defined a small nation to be an independent sovereign state of 10 million or less.

These micro-states, it is sometimes forgotten, have only recently, with independence, assumed full responsibility for their affairs. They have only, within the past decade, had to come to grips with the requisites of national economic management. They do need help; and some amount of patience from the international community. They pose a challenge to the international community to be imaginative in the ways in which help is given. For example, one of the new cost areas for newly independent countries relates to their overseas representation. As full-fledged members of the international community these small island states are having to incur burdensome costs of overseas representation—not only diplomatic, trade and tourism representation in the more important capitals of the world, but also membership of, and effective participation in, a number of international agencies.

It would be fitting in this context to make mention of the assistance being given by the Commonwealth Secretariat

to small states in the Caribbean and the Pacific to assist with their U.N. representation in New York. With the cooperation of the Australian Government, the Commonwealth Secretariat provides offices and certain common services for diplomats from Papua New Guinea, Solomon Islands, Western Samoa and The Maldives. Similar arrangements for the smaller Caribbean countries are currently being discussed.

This is a most useful form of assistance to small islands and one which takes explicit account of the additional financial burdens deriving from constitutional independence.

Some of the countries with which we deal are so small that it may be difficult to get the world to take them seriously. Shridath Ramphal, for one, wondered whether, with political independence, "... small states were like small boats pushed out into a turbulent sea, free in one sense to traverse it; but without oars or provisions, without compass or sails, free also to perish; or perhaps to be rescued or taken on board by a larger vessel".

The issue of small, and very small, states must remain on the agenda for international dialogue. There has to be a greater degree of sensitising to the relative disadvantages of these very small states. Or, as a concession to those persons who like to point to perceived advantages of small size, they have to be specially assisted to take maximum advantage of whatever advantages they may possess. I would agree with Shridath Ramphal that—"the truth is that the world community has not yet thought its way through the phenomenon of very small states in the world that is emerging in the end years of the twentieth century".

The Commonwealth Secretariat has made its important contribution. At the level of Heads of Government, the Commonwealth has stated—"efforts should be directed at working for the realisation of a global environment safe for small states and conducive to their economic viability".

A number of other persons and agencies are playing their part, including the leaders of some of the small island states themselves. Yet there is much ground left to cover. One indication of the limitations imposed by very small size is the countries' limited

ability to take advantage of even concessional trading arrangements where these exist. The Caribbean as a whole really has not taken sufficient advantage of favourable trade arrangements under the Lomé Convention, the Canada-CARICOM agreement, or the CBI. The smaller Eastern Caribbean states have taken even less advantage of these arrangements. For these arrangements to be relevant to the circumstances of these islands, they must be buttressed by specifically tailored tax and other incentives for attracting new investment to the countries. Only through their ability to attract new investors will the countries realise the potential benefits of these "concessional" trade arrangements. To attract new investors requires favourable investment regimes in the source (and recipient) commodities, for the sake of foreign investment and to assist the development of a local entrepreneurial class. It also requires a certain minimum physical infrastructure.

The main character in Derek Walcott's poem, "The Schooner's Flight", says at one point—"Open the map. More islands there, man, than peas on a tin plate, all different size, one thousand in the Bahamas alone".

I wish to thank the organisers of this conference for giving me the opportunity to share some perspectives with this very distinguished gathering of persons. I hope that through their continuing efforts the international community will become more seized of the fact that these little islands, even if no bigger than "peas on a tin plate", are parts of the international community, and may have particular economic circumstances with which the world may have a responsibility to reckon.

I also hope that aspects of what I have said will serve to bring additional perspectives to bear on the dialogue on the development circumstances of the small island states of the Caribbean. I fervently hope that I have not ruined any one's plans for a glorious vacation in one of our islands in the sun. Take it from me: these islands continue to be great places for a vacation. Mark you, they are not just great places for a vacation—some of us live in those places; and there are those amongst us who would not give them up for the world! ○ S.L.

Vulnerability of Small Island States: the case of the South Pacific Region and Fiji

by Poseci BUNE (*)

Change in the traditional societies of the island nations of the South Pacific has become inevitable and has accelerated as a result of increasing contacts with the outside world. Thus, it has become vitally important to raise the living standards of their people to meet their aspirations.

Like all other developing countries, the island countries of the South Pacific have a formidable task of developing their economies to meet the rising expectations of their people. But the South Pacific countries face special problems; they are among the smallest nations in the world, some are spread over wide distances and they are remote from large markets such as the European Community, with whom they have a special trade and aid relationship under the Lomé Convention.

However, these special characteristics do not mean that there is no scope for economic growth and development. Whilst it would be wrong to try to analyse the Pacific island nations as a group, it would be true, however, to say that their own special characteristics present their own challenges to development.

In this presentation, I shall first highlight the special characteristics and problems facing small island states of the South Pacific and then look at these problems in the context of the Fiji economy.

Characteristics and problems of small island states

The South Pacific region embraces 22 island countries and territories and extends over vast stretches of ocean. The region's land area is a mere 551 000 km² but the sea area falling within its jurisdiction under the EEZ is an estimated 31 m km². Most of the countries are archipelagic and they exhibit great diversification in size, geologic structure, topography, geographic spread and resource endowment. The population of the region in 1982 was

about 5 million with PNG accounting for 61%. Most other states have less than a million people with some as little as 10 000.

Pacific island countries face many formidable physical, economic and demographic barriers to economic growth. Among the physical disadvantages are small land masses, isolation from large metropolitan centres, the highly dispersed nature of many island countries making transportation and communication difficult and costly, smallness of populations and, with a few exceptions, lack of basic minerals and industrial raw materials. Although the marine resources of many states under the EEZ offer great potential only living resources are currently being exploited while non-living resources such as mineral nodules require foreign capital and technology and are of a long-term nature. Moreover, the maritime nature of most island states with their tropical climate, beautiful sandy beaches and distinct cultures provide great potential for tourism development. However, with the exception of a few countries, tourism has been relatively neglected.

On the economic side are generally low levels of income and savings rates, diseconomies of small scale and lack of skilled/managerial manpower. Limited resources and economic activity make it difficult for many small states to embark on self-sustained economic growth and hence there is greater dependence on foreign financial assistance and markets. The small size of the markets makes production of domestic goods and services costly. More importantly, heavy dependence on one or two major agricultural or mineral export products renders many island countries vulnerable to fluctuations in world markets for primary commodities as well as to the hazards of adverse weather (especially hurricanes and droughts).

The combination of rapidly rising populations, migration to towns and the ensuing demand for education, training, health facilities, and other

goods and services from the modern monetary sector are exerting strong pressure for improved economic performance.

The island countries show significant differences in the stage of economic development attained. Due to relative advantage of size, diversity of resources and coupled in some cases with an early start in development planning some island countries have achieved a greater level of development. However, most island countries, particularly the small, resource-poor nations, are far behind and face grave difficulties in attempts to develop.

Recent economic events have highlighted the fragile economic circumstances of Pacific Island economies. Severely depressed prices for the region's leading export products caused by the world-wide recession, combined with continuing high rates of increase in import prices have meant declining terms of trade and reduced real national incomes, which have in turn adversely affected local investment, employment and government development activities. Serious balance of payments problems have been felt almost everywhere and have forced many island governments to take strong measures to restrict imports and expand exports. Reduced government revenues consequent upon depressed export earnings and general economic activity have also forced many governments to introduce a variety of fiscal and monetary counter-measures including cuts in government expenditure, retrenchment of public servants, tax increases and intensified efforts to raise additional aid and loan funds from overseas. Although the worst of the recession now appears to be over, its inhibiting effects on the development efforts of Pacific island countries are likely to be felt for some time to come.

Regional cooperation

The island nations of the South Pacific recognise that regional coopera-

(*) Ambassador of Fiji to the European Economic Community.

tion is clearly essential in several areas, notably transport, communications and higher education if the obstacles to South Pacific island development are to be overcome. A regional approach to the marketing of tourism has also been adopted. The South Pacific Bureau for Economic Cooperation plays a vital coordinating role in this cooperation.

Tourism

Tourism in Fiji contributes a significant share to GDP and employment in the modern sector. Elsewhere in the Pacific, tourism has considerable potential but to date has been relatively neglected. Fears of cultural degradation and misconceptions about the nature and value added in tourism still inhibit tourist development.

The principal gains from tourism accrue through direct and indirect employment, and this is the component particularly needed in most Pacific countries. Thus a tourism strategy aimed at the "high class" market is preferred because it is much more employment-intensive and less liable to interfere with local culture. In fact, it often contributes to the preservation and development of local customs.

Transport

Intra- and inter-island transport and transport to the principal markets, by both sea and air, are of particular importance to the development of the South Pacific countries. The establishment of the South Pacific Forum Line represents a modest attempt to improve sea transport in the region, though services remain inadequate for people and goods.

Efficient international, inter-regional and inter-island air transport is essential to increasing tourist flows. The region is taking active steps to ration-

alise carriers and equipment as well as changing in access to landing and route rights to improve air transport among the island nations.

Telecommunications

Satellite links are already used by several South Pacific countries for point-to-point international communication and also for radio and television broadcasting. Remote island communities are thus brought into the world mainstream, presaging a revolution in communications for the South Pacific. The setting up of the extension service at the University of the South Pacific clearly demonstrates the educational potential of satellite communications. The educational capacity of satellite communications in schools, adult literacy, community health, extension services and many other areas is yet to be exploited.

Present regional efforts are aimed primarily at manpower training through the Regional Telecommunications Training School in Suva.

Higher education

It is clearly not possible for each Pacific country to train all the professional people it will require at any one time. Thus the large number of expatriates who remain in key positions in many South Pacific countries underlines the lack of trained people and the inadequacies of higher education. For small countries, there will always be a need to import some skills which are needed at short notice or for a short duration.

Improving the content of education, introducing appropriate forms of organisation, and providing technical and professional training remain the region's top priority in efforts to increase local participation in key positions.

Development assistance

For many donors the nations of the South Pacific are small and remote. Their share of total assistance flows is small. To the countries of the South Pacific, however, development assistance is of vital importance.

Naturally, in pursuing national and regional objectives, they still need support and assistance from the international community. Special measures are therefore urged from the lending institutions for increased concessional flows to small island states. The tyranny of using per capita income as a prime indicator of development in small island states cannot be allowed to continue. There have been instances where a per capita figure would be in our favour, so to speak, yet it is seldom used. For example, where a country of one million people exports \$ 20 million to a country of 15 million from which it imports \$ 200 million, the trade imbalance is not 10 to 1 but 150 to 1 in per capita terms.

There is also need for imaginative ways of stabilising foreign exchange earnings, not only with regard to commodities but also in respect of tourism and other service industries which South Pacific island countries have embarked upon in their efforts to diversify their economies.

The susceptibility of South Pacific island countries to natural disasters, particularly cyclones, calls for a more pragmatic policy towards disaster preparedness. While we gratefully acknowledge the relief assistance so willingly given by the international community, a shift of emphasis to preparedness is most desirable. If only we can be better supported in our reconstruction efforts to have more enduring structures, we would not only be better prepared for the next cyclone, but would also require less emergency assistance.

In their first years of independent government, South Pacific nations naturally paid little attention to regional policies. In that context, their achievements to date in regional cooperation are quite impressive. However, now that they are firmly established and have some experience on policy formulation and implementation, they will be able to look more closely

"Intra- and inter-island transport... by both sea and air, are of particular importance"



at areas where regional cooperation is vital and necessary.

Fiji

Fiji is a small, open, island economy. Its total land area is 18 000 km². Although there are some 300 islands in the group only 100 are inhabited. Most of the inhabited islands are quite small and the two main islands of the group account for about 90% of the land area and population. The relatively small area is, however, surrounded by a vast territorial sea. The fragmentation of the islands creates its special problems in terms of transportation, communication and administration. According to the latest census Fiji's population in 1986 stood at 714 000.

Thus, from above, the Fiji economy is small both in terms of land area and population size. It also has limited resources. All these in turn limit the size and range of goods and services that can be produced in the country. Fiji's total GDP in 1984 was \$US 1.2 billion (current prices) while per capita GDP was \$US 1840 which was much higher than most Pacific island neighbours (e.g. PNG \$US 760, Kiribati \$US 460) and many Asian and African countries.

In terms of economic structure, Fiji is a primary agricultural-based economy. While the share of agriculture in GDP has fallen from over 40% in the 1960s to slightly over 20% in the 1980s, its importance looms much larger in the economy in that it accounts for about 50% of total employment and 80% of domestic export earnings. Moreover, sugar, the major crop grown in the country forms the backbone of the economy, accounting for the generation of a substantial level of income, linkages, employment and a large share of foreign exchange earnings. Cocoa, ginger, rice, other food crops, livestock, fisheries and forestry are the other major sectors within the primary industries.

While Fiji produces a wide range of manufactured items ranging from food processing to coach-building, the share of the manufacturing sector in Fiji is rather small, accounting for about 12% of GDP of which sugar processing accounts for a large share.

The decline in the share of agricul-

ture has corresponded with the rise in importance of the service sector which currently accounts for over 55% of GDP. The growth in private (including tourism) as well as government services is largely responsible for this shift.

One of the striking features of the Fiji economy is its openness as characterised by its heavy trade dependence. Given the narrowness of Fiji's domestic market and limited resources, it has been natural for it to engage in export trade and in return import a wide range of capital and consumer goods. The openness of the Fiji economy is indicated by the high ratio of exports and imports of goods and services to GDP. In 1984 these ratios were 43% and 44% respectively.

Thus the small and open nature of the Fiji economy, coupled with its narrow economic structure, renders it vulnerable to a host of external influences over which it has little control. A high degree of integration and reliance on the outside world is also characterised through a high degree of dependence on foreign capital and technology, the tourist trade, and financial and technical assistance including skilled manpower.

These combined forces, but especially trade and foreign investment, are of overriding importance in determining the level of economic activity and indeed growth prospects in Fiji. At the same time because many of these factors (e.g. commodity prices) are volatile and cyclical, they tend to generate instability in the domestic economy, a problem with serious implications for economic management and planning in Fiji. In addition to this, because of Fiji's location in the tropical and cyclonic belt, the country also has to put up with natural disasters, particularly hurricanes, from time to time.

So it can be seen how external economic factors can affect Fiji's growth and development prospects. The state of the international economy, the violent fluctuations in export prices, externally-transmitted inflation through changes in import prices, the volatility in tourist arrivals and capital inflows all combine to produce an adverse impact on the domestic economy. These have made the economy quite vulnerable to external forces unable to un-

dertake effective policy responses to overcome these problems.

The government sector, which played an increasingly important role in the 1970s, has also come under severe financial difficulties. The decline in income and overall economic activity reduced growth in government revenues. Rising expenditure, particularly as a result of increases in personal emoluments and debt servicing, led to rising operating deficits. This forced government to take some drastic measures such as the imposition of recruitment freeze in the civil service beginning in 1982 and the imposition of a wage and salary freeze in 1985 for the country as a whole. Government was also forced to borrow, or in some cases cut back on its investment programme. The scaling-down of public capital expenditure programmes after 1982, with the completion of major infrastructural projects, also led to a decline in overall investment.

The weather has also imposed another form of external vulnerability on the Fiji economy. The frequency of cyclonic activities in Fiji in the last five years has been abnormal when compared with the long term meteorological records. The 1983 and 1985 negative GDP growth rates in the economy were largely weather-induced. In 1983 the country experienced very unfavourable economic conditions when it was hit by two cyclones followed by a prolonged drought which severely damaged sugar and other agricultural crops. Sugar output fell by about 43%. Because of damage to hotels and adverse publicity, tourist arrivals also fell by 6% during that year. Overall real GDP fell by 4%.

In conclusion it can be seen that Fiji's structural problems, its location, size and dependence on external factors impose constraints on the country's ability to generate sustained economic growth and steady progress. The need to overcome these problems through: appropriate policies and strategies; diversification; reduced external dependence; regional and international cooperation; and internal structural adjustments and reforms cannot be overemphasised. These are not easy tasks. But these are the challenges the country has to face up to if it is to make real progress. ○ P.B.

Meeting energy requirements in isolated rural communities

by B. MEUNIER(*) and P. LEQUEUX(**)

One pilot project with joint financing from China and the EEC could well provide at least a partial answer to the problem raised in the title of this paper. In a first step, it aims to organise decentralised energy systems on two typical Chinese islands – the Dachen Islands, south of Shanghai – although the experience obtained could then be used on other islands, not just in China, but in, say, Pacific ACPs such as the Solomons, Kiribati and Vanuatu.

The problem is as follows. If, for economic reasons (in particular a shortage of natural resources and the cost of setting up and operating energy installations⁽¹⁾), isolated rural communities are unable to cater for their energy requirements by conventional means (connecting up to a neighbouring network or running a diesel generator), what other realistic and economic means may they have that

make the most capital out of even limited local energy resources and can be used to help them live and develop? This is an important problem because it is not just the concern of islands – and there are 10 000 of them in the world, of which 1500 in the South Pacific – but of landlocked areas as well where, although electrical power networks are far away and housing very scattered, proper electricity supplies at reasonable cost are essential to economic development (to the fishing industry, the tourist trade and so on) as well as to the social wellbeing of the isolated communities.

China has 450 islands and the Chinese Government chose the Dachen group (a number of small uninhabited isles plus two bigger ones, 3 km apart, with a total area of 14.6 km² and a combined population of 5200) as one of the four pilot island zones for economic development. They are a good example, with 90% of the energy used locally having to be imported at vast cost and in difficult conditions, as there is no gas or oil either on the spot or nearby. There is a serious electricity shortage at the moment now that demand is increasing rapidly (34% p.a. over the past five years), the production costs on small networks are considerable (more than five times those

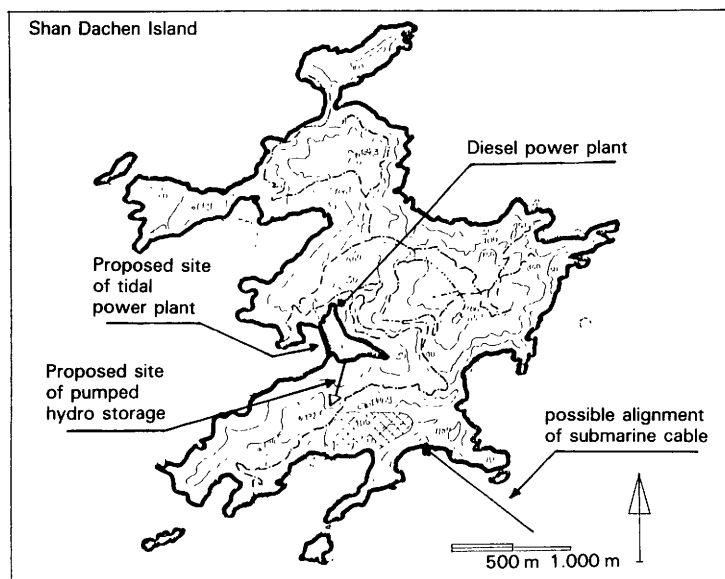
recorded on the neighbouring mainland) and the electricity produced has to be sold at a loss if the population is to be in a position to buy it – which prevents any extension of the network unless vast spending is to be involved. A way has to be found of meeting both domestic and industrial demand (particularly for the processing of preserved fish, fish meal etc, the main local industry, which means ice manufacture, cold rooms and thus high energy consumption). There are already sources of renewable energy that could be exploited: there is the strong wind over the islands (an average speed of 8 m per second), the tide, which, at 6 m, is considerable, the sun, which only in fact shines for a few hours per day but could be used as a top-up, and there is biomass.

Financial and technical cooperation between the EEC and China is the opportunity for a two-part pilot project to rationalise the present energy system so as to make it more efficient and to use renewable energy with a view to producing from 50 Kw up to 5 megawatts. The first part (boosting the diesel station and existing networks, cutting back on wasted energy in industry and on the network, optimum management of installations, tariff rationalisation and the connecting up of the islands by an submarine cable) may be fairly easy, but the second part is not. Obviously, the principles behind the technical solutions are known. In the case of the Dachen Islands, it seems reasonable to suggest wind generators in association with

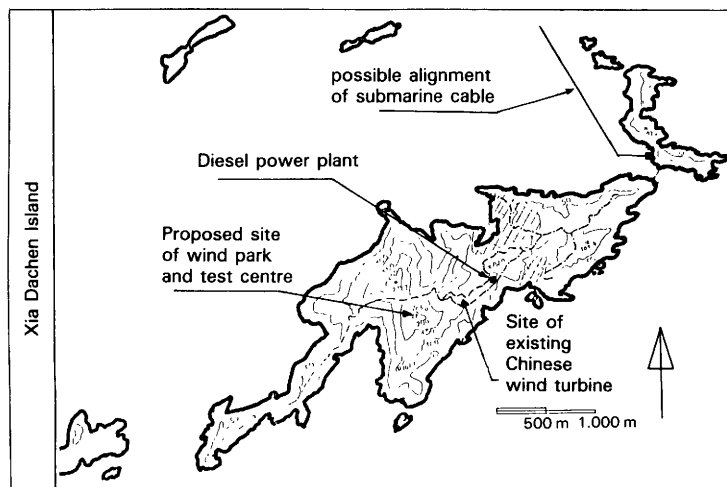
(*) SEED, France.

(**) Principal Administrator at the European Communities.

(1) In communities of this type, conventional electricity supplies may cost from three to 10 times more than the big national networks because of the unfavourable size, the high cost of bringing in fuel low rates of utilisation etc.



The Dachen Islands (Shan Dachen and Xia Dachen) situated in the East China Sea, off Zhejiang and south of Shanghai



the diesel system, photovoltaic generators with solar water heaters or television relays, reforestation and replacement of the present fuel (dried grass) by bio-bricks which are easier to cook with and can be made from vegetable waste. However, although the technology for all this is available and although the components are on the market, it is all too complicated and too expensive to be spread over the rural communities successfully. In fact what are needed are complete systems that are coherent, cheap and easy to use. What is needed is an integrated approach that will help the small rural communities make the best energy choices in very variable contexts. What is needed is the relevant economic information on how to open up the market and put the decision-makers in the picture.

So it was agreed that China and Europe would combine their technological achievements and their knowledge and look for efficient systems that are cheap and reliable in the specific socio-economic context. This target, called "decentralised energy systems (DES)", should go hand-in-hand with two other, complementary things — the development of the sort of markets that can finance themselves and the joint manufacture of equipment that can be put on these markets in China and more generally in the Pacific. One important aspect of all this is that research must be kept down to a minimum and that as much use as possible must be made of components that have already been proved to be of commercial interest. Lastly, it is important to obtain complete economic systems that are coherent in relation to the equipment, the engineering, installation and monitoring services, maintenance, training and even the search for financing.

The Dachen Islands, which are already very active in this sphere (one Chinese wind generator has already been coupled to the network), will be a kind of pilot base for this project. They will give an opportunity to test and qualify systems that can be used in the rest of the province and then in the other provinces of China too.

A practical example will show the method to be used. The European wind generator industry (almost 40 firms) is already manufacturing and



The Courier

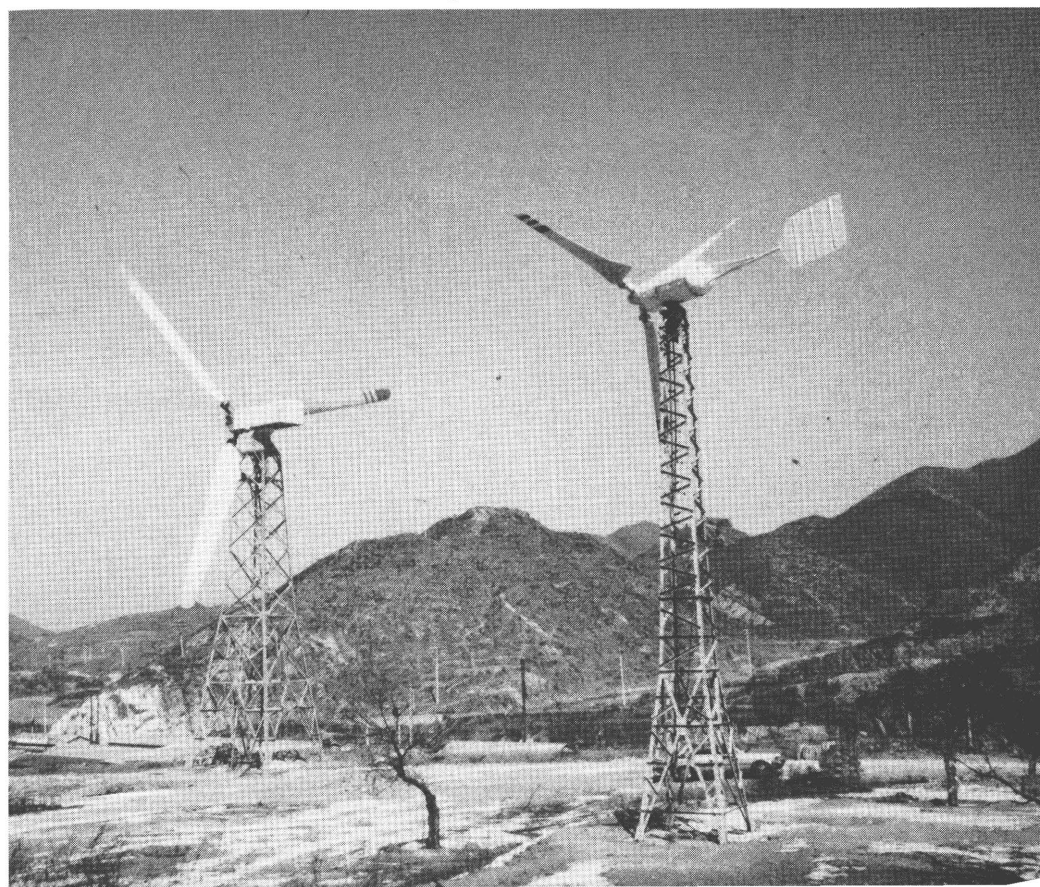
Working group meeting held in Brussels in 1986 between the European Commission and the Chinese delegation. From the left to right, Mr Gruner, Head of Division at the Commission, Mr Chang Jinming, deputy Director of ZSTC and other members of the Chinese delegation

exporting some first-class components that have been the subject of stringent testing. But they are expensive and sophisticated. In China, where production is only just beginning, there are a certain number of cheap standard components for these wind generators (alternators, cables, reduction units etc) on the market and there are qual-

ified staff. A combination of these two favourable factors could take practical shape in joint ventures — for which the Chinese Government is fully prepared.

Following an identification report approved in July 1985 and a joint feasibility study approved in December 1986, a series of meetings was held by

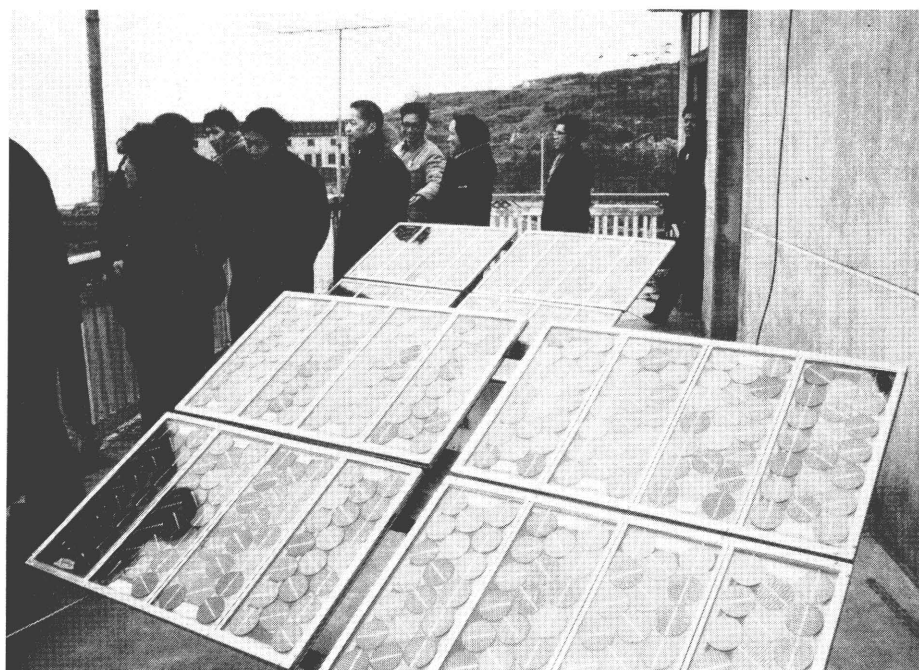
Chinese wind-powered generators



a Chinese delegation headed by Mr Wu Yikang, State Commissioner for Science and Technology, and various European representatives from the EEC Commission and the Member States' industries in December 1986 with a view to drawing up the programme for 1987-89, the period during which the pilot project was to be run.

Trade promotion and industrial development of the projects tested on the Dachen Islands are planned to start in 1990. There are still some problems to sort out, in particular guarantees and patents (the Chinese have said they will respect the European patents). A study will clarify these matters. The invitations to tender (for equipment, monitoring and training) should be issued in the first half of 1987, possibly after preselection. The total cost of the project is an estimated ECU 16 million. ECU 6 million could be supplied by the Community and ECU 2 million are expected to be covered by bilateral aid from the Member States. The estimated cost in 1987 alone is ECU 2.18 million (see table).

It is worth noting that the Chinese delegation had the opportunity to get



Photoelectric generator powering a colour transmitter

to grips with the energy know-how and equipment available in Europe through EEC Commission-organised visits to various Member States—wind power in the Netherlands, solar energy in Italy, photo-voltaic energy and wind power in Germany, very low-cost transmission equipment in

France, biomass in Belgium and wind power in Denmark.

Working meetings will continue to be held in 1987. At a more general level, the Commission intends opening a Delegation in China this year.

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B.M. & M.-H.B.

ESTIMATED COSTS, PHASE III – 1st tranche 1987

COMPONENTS	EEC (ECU '000)				CHINA
	Services	Supplies	Training	Total	MAIN CONTRIBUTIONS
SHORT-TERM CHOICES					
1. Boosting of diesel stations & electricity networks	8	62	5	75	Supply of 500 Kva generator. Installation & wiring of European generator, civil engineering, boosting of MT & BT lines. Staff.
2. Connecting up the islands with an submarine cable	0	464	12	476	Cable laying—sea-land interface, boosting MT lines.
3. Wind generator farm + testing station	132	550	66	748	Civil engineering, buildings, installation of Chinese wind generators, electricity lines etc.
4. PV applications (TV relays, lighting, pumping & signalling)	22	220	18	260	Civil engineering, installation and attendant equipment.
5. Reafforestation, dry biomass platform (postponed to 1988)	0	0	0	0	Reafforestation of the island almost complete.
PREPARATION OF LONG-TERM CHOICES					
6. Rationalisation of isolated energy systems and energy saving	72	0	28	100	Provision of experts and heads for electricity production centres, operating costs.
7. Extension of wind-generator farm		(included in 3 & 6)			
8. Development of multi-hybrid systems	36	0	0	36	— idem —
9. European training for Chinese experts	10	0	40	50	Salaries of Chinese experts.
10. General project management	50	5	15	70	Provision of back-up team and operating costs.
	330	1.301	181	1.815	
Contingencies & price revision (±20%)				365	
ESTIMATED TOTAL (ECU '000)				2.180	

Impasse for village water engineering?

by J.J. COLLIN (*)

Village water engineering, the supply of drinking water to rural communities in the developing countries, has become a veritable institution with the UN's vast Water Decade plans. All the Governments and international institutions of western Africa have made it a priority. Yet the people responsible for financial aid and technical assistance in the countries of the North are often disappointed at the speed at which installations—the pumps, that is to say, which may be a simple example of appropriate technology but nonetheless cost money—deteriorate. Because there is no real motivation in matters of hygiene, the installations are poorly socially integrated and the beneficiaries make only a very small financial contribution to them. So perhaps those people who say village water engineering appears to have failed are basically right⁽¹⁾. But only in appearance, for the failure judged today by socio-economic criteria is perhaps not so manifest if the schemes are reappraised using the criteria applied when the idea first emerged.

There is no doubt that they have failed when the problem of hunger has not been resolved. But the exaggeration of the media, which have lumped dead trees, raw-boned cattle, children with malnutrition and the miracle of village water points together, have led people astray. Obviously, village water engineering was not an absolute panacea that would put everything right at once and it was wrong to let people think it was. But maybe it was a pious act of dishonesty, as sound arguments alone would never have brought in the money that was needed...

The schemes were initially based on a health concept, namely that access to proper drinking water was one of the pillars of the primary health care policy encouraged by the WHO.

No-one would have the heart to gainsay such a generous idea, particularly since the solutions to the problem, boreholes, are technically easy to

cope with and have sound financial backing. So there can be no question of going back.

It is probably the impecuniousness of the national structures and international organisations that deal with health that has led to the programmes being taken over by the development agencies, which are much better off, and, in order to convince them and justify the borehole campaigns, the accent was put on development. Water is a factor of development, of that there is no doubt, but it is an inoperative one if it is by itself and provided too parsimoniously (with pumps for drinking water alone) to have any economic effect. The time spent fetching and carrying water has been drastically cut, for example, but this is an argument that carries no economic weight while a non-productive system persists. What is the point of saving time if there is nothing else to do?

Some people say that the financial effort involved in supplying water is not in line with development, as the social costs are high in relation to what might be spent on, say, improving agricultural methods.

The defective and sometimes deplorable aspects of pump maintenance make a very strong counter-argument... but motorcycle motors did not go on being wasted, as a whole crop of mechanics grew up in the rural areas. The same could well happen with the pumps, although it has not done so yet. Maybe it will when there is more machinery and when repairmen and the local retailers who sell spare parts are paid properly.

Poor maintenance could well be due to the fact that the people who designed the first pumps did not often base their calculations on 20 hours' use out of every 24, failed to make easily accessible those parts that wore out, did very little research into the African concept of energy and went in for very little in the way of standardisation. A broken pump of course neutralises a heavy investment if nothing is done about it, but the biggest part of the investment is the borehole itself, which is protected underground pend-

ing rehabilitation of the surface installations.

And it is also because the media have put the gift of water—the gift of life—into the headlines that some people are (rightly) worried about the fact that almost 50% of the pumps are in bad repair...

It is a sensitive subject. But is there not plenty of other communal equipment in Africa that is soon broken or misused or taken for some other purpose? Rehabilitation is worth proper investigation and it may be the opportunity to redeploy hundreds of boreholes that have been recognised as hydrogeologically suitable and reliable (utilisation never envisaged during the early years of village water engineering schemes), where villagers request it.

Not only is maintenance poor. Almost no economic use is made of the installations either, something which could not escape the notice of the economists—who use it to bolster their position. Social spending has come before development.

It is a fact that the small irrigated plots we hear so much about are perhaps not a success in their original form—or were not until less than two years ago. But things move fast, especially in Niger and Mali and Senegal. It took too many years and too many boreholes to achieve this result, which has not yet been fully understood or consolidated by the peasant beneficiaries, but it is the practical side of village water engineering schemes which has shed light on the problem and shown that it was possible. Without this, people would still be thinking that Africa's underground rocks were sterile. And, of course, let us not forget that sedimentary formations, which are now better known, can be developed with irrigation.

One or two exceptions apart, it is clear that the lack of interest in maintenance is the result of zero economic motivation plus zero health motivation (this being, in spite of the efforts of the extension workers, too abstract).

To sum up, although the original style of village water engineering is often a failure from the point of view of health, there is no point in accusing it of economic failure too because economic considerations were not the original objective of these programmes.

(*) The author is Professor of Hydrogeology at the Faculty of Science in Dakar (Senegal).

(1) Cf. «L'Afrique en panne» (J. Giri) which was reviewed in *Courier* N° 99 (September-October 1986).

However, it may be the case that, because the economic impact was inadequate, the water installations often ended in a failure on the health front too. Is there any other way of going about it? If the formula that village water engineering equals basic health is accepted, then we need to find better motivation than hygiene alone—which will no doubt fail to convince for some decades to come.

The development of the health services has more or less kept pace with economic progress. In the countries of Europe, it is difficult to say which was the deciding factor, the progress of medicine or water supply networks. The history of this progress is well known, although the model is not necessarily transferable to the present developing countries. Water hygiene is the result of economic progress. It could not have been otherwise. Before the industrial era, the science and technology of health were not operational and it took, for example, six generations of Parisians to progress from getting their water from the Seine from water carriers, to modern networks, ozonisation and activated charcoal, whereas we are only half-way through the Water Decade in Africa today. Things are different in the present developing countries. We know what the solutions are and it is difficult to subordinate health to development and force them to go through all the stages of the western model. Village water engineering was the minimum answer as far as the hygiene of the water point was concerned. It was the least that could be done in an unfavourable environment. Yet it is true that the cost of these programmes bears no relation to the financial abilities of the beneficiaries. Since the cost of the water point is justified by health considerations alone, it is too high.

It is worth considering here whether a broad-based, far-reaching village discussion should always be the basis for the equipment chosen when water points are created. Let us look back at woodland/grazing land in France in the '50s, when the ox still pulled the plough. Was there really a general, democratic discussion locally when the drinking water networks were set up? There may well not have been! The municipality told the far-off hamlets what it had chosen and no one today

denies the usefulness of what they decided. At the time, the peasant would no doubt have made his choice in the light of the means of production or the most tangible immediate goods. And while on the subject of water, France set up its national water supply fund at the time of the Liberation (in 1944) and has never regretted creating a body that has covered the country with drinking water networks funded from a tax on the water bill of users already connected.

A little dirigism never goes amiss in public health. It may even be considered as an investment in human potential and therefore precede certain phases of development.

The European model for access to clean water thus has its roots partly in spontaneous progress. But it has also preceded development, especially in the rural areas.

Since the European model was not totally transferable, and the village water engineering model proved inefficient, a new trend emerged and it may well make it possible to reconcile health and economics. The idea is a relatively simple one, since the economic interest of boreholes that can be used to irrigate induces a maintenance effort that results in health protection. The need of water to irrigate crops is better than the notion of avoiding the risk of disease in that it is an absolute necessity and one which will trigger the process of maintenance. By fulfilling a production function, the water point will be respected and no longer what J. Chapotard called "just one stage along the road of rural exodus".

Although the formula is a simple one, success is by no means guaranteed. A certain number of things have to be done first:

- the new facilities have to yield enough water, so that powerful pumps will have to replace the village water engineering-style pumps and the costs of drawing the water will have to stay within the scope of the users' pockets;
- the potential crops have to be of interest to the growers. This brings us back to J. Giri's problem of inadequate agricultural prices;
- there have to be enough water resources for both present and future needs.

Hydrogeology goes some way to providing us with an answer here, by looking at the village water engineering schemes from a different angle—but one that does not overlook the results of the thousands of boreholes sunk in phase one (which enable us to say what the stakes are and where the right areas are).

The new attitude to rural water schemes is primarily to gear the programmes to favourable areas rather than press on trying to get a few hundred litres an hour from unfavourable regions. What is important here is to show which are the provinces where the maximum number of successful boreholes will produce a large output.

It was with this in mind that the EEC Commission made a substantial grant to produce a chart of West African underground water potential (under the responsibility of the Inter-African Committee on Hydraulic Studies). A new, "decisional", computer-assisted method of map production, based on the results of the village water engineering campaigns, isolates zones suitable for the exploitation of underground water supplies⁽²⁾. This small-scale approach already shows where we should be focusing our ideas and is also a methodological basis for the larger maps needed for national and provincial hydro-agricultural development schemes.

The contribution which hydrogeology can make in a more selective framework, based on the knowledge we have obtained from the village water engineering schemes, means that we can envisage rural schemes that really do have some economic impact—and they will surely also have a beneficial effect on health once maintenance is assured at grassroots level.

The relevant bodies in the States and inter-State organisations are working along these lines. Young African hydrogeologists, both in universities and the field, are also involved. Their contribution is but one link in the rehabilitation chain.

But economic conditions, and the conditions of the peasants themselves, still have to be such that relatively simple concepts which have worked elsewhere can be applied. ○ J.J.C.

(2) The article by Pierre Peligry (see overleaf) outlines the main possibilities of this new method.

Exploiting underground water resources – cartography points the way

by Pierre PELIGRY (*)

This article, a direct illustration of the previous article on village water engineering, stresses the potential contribution of computer-assisted cartography.

The drought in sub-Saharan Africa in the '70s led the international community to considerably step up its village and pastureland water engineering schemes over the whole of the continent, and in eastern Africa especially. Considerable recourse was made to underground water resources, which are absolutely right for the needs of the rural populations, particularly since they are available, albeit in small quantities, over most of the territory.

The prime aims of the village water engineering programmes, to provide a permanent supply of drinking water, meant a hydrogeologist had to be involved to produce installations of a proper standard and the recipient populations themselves had to keep them working. But needs are immense and the aims have been only partially achieved. The campaigns run during Water Decade will have to be widespread if achievements are to be consolidated and the schemes spread to more people. But going beyond this, it is clear that the programme will be an opportunity to perfect new underground water exploitation technology and to collect valuable information on the water resource potential and the possibilities of replenishment and exploitation.

It was soon obvious that it was difficult to store, interpret and treat these data, summarise the hydrological potential of any region or country and disseminate the results to all the operators, and that it was a job which national departments, consultancies, funders and so on did badly, in spite of the fact that it was cheap to do compared to the actual data collection and would yield useful information for the decision-makers and development planners in any given region. Different

areas would be developed in different ways, for example, depending on whether the underground water was available all the year round in large enough quantities and at an acceptable cost to be used for irrigation (even over a few hectares round a water point) or only adequate for domestic supply where smaller quantities are called for and higher costs can perhaps be coped with.

The EEC Commission has made a considerable contribution (from the EDF) to creating many water points. It is therefore very much involved in the thinking on the development of underground water supplies and has suggested to the States of western and central Africa, in collaboration with the ICHS (Inter-African Committee on Hydraulic Studies) in Ouagadougou that underground water resources should be put onto computer-assisted maps.

At the scale in question here (1:5 000 000), a map is more like a picture than a planning instrument, but it has the great advantage of providing an up-to-date summary of underground water resources and covering, without distinction, the regions whose hydrogeology is known (thanks to recent developments in village water engineering) and those for which hydrogeological data was inadequate for a full picture but extrapolations (based on rainfall and geology) could be attempted.

This map covers the major sedimentary strata (Senegal, Chad, parts of Mali and Niger, the Congo basin and so on) which are already well exploited and the discontinuous aquifers of the crystalline substratum that make up 62% of the area mapped and have such potential as makes the development of particularly underprivileged regions a possibility.

Although the present map does not provide the information the planners hoped it would, the various stages prior to its production were an opportunity to define principles and a method that could be used to draw opera-

tional maps covering countries or sub-regions on more suitable scales (1:500 000 or 1:200 000 for example) that would be really useful when it came to taking decisions on development programmes in rural areas.

So far, most of the maps on underground water resources have been produced by specialists — hydrogeologists — to meet the needs of other specialists. They give scientific information on such things as the nature of terrain (classified by hydrogeological type), climate and hydrodynamic features, using conventional signs and colours. They may also deal with specific subjects — vulnerability of the water table to pollution, water quality, costs etc. So it is up to the user to collate the various details to suit his particular needs.

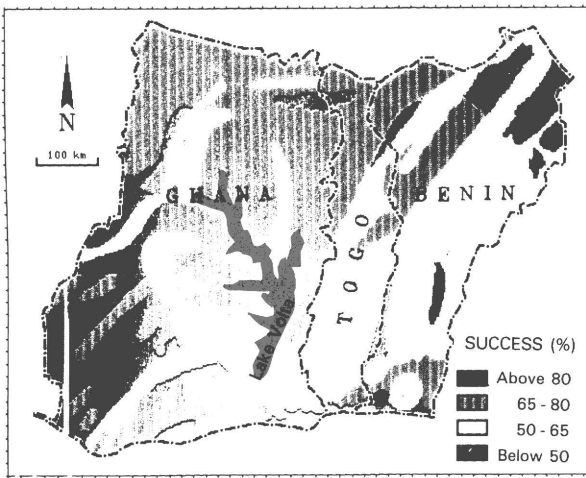
More recently, maps (1:500 000) have been drawn for western and central Africa (at ICHS instigation) giving simplified hydrogeological data that are adequate for most users and reflect knowledge and technology at a given period.

All of them could well be of only historical interest today, in spite of the fact that some details do reflect basic scientific truths. Furthermore, they tend not to answer any new questions the planners have to cope with on such subjects as supplying drinking water for rural populations spread over vast areas or using underground water supplies for irrigation and helping the drive for self-sufficiency in food or defining areas suitable for the development of irrigation (at least as far as underground water resources are concerned).

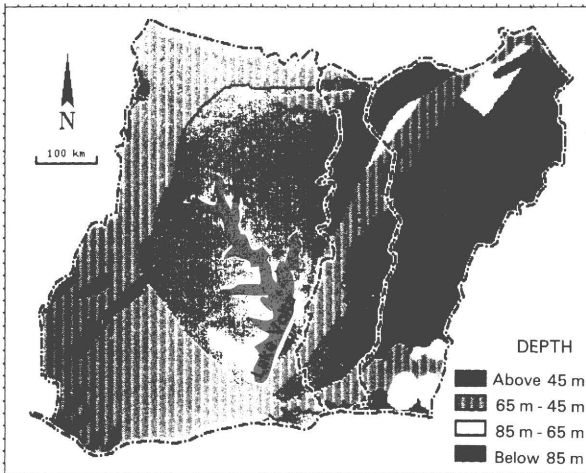
So the idea is to devise a type of cartography that will help the decision-makers draw up their development plans in the light of underground water use, one that includes up-to-date technical and economic information on water resource potential. This type of cartography will be based on reference values whereby the resources of various regions and countries can be compared. It will use economic crite-

(*) The author, who is a Principal Administrator in the EEC Commission, deals with water engineering problems.

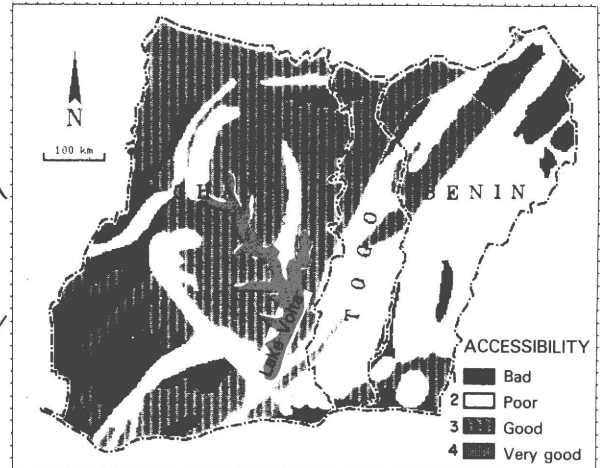
ACCESSIBILITY INDEX



Probability of success



Depth of borehole



- Class I: tapping high-risk and/or very expensive.
- Class II: tapping risky and/or expensive.
- Class III: short boreholes and probable success.
- Class IV: short boreholes and high probability of success.

ria suitable for each different sector of economic utilisation (for humans, animals and industry). But since these maps will be, as it were, pre-interpreted, they should mean that varying interpretations can be made later on in the light of the state of our knowledge of any basic data, bearing in mind whatever problems there are to solve. So they will be able to be revised, something made easier today by the computer, which offers vast storage capacity for data in numerical form and systems of graphic reproduction in the form of maps.

The numerical data used in ICHS cartography to qualify water resources have been put into three categories of indicators, each associating two physical factors:

- **accessibility**, reflecting the effort and investment costs involved in tapping the underground water and resulting from two parameters;
- the actual depth of the installations needed to reach the aquifer and the probability of success of the projected installations. This probability will often be maximum in generalized aquifers, but very small in discontinuous ones. It will also vary with the target flow of the installations, in the light of the projected use. So in most village

water engineering schemes, the target flow is more or less implicitly fixed at 0.7 m³ per hour, the rate of manual drawing, whereas a borehole to be used for irrigation could have a minimum of 10-100 m³ per hour, according to whether it is in sediment to the substratum;

- **exploitability**, measuring the effort and the cost of exploiting the resource and referring essentially to the energy costs of water production. This indicator itself includes two physical parameters—the rate of exploitation of the installations, which in turn depends on the productivity of the installations and the equipment used to draw the water (hand-worked machinery, mechanical systems, solar power etc), and the total height the water is raised during exploitation (which includes the natural depth of the table and the lowering in relation to the natural level during exploitation);
- **security of supply**, which reflects the perennial nature of the resource

and depends on two things—the natural input of water, linked mainly to rainfall (the lower the annual average, the more irregular the supply) and the natural reserve constituted by the local environment, as determined by the physical (i.e. geological) characteristics of the aquifer.

Computer-assisted cartography

The proposed type of cartography involves defining homogeneous areas in relation to each of the various factors or combinations of two factors of a given indicator and tracing the contour of these areas for each factor or indicator on a geological map.

An accessibility map was produced by the computer in this way, giving the boundaries of four zones corresponding to four degrees of accessibility selected by the designer at will and defined according to the following tables (values given as examples for the substratum):

Probability of success (%)	80	3	4	4	4	Rating	Bad	1
	65	2	3	3	3		Poor	2
	50	1	2	2	2		Good	3
	0	1	1	1	1		Very good	4
			85	65	45		0	
		depth of installations (m)						

This approach has also provided a picture of water resources in four new categories obtained by combining the classes of different indicators. The

combination used is an addition of the ratings for the three previously defined indicators, on the following scale:

Number of points	Class	
3 - 4	I	Unsuitable terrain.
5 - 7	II	Not very suitable terrain. High risk of failure.
8 - 10	III	Suitable terrain. Moderate risks.
11 - 12	IV	Very suitable terrain. Minimal risk.

* * *

The classifications used here are merely examples of a whole range of possibilities. It would be possible, for example, to define other combinations for different factors and use other categories for the different indicators or introduce a system of weighting to differentiate each factor or indicator. These many possibilities would in fact mean subject maps could be available to help with decisions on specific problems.

All this can be done easily today with the help of a computer whereby numerical data can be translated into graphics. The advantage of this is that classification systems and combinations can be varied, as the needs arise,

and the relevant maps can be automatically obtained, technical and economic parameters can be updated and replenishment scales can be altered.

Ultimately, it is no longer a question of just a map. What we have is more a data bank from which information can be retrieved in the form of maps. The system is an aid to decision-making in that it supplies made-to-measure details instantaneously.

Putting data collection and computer-assisted cartography into practice

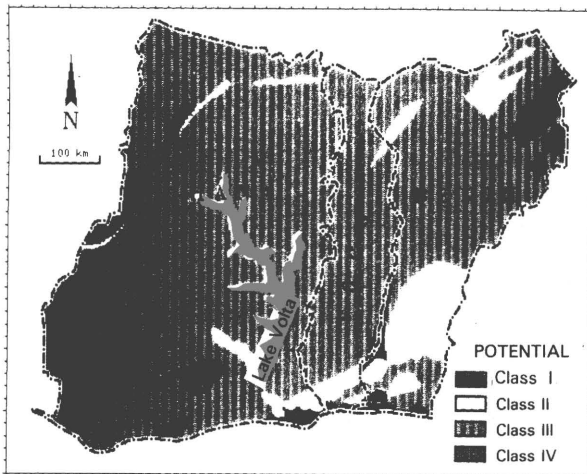
Computer-assisted cartography is one of many possible applications of a

computerised hydrogeological data management system, but it means, above all, that data have to be systematically collected and treated to yield information that is representative of reality and corrected in the light of the objectives (the target flow, for example) and the conditions of programme implementation. It will be necessary here to use a rigorous data collection method that respects the specifications laying down the minimum list of variables and observations recorded while the programmes are being run. And afterwards, care must be taken to ensure that the data are reliable and only subject homogeneous sets of data to statistical treatment.

All these operations—from data collection to the drawing of the maps—can be carried out with the help of a coherent computer system that includes the various programmes needed to obtain data, run statistical treatment of them, computerise the combinatory calculations (so any combinations that will help with the decision-making can be produced on demand), transfer to the graphic memory and, ultimately, draw the contours which are the final product of computer-assisted cartography. ○ P.P.

Computer-assisted cartography as an aid to decision-making

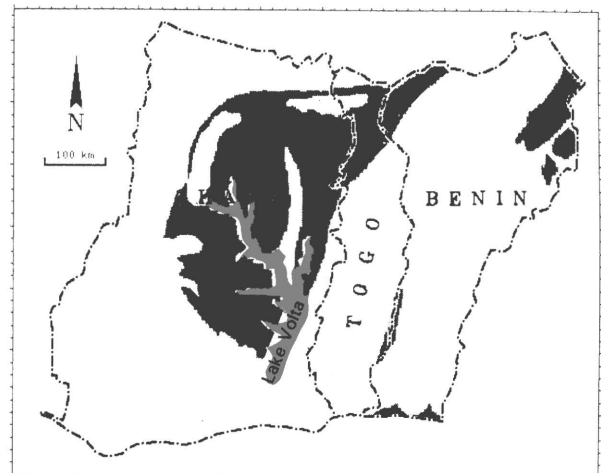
Map of underground water potential



Summary combining the classes of three indicators (accessibility, exploitability and security).

- Class I: unsuitable terrain, limitation to seeking drinking water in identified structures
- Class II: terrain not very suitable; mediocre economic possibilities and a high risk of failure
- Class III: suitable terrain, good possibilities of development, and moderate risks.
- Class IV: very suitable terrain with considerable possibilities of development on good economic terms and with minimal risk

Example of zone selection according to criteria defined in the light of a development objective



Criteria defined:

- success rate between 65% and 85%;
- depth of borehole between 45 and 65 m;
- target flow between 2 and 5 m³ per hour;
- total height of manual drawing between 10 and 25 m;
- useful annual average rainfall between 325 and 450 mm;
- local aquifer reserves between 150 and 225.000 m³ per km².



The Kassav group in action

TRANS-IMAGE

Tropics—Afro-Caribbean festival at the XIth Printemps de Bourges

by Alain LACROIX (*)

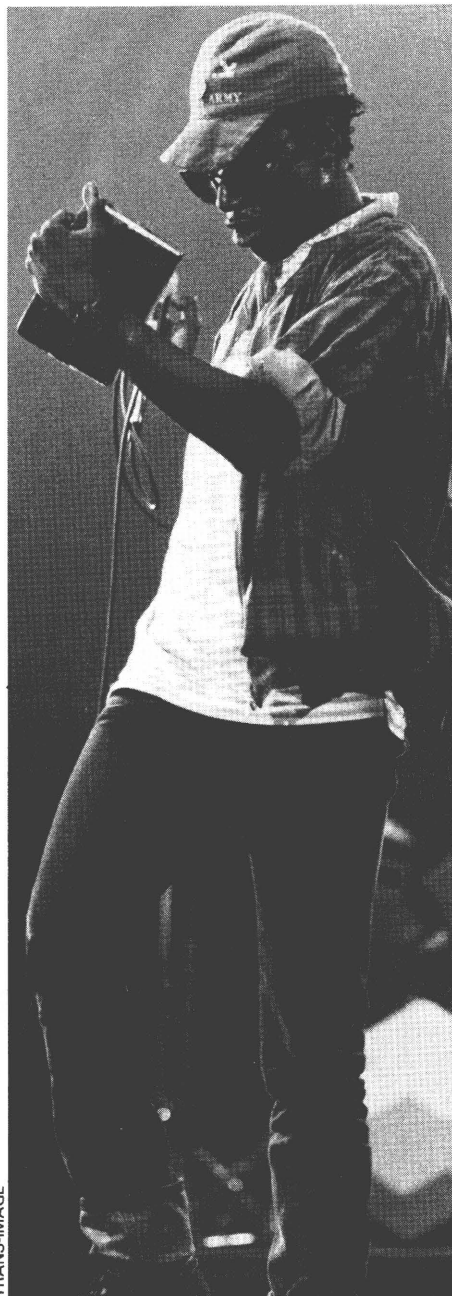
There is a huge, rectangular marquee—the stadium—with seats on three sides and a stage, where a series of bands will play, on the fourth. There are crowds everywhere. There are people on the seats and in the huge central area where they will be dancing, shouting with joy and clapping their hands in the spotlights. The sound is turned right up and there is a colossal screen for close-ups of every musician and singer and dancer. The scene is set for the tropical evening at the XIth Printemps de Bourges (France) where there are thousands of visitors, including the author, no doubt the oldest of them as a good 95% seem to be under 30! There are Europeans, Africans, West Indians and Asians. And there are punks who might come from anywhere with their sticky yellow, green and blue hair bristling spectacularly on their otherwise shaven heads.

(*) Former EEC Commission Head of Division and one-time Editor of the Courier.

It was a vast people's festival, a deluge of music and rhythm that ran from eight in the evening to almost two in the morning to the sound of the bands of Henri Guédon, Malavoi, Alpha Blondy and Kassay, who have won an enormous following in recent years in the Caribbean, the USA, Black Africa and Europe. And it was a surprise to me, ignorant as I am, to find there were 15 or so musicians, singers and dancers in each! I had thought big bands went out with Ray Ventura and Jacques Hélian.

Tropics, on 24 April, was part of the modern and pop music festival held from 17-26 April earlier this year. It was one of the later events and one of the most fascinating ones at this, the XIth *Printemps de Bourges* — which attracted 150 000 visitors, 20 000 more than last year, to 112 events in 12 different halls. I was amazed to see that a small town—albeit one rightly famous for its buildings, its Gothic cathedral and its Palais Jacques Cœur, for example—has set up and organised this increasingly successful event every year for the past decade. Bourges is not paying me to advertise... but it is my native town. And make no mistake about the fact that the fame of this festival, which cost FF 20 million, is the result of an extraordinary combined effort on the part of the public (state, regional, departmental and municipal) authorities and their partners in the private sector.

It was a fantastic evening and the bands—the principal players are around 40—aroused the enthusiasm of the young people who had come, often miles, to hear them. Henri Guédon was the first to play. Back in the '70s, when he was a painter and enjoyed teaching children to wield a brush, he started out with a salsa and moved on to a big playing Latin American-jazz and then a percussion quartet. The present group—guitars, brass, singers and percussion—plays a blend of different trends and cultures from Black Africa, North Africa, the Caribbean, America and Europe, a huge mix of rhythms, colours and styles. Jacques B. Hess, jazz history teacher at the University of Paris V, reminds us that Henri Guédon has always been interested in merging genres and cultures and has researched into the works of Fernando Ortiz, whose considerable writings describe how



Alpha Blondy on stage

music from the African coast (Yoruba, Nanigo, Lucumi etc.) has worked its way to America and the West Indies thanks to composers like Dizzie Gillespie, Charlie Parker, Mario Bauza, Machito y su Afro Cubans, Chano Pozo, Cachao, Coltrane, Miles Davis, Duke Ellington and many more.

Malavoi took over from Henri Guédon. This group is led by the pianist and composer Paulo Rosine, who has had more of a grounding in jazz. The other founder of the group, Manuel Césaire, studied the classics. When it all started back in the '60s, they and their friends from the high school in Fort de France (Martinique) formed a

band, playing for dances. They were a great success and created the best evenings on the island, in Fort-de-France and Lamentin and Sainte-Marie. Then, in 1978, it suddenly stopped. For three years. As Paulo Rosine says: "We were kind of tired. It was paradoxical, but success was more than we could take and instead of playing our own compositions, we played fashionable tunes from Haïti and other islands. It was as well to stop..."

But thankfully, the friends, now turned 40, met again and their show at Olympia in 1985 was a triumph which set the seal on their fame. With four violins, a cello, two drummers, a bass and a keyboard, the group has kept its dance slant and mixes the traditional Caribbean sound with the more modern rhythms of jazz and the salsa. They are a joy to listen to. The crowd, dancing and clapping their hands above their heads, love it.

Then came Alpha Blondy, the Ivorian so many people were waiting for. His sound took the old man that I am by surprise, as it was much more aggressive and violent than I remembered from some of his records. Someone has just written a book about him (*), a kind of consecration, as these things so often are, but Alpha Blondy has become a great international star and he fascinates some of the African youth of today. The prowlers and ruffians of Treichville, the working class area of Abidjan where everyone dances, the tramps and the abandoned kids identify with him for he dresses and he talks like they do—in French, in English, in Baoulé or in Dioula. He fills the Palais des Sports in Treichville, just as he fills the Palais des Congrès at the Hôtel Ivoire in Abidjan. The "new Bob Marley" is in the headlines throughout the West African press. Returning to Côte d'Ivoire after an unhappy childhood, problems and drug-taking in the USA, Alpha Blondy reaped the benefit of Bob Marley's departure from the international scene and Ernest Djedjé's from the national one. His fame took only a year or two to spread and now the "mad rasta superstar" has thousands of fans flocking to his African tours. His titles are well-

(*) Yacouba Konaté: Alpha Blondy. Reggae et société en Afrique Noire. Karthala (Paris) & CEDA (Abidjan), 1987.

THE ARTS

known—"Politique", "Bloodshed in Africa", "Kalashnikov Love", "Travailler c'est trop dur", "Dji", "I Love Paris", "Miwa", "Boulevard de la Mort" and, best of all, "Jerusalem". He has no hesitation in using the Bible and the Koran while performing. He is committed, above all to peace. As he has written: "When it comes to Star Wars, I should like to tell the Americans and the Russians that our planet is the Spaceship Earth and they have the great responsibility of piloting it—currently through some slight turbulence. So they have to safeguard and look after the survival of all us passengers on the Earth. The super-powers should get together militarily and scientifically to bring peace. Once they do that, mankind will be immortal because nuclear weapons will have been harnessed. It will be a victory for us in whom God hopes. Peace is a must". Who can fail to agree with that?

Then came the Kassav band. It was late, but people went wild. The girl next to me—she had to shout because of the noise as she swayed to the rhythm of the Zouk—told me that Kassav, the joint creation of author-composer Pierre-Edouard Decimus, bass-player Georges Decimus and gui-



Above, Henri Guédon and, below, part of the Malavoi band

tarist Jacob Desvarieux, had won over the Caribbean, Brazil, French-speaking Black Africa, the East Coast of America and Europe, especially Paris (where they have just appeared at the Zénith), with the Zouk, popular folk music from Guadeloupe, a combination of the beguine, calypso, funk and groska (West Indian percussion). The group has the French Caribbean's first golden disc, having "dislodged Haitian music and enabled Guadeloupe to find its own identity once more", and it began doing this in 1979 by recruiting professionals from different styles (jazz, classical, Afro-Cuban) and combining very different people. The five brass players, for example, are Europeans, but the two delightful dancers are West Indian and there are six Guadeloupians and three Martiniquese. The fantastic result is summed up on the title of Kassav's biggest hit—"Zouk, la cé sél medikaman nou ni" (Dancing is our only medicine). The Bourges stadium was one enormous dance where young Europeans were trying to move as well as the Africans and the West Indians. And it was so late, I almost forgot that my skin was white... and my hair almost blond! ○

A.L.



Tanzania: Theatre for popular development

Paukwa Company celebrates 10th anniversary

by Anne CLARKE (*)

A week-long festival of theatre in Dar-es-Salaam in March marked the tenth anniversary of Paukwa—a Tanzanian company that sees theatre as a crucial medium for raising consciousness about development issues. Each evening the hall was packed to see plays created by the company or chosen for their particular relevance to Tanzania. *Ayuba*, written by Penina Mlama, a Paukwa member and Professor of Theatre Arts at Dar-es-Salaam University, tells of a peasant's desperate efforts to survive; *Mafuta*, also a Paukwa creation, looks at who gains and who loses when an imaginary African country discovers oil. The plays are serious in their message but never lack humorous touches; they combine contemporary techniques with traditional song, dance and storytelling. They are entertaining but at the same time ask the audience to question the forces behind the situations they portray.

Paukwa members are firmly committed to the use of popular theatre as a means of consciousness-raising, both in the urban setting of Dar-es-Salaam and in the rural areas. Those whose work commitments permit it (members all have full-time jobs outside the company) have carried out workshops in a number of villages in Tanzania. Dr Amandina Lihamba, lecturer in Theatre Arts at Dar-es-Salaam University, emphasises the importance of drama to those who are committed to true community involvement in development planning. "Popular Theatre involves the people in the use of their own theatre forms to discuss and analyse socio-economic problems with a view to seeking solutions to those problems." She also stresses that, "by operating at the grassroots level, Popular Theatre automatically involves women".

The village of Mkambalani in the Morogoro region of Tanzania was the venue for a Popular Theatre workshop

in September last year. A group of four *animateurs*, two men and two women, together with six trainees spent a week in the village. They began by discussing at village meetings the issues of importance to the villagers. These were then dramatised by four different groups and the drama acted as a stimulus for the discussion of follow-up action to be taken by the villagers. In their evaluation of the workshop, Professor Penina Mlama and Dr Lihamba describe the way in which women's involvement developed during the week. "The women who were absent or silent participant-sat the meetings of the first three days suddenly became very vocal and vigorous in dance and song." One of the four groups comprised only women since it was based on "Nzekule", a traditional dance performed by women. The group's *animatrice* describes how enthusiasm developed. "About ten women had gathered for the meeting at the beginning. Soon they were 20... As I was talking, one Salima Omari immediately started composing a song about the suffering at Mkambalani due to the water problem... One old woman sent for Khadija, the star dancer of Nzekule in the area. Someone else was sent for the rattles... In about five minutes there was an influx of women swelling the group to 70

women. Everyone was dancing with a lot of involvement."

The evaluation team also stresses the gains from having a strong female presence among the *animateurs*. "There were certain issues which the women felt more comfortable talking about to the women from outside and many hours were spent talking informally in homes and small gatherings." They spoke to one woman who had spent ten hours—3.00 am to 1.00 pm—waiting for her turn at the well. "A baby like this one does not wash. First it will cry; then it will stop crying. For sure it will get sick... We are here waiting for long hours being baked in the sun... You walk ten miles in search of water, the man is at home or at some casual labour engagement. When he returns there is food for him. You leave him the bedsheet in bed, you come to sleep here... We are told to plant cotton, when shall we plant cotton when we spend the day here? So you don't make it, you are arrested, you are fined, you don't have the money, you are imprisoned..."

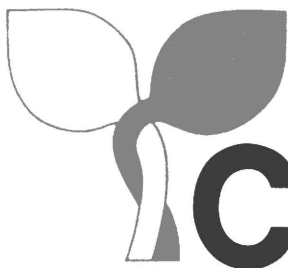
In recent years a great deal has been said and written about "grassroots development", "community involvement", "the participation of women". Members of Paukwa have demonstrated how theatre can help transform such rhetoric into reality. ○ A.C.

A scene from "Mafuta"



Paukwa

(*) Expert on women's affairs in Dar-es-Salaam.



Small is beautiful – or the role of small ruminants in development –

by T.M. NARAIN (*)

The case for livestock development

Public discussion on animal production centring mainly around poultry, pigs and dairy cattle tends to assume that most animal production depends heavily on cereal feeds and that decreased production will automatically result in more food grain being accessible to humans, especially in the context of present conditions in Africa. It is a fact that the most striking examples of successes in pig and especially poultry production in the developing world have been the result of direct imports of technologies from developed countries. This successful achievement has been possible with highly commercial and specialised approaches, with a high degree of external dependence, rather than through an improvement of existing systems of production.

Livestock has a multi-purpose role in agriculture. It provides man not only with food but also with draught power, manure, hides, skins, wool, hair and numerous other products. Livestock development is the leading or the second most important activity in the economies of the ACP States. It is an integral part of farming systems and rural life-styles of people.

The demand for animal protein increases as the standard of living of the population improves. There is therefore a need for increased attention to be given to animal production which, it can safely be said, has not had the same attention that crop production, has received during the past two decades. There are distinct possibilities for improvement in animal production, especially in the areas of breeding, feed utilisation and disease control.

The species of livestock that have to be promoted in the policies and pro-

grammes do not depend only on the available feed resources but also on socio-economic conditions and the cultural preferences of the people.

Matching livestock with available feed resources

In developed countries where labour is scarce and costly, livestock enterprises have evolved with low labour input, high capital energy requirements and livestock breeds of high biological efficiency making heavy use of cereals and oil cakes as feeds. Developing countries cannot afford to transfer such systems, though they are successful in developed countries, as they do not have the same climatic, socio-economic and cultural conditions nor do they have spare grain supplies.

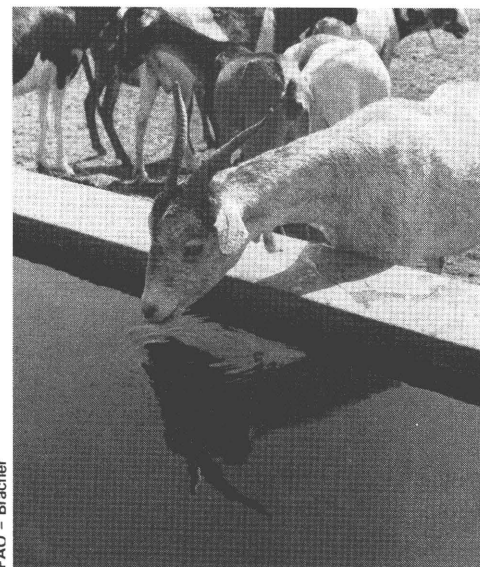
As feed resources, developing countries have forage from pasture, foliage from a wide variety of trees, shrubs and food crops, milling offal from cereal crops and agricultural waste from sugar cane, fruits, cotton and groundnut and other crops. It is through the optimum utilisation of these feed resources that the solution for a successful animal production system is to be found.

These feed resources, unsuitable for direct use by man, are capable of being utilised by ruminants which can thus become an integral part of the farming system, that constitutes a major, if hidden, asset in developing countries.

Role of small ruminants

Small ruminants (sheep and goats), in common with other ruminants (cattle), can convert low quality fibrous forage to high quality products. They do not therefore compete with man for food.

Besides the production of milk and



FAO - Bracher

meat, small ruminants also contribute in the production of fibre, skin and manure. In some countries, e.g. Lesotho, goats are kept mainly for fibre while in others, e.g. Burundi, they are raised in stables for producing quality manure so much needed to increase the fertility of the soil. Sheep and goats contribute primarily as an integral, but not dominant, component of agricultural production systems where crop residues and agro-industrial wastes can be utilised as valuable feeds.

Sheep and goats can walk long distances in search of pastures and their water balance is not disturbed in the first two days of water privation. They have a much greater resistance to dehydration than Zebu cattle, for example, and can drink salinated water when required. They are also well adapted to accumulating or calling upon their physical reserves; because of this, significant losses in body weight (up to 20%), which occur in the course of the dry season, have few harmful consequences in adults. However, young animals or females, either pregnant or in lactation, would require diet supplements to maintain their future reproductive capabilities. Their feeding habits are adapted to poor grazing and they are capable of exploiting a much wider variety of plants than are cattle and when kept together with cattle, pastures can be utilised more efficiently. Goats can also be fed on forage obtained from trees, hedges around homesteads, roadsides and on

(*) Technical Adviser, CTA.

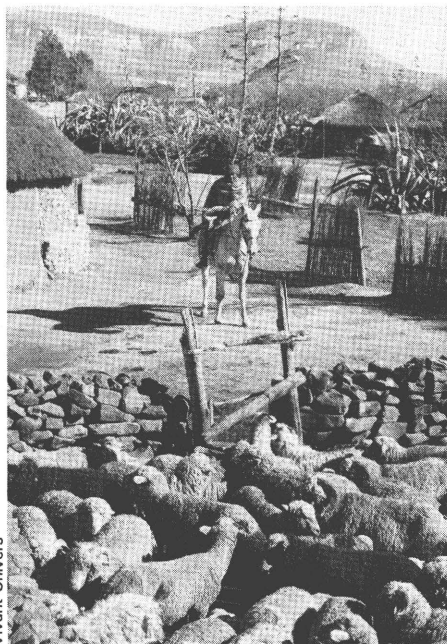
kitchen left-overs e.g. cassava root peelings, banana skins etc.

They are equally very convenient animals for small-scale farmers on account of their small size which requires low capital expenditure for acquiring them on the one hand, while on the other hand the rapid, high reproductive capacity, earlier maturity and younger age at slaughter bring a faster turn-over rate on capital and less risk on investment. Under tropical conditions, seasonality in breeding among small ruminants is less marked, with births occurring throughout the year. Moreover, as there is little or no input, their rearing is almost a zero-cost production enterprise and hence an appreciable source of income to lower income groups of peasants who keep them.

Sheep and goats are sometimes kept around the household and looked after by children. They are then fed on various wastes, allowed to wander during the day and closed in at night. Being small in size they are vulnerable to thieves. When kept in this way, they are sometimes referred to as "animaux de case" and usually destined to be sold or sacrificed at religious festivals or baptisms and their price at such times can be very high. They can thus contribute significantly to the provision of cash income. Trade in sheep and goats is simple and very active.

Importance of small ruminants

The rearing of small ruminants is widespread throughout ACP States. They co-exist with cattle. Meat from small ruminants represents 30-40% of



Viviant Univers

"Besides the production of milk and meat, small ruminants also contribute to the production of fibre, skin and manure"

the total meat production in tropical Africa. Within Africa, the total numbers of sheep have increased in both the tropical and the non-tropical areas. Sheep are important in Ethiopia, Kenya, Mali, Northern Nigeria, Somalia, the Sudan and Tanzania.

Goats are possibly the most widely distributed of domestic livestock. They are found in countries representing the climatic extremes of the tropics from the arid and semi-arid areas of East Africa and Northern Nigeria to the wet and humid tropics of Rwanda, Burundi and Zaïre.

Although small ruminants are widely kept as integral parts of farming systems and offer so many advantages to

Population estimates of Small Ruminants in ACP States in 1985

ACP States in:	1000 head	
	Sheep	Goats
Africa	113 248	134 952
Caribbean	309	674
Pacific	2	178*

Source: FAO Production Yearbook, 1985.

(*) Estimates obtained from delegates of Pacific States at the CTA Seminar in November 1985 on Smallholder Livestock Development.

their owners, it is surprising indeed that research and development efforts on them are fairly recent and many have not yet been published.

Research priorities for the development of small ruminants

There are a number of constraints affecting the development of small ruminants which vary in accordance with the climatic conditions, the health situation, the feed resources available, the breeds kept, the socio-economic factors prevailing and the government policies and programmes being implemented. These constraints provide a wide scope for research and would now be discussed.

Breeding

Present knowledge about the value of many breeds and types is limited to the better known breeds found mainly

Goats

Goats have been unjustly blamed for deforestation and the subsequent degradation of the environment. Under proper feed and husbandry practices, goats can be an invaluable asset in grazing systems.

To promote the development of small ruminants in ACP States, CTA has held the following seminars: Small holder Livestock Development, Western Samoa, 1985; Seminar on Major Constraints and Research Priorities for the Development of Small Ruminants in Africa, Montpellier, France, 1986

The proceedings of these seminars are available, on request from CTA.

ILCA Newsletter

The International Livestock Centre for Africa (ILCA) issues a Newsletter:

"The Small Ruminant and Camel Group".

Their full address is:

The Editor
The Small Ruminant and Camel Group Newsletter
ILCA
P.O. Box 5689
Addis Ababa, ETHIOPIA

In May 1987 ILCA is running a course on Productivity of Small Ruminants intended for experienced franco-phone zootechnicians.



"Sheep and goats can walk long distances in search of pasture and their water balance is not disturbed in the first two days of privation"

Vivant Univers

in temperate European and North American countries. By comparison, many indigenous breeds have been described only superficially. Although well adapted to their environment, the local breeds of sheep and goats are characterised by their relatively low production rates. There is scope for having a programme of selection through a proper choice of sires, controlled mating and selecting the best animals for distribution among the local population so as to upgrade present stock.

Feed resources

The various species of grasses, shrubs and trees that constitute the feed resources of small ruminants are little known as far as their nutritional values, their distribution, their palatability, their capacity to seed and their seasonality are concerned. These are determining factors in establishing the type of management to adopt.

When agro-industrial by-products and crop by-products are available, their annual availability, quality and nutritional values need to be known for calculating rations, especially during periods of stress and pregnancy, with a view to reducing the rates of abortion and losses at birth.

Health

Health is a major constraint throughout the various ecological

zones, though there is wide variation in the main pathological syndromes from one ecological zone to another. In fact, very little is known about the health of small ruminants, and losses which are directly attributed to disease, although significant, remain difficult to assess, since, apart from a few exceptions, the causes of death are not diagnosed precisely.

The major causes of disease are parasitic in nature (worms, protozoa, ticks, flies...) and infectious (peste des petits ruminants, pleuropneumonia...).

These two large groups of disease appear to be determining in the pathological causes of mortality. Abortions are also an important factor. Among kids, mortality rates can be high because of known causes, but are mostly due to unknown causes.

A proper monitoring of the health situation with programmes of vaccination, animal health care and medication offers a wide field for research.

Socio-economic conditions

Little is known about the complex socio-economic problems related to small ruminants. National statistics relating to sheep and goat rearing are practically nonexistent. The demand for meat in ACP countries is largely unfulfilled. Meat from small ruminants has a definite role in filling this

gap and its consumption is often linked to certain traditional customs and religious beliefs which greatly influence the price of live small ruminants.

Government influence

The Governments of most ACP countries have not considered the development of small ruminants as a priority objective, though there have been some efforts made recently to encourage this type of production.

There is considerable scope for research activities to be undertaken at national and regional levels. There is also need for the training of livestock scientists in the more specific field of small ruminants, and encouraging the flow of information among research workers.

Conclusion

Small ruminants have an important role in the farming systems of all ACP States and therefore merit the special attention of development institutions. The results of research and experience acquired during recent years are now being circulated by newly created networks such as the ILCA network. A better coordination of research activities and a release of some funds towards such activities are necessary for the development of production for small ruminants. ○ T.M.N.

The Courier's... *mailbag*

Many of our readers have asked us to publish a regular page of letters to the Editor and, as the May-June issue indicates, we are happy to be able to do this.

However, we feel that we ought to inform our readers, and especially those who reproach us for "only publishing favourable opinions", that this is not because we like to hear ourselves praised. We simply publish letters that we receive, and many of them are flattering, which we appreciate and for which we thank the writers. However, we would much prefer our readers to voice their opinions, in concise and precise terms, on the actual contents of the articles, dossiers, reports and other features of the ACP-EEC Courier. These points of view will be published, whether or not they are favourable, as space permits. Anonymous letters will not be taken into consideration.

So feel free to write! Tell us frankly about your views on the problems we raise in our issues and on ACP-EEC cooperation in general. Tell us about the subjects which you would like to see us raise. We promise to try and meet your requirements as far as our means permit us.

Editor

In the interview with the former Senegalese President, Léopold Sédar Senghor (Courier no. 100), Mr Senghor insisted on the need for mother tongue teaching in Africa. This is not just important to protect the cultural identity of a given country; it is important to combat under-development in general. But the example Mr Senghor gave—Tunisia and Morocco cannot, as I see it, be taken as a model, because in Morocco, Berber (Tamazit), which is the mother tongue of more than 50% of the population, is not taught in the schools.

Akli Kebaili, Tübingen, W. Germany

There are some parts of the Convention you never mention but are often in the news—Article 252, for example. You should also evaluate cooperation and show how the Convention affects development in the ACP countries.

Georges Ambara, Nogent-sur-Oise, France

I should like to congratulate everyone who has helped produce this international magazine from the day it was started to the present time. I should like to encourage the present—very small—team for its immense service to mankind. Information is the very foundation of all human learning.

Sérigne Seck, Bala-Tambacounda, Senegal

I have nothing but praise for the stringency, precision and breadth of the information The Courier provides, making it a particularly useful review. I also congratulate it on its constant concern with promoting a permanent, constructive dialogue between ACP and EEC partners.

Fidèle Nkundabagenzi, Heverlee-Leuven, Belgium

The Courier is an interesting magazine, although of limited interest to my field of public financial management. I

would like to see a bit less on agriculture and a bit more on development efforts from the administrative viewpoint.

Dr. C. Lloyd Brown-John, Windsor, Canada

The Courier is middle-of-the-road politically! It needs more emphasis on human development and on technology.

Roland Vanden Bosch, Buckland, USA

Sometimes I feel the Courier paints a very rosy picture of life in ACP countries and of EEC cooperation. I feel this is not the full story.

Enda Mary Mullen, Dublin, Ireland

Though there is a lot of literature on development issues, the statistical base of articles is not enough to buttress the arguments presented. Current statistical data collection should be extended to individual countries rather than relying on international organisations such as the World Bank.

Paulinus Eke, Ahiazu, Nigeria

To the best of my knowledge, The Courier is informative and educative. This is the magazine that helped me pass "A" Level in Geography and Economics.

A. O. Ohaneje, Orlu, Nigeria

Some of your articles could be shorter and interviews with statesmen more critical. These politicians are getting too much room for "self-congratulation"

Bardo Fassbender, Koenigswinter, West Germany

The Courier is overall self-congratulatory and mainly shows what a good job the EEC is doing in the ACP countries. A critical viewpoint is needed. This does not have to be a revolutionary Marxist diatribe.

Arlon George Medd, Lancaster, England

The Courier is comprehensive and good to read. Country reports are extremely interesting and very up to date. There should, however, be more articles on education and educational cooperation between ACP and EEC, and about educational systems in ACP countries.

C. G. Kouw, Kortgene, Netherlands

The most touching subject you have dealt with in your magazine, as far as I am concerned, was "The woodfuel crisis" published in the February 1986 (no 95). It is a crisis from which my country is not exempted.

Alhaji B.L. Gaye, Banjul, The Gambia

The Courier should encourage ACP women to contribute articles of interest based on their life experiences.

Mrs Celia Emeka, London, England

Interviews in your column "Meeting Point" should be with ordinary people, such as farmers, industrialists, etc. rather than with presidents and ministers. The Courier should publish more articles on youth and women in development in the ACP States.

Charles Nkore, Bushenyi, Uganda

Paul BIYA, President of the Republic of Cameroon — **Pour le libéralisme communautaire** (Towards Community Liberalism) — Editions ABC, 9 rue du Château d'Eau — 75010 Paris, France — 1987 — FF 78

The absence of any codified thinking on the political, economic, social and international action of the African leaders has long been a reproach, and a frequent one, particularly since in many cases this lack of original doctrine has given way to the importation of a variety of theories without heed to their appropriateness to the African continent.

Paul Biya, Cameroon's Head of State, shows this need to conceptualise the aims of public action in his "Pour le libéralisme communautaire", published early this year. What is being done? In what direction? Why and for whom? These are the questions that the author both asks and answers in this new work.

And what is being done? Paul Biya thinks that African unity, an overriding concern, can only be achieved through the unity of each of the nations of Africa. This means that Cameroon, for example, has to create the sort of conditions that will bring all Cameroonians together, the foremost, of these, of course, being democracy, the sum of all freedoms. "I maintain that true democracy [of the kind he intends to bring about] cannot compromise itself by any kind of oppression or tyranny or dictatorship by authoritarian civil or military régimes—which, even when claiming to serve the aspirations of those they are governing, sacrifice freedom and equality on the altar of public order". To give democracy every chance, President Biya promises to set up a "freedom charter".

"Such a charter, a true code of Cameroonian democracy, will first of all lay down the rights and duties of the citizens, the authorities and all the groups that go to make up the nation... and it will signpost progress by planning this liberation in time and space", he says.

So, both internally and politically, the Biya plan is based on the democratisation of institutions and on freedom in everyday affairs—a "strong" democracy, of course, but one which should avoid descending into "authoritism" in the name of order.

The economic achievements of the new democracy will make for social justice based on solidarity. As President Biya sees it, the idea of solidarity is an instinctive one for all Africans and all Cameroonians, in spite of the fact that urbanisation and an imported development model have done a lot to stifle it in town dwellers. In a liberal model, emulation makes for spectacular individual success. But the role of the national community is to prevent the economic monopolies that would crush the weakest, so liberalism has to be combined with a certain overall concept of society—hence the "community liberalism" that Mr Biya recommends as a way to greater social justice... and to justice itself. But the need for justice is a feeling not a theory and it is a feeling that is very strong in Cameroon's economic life today, where a desire to temper the "over"-dynamic approach of some could well lead to discouragement and create further injustice. In education, the present authorities have inherited a system of taking the lowest common denominator with the rule of ethnic balance, which has had the added effect of a large increase in the number of students abroad. "You don't *plan* intelligence", they say in Yaoundé and no doubt Paul Biya knows you don't. In education, he says, "we are working towards greater democratisation". And the drive will also be pursued in the civil service, whose red tape now makes it more of a brake on than a stimulus to development.

Finally, politically, although Mr Biya thinks the single party system is still necessary, he sees it as a purely temporary solution. Everything he does must lead to the establishment of a multi-party system and his concern with bringing pluralist operation into the single party system is seen as a "solemn commitment" to party pluralism in Cameroon. Of course, it all depends on the timetabling of this commitment, but what has happened since 1960 suggests that the Head of State will want to keep his promise, to implement his "project for society" for Cameroon.

The target is "national unity", the author says, but it is a unity that is currently hampered by "tribal divisions" and Mr Biya stresses this ethnic factor, viewing it as perhaps the

biggest problem in the drive to build the nation. But resorting to tribal arguments is a reflex aimed at finding the safety and justice which people feel the State does not provide equally for all. The tribe is to Africans what corporations and unions are to others. Paul Biya realises that we must avoid concentrating on one or two phenomena and that it is by individual behaviour alone, at whatever level, that we can chart progress. The answer to the tribal problem in fact lies in the State's ability to assure all the rights and values that are recognised and claimed in return for the duties demanded of the citizens. "The efficiency of the civil service", on which the author places importance, shows that tribal instincts may be the result, above all, of the way the institutions work.

The book concludes with 30 proposed, social, economic and political objectives, with a view to reaching a "doctrine of man".

Whether or not you agree with Paul Biya—that is not the issue—the Head of State putting his cards on the table is a very positive move... and the rules of the game should be as clear as possible. L.P.

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J. BRODIN, G. MOLINIER, Y. CRÉTIEN et A. PITRONE — **Le Droit de la Communauté Européenne** (European Community Law), Vol. 14: "L'aide au développement", Editions de l'Université de Bruxelles — 337 p. + 200 p. annexes — 1986

Within the framework of a 15-volume digest of European Community law, this volume makes its appearance between that dealing with external relations and a projected work on the Lomé Convention. Since this is a work on Community law, the next volume will obviously provide more meat, but there is much detailed dissection of the System of Generalised Preferences, and 100 pages devoted to the global Mediterranean approach. On food aid and emergency aid there is less volume, these matters being of a more operational nature, but they are extremely valuable for providing definitions and classifications for subjects much discussed but rarely analysed.

The legal background is not only described and analysed, but 200 pages of

THE CONVENTION AT WORK

Euro-Caribbean contact, 1987



The tribune at the opening ceremony

The second Europe-Caribbean meeting was held from 27-30 April this year. It was held in Martinique with a day in Dominica and Guadeloupe.

The CAIC (Caribbean Association of Industry and Commerce), which combines representatives of private industry and commerce from Caricom members and the three French overseas departments, ran the meeting, with help from the European Community and the French Government.

There were 700 participants — mixed delegations from the private sectors and national authorities of:

- 13 ACP States in the Caribbean — Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St Christopher and Nevis, St Lucia, St Vincent and the Grenadines, Suriname and Trinidad and Tobago;
- seven overseas countries and territories (OCT) — Netherlands Antilles (Bonaire, Curaçao, Saba, St Eustache and St Martin) and Aruba, Anguilla, Cayman, Montserrat, Turks & Caicos and the Virgin Islands;
- three French overseas departments (DOM) — Guadeloupe, Guiana and Martinique;
- two non-ACP States — Haiti and the Dominican Republic — which were invited as observers.

So the whole historic and linguistic diversity (delegates spoke English, Spanish, French and Dutch) of the Caribbean and its wide range of constitutional systems were represented.

Most of the countries and regional organisations sent their highest-ranking representatives. Almost all the ACPs had sent Ministers, including three PMs — Errol Barrow from Barbados, Eugenia Charles from Dominica and J. Mitchell from St Vincent and the Grenadines, as had France — Mr Aurillac, for Cooperation and Mr B. Pons, for the OCT-OD, plus Mr B. Bosson, the Secretary of State for European Affairs. The ACP Group

was represented by Edwin Carrington, the Secretary-General, CARICOM by Roderick Rainford, its Secretary-General and the EEC Commission by one of its members, A. Cardoso e Cunha, and a number of officials from DGVIII.

What was up for discussion? A variety of topics, covering the many fields in which regional cooperation is better than one-off schemes when it comes to solving the specific problems of this region.

Regional programming in the Caribbean

On Thursday 30 April this year, Roderick Rainford, the Secretary-General of Caricom, and Anthony Fairclough, Deputy Director-General for Development, signed a memorandum of agreement on Lomé III regional cooperation in the Caribbean in Roseau (Dominica).

The signing ceremony was held during the Dominican day of the Euro-Caribbean Contact 1987, which ran from 27-30 April, mainly in Martinique. Eugenia Charles, the Dominican PM and President-in-Office of the ACP Group, was there, as was Michel Aurillac, France's Cooperation Minister, who was touring various ACP countries in the eastern Caribbean.

During the ceremony, the two signatories stressed the importance of regional cooperation for the countries in this part of the world, especially in view of the fact that they were small

and most of them were islands. They welcomed the Dominican PM, currently leading the 66-strong ACP Group, pointing out just to what extent Eugenia Charles and her colleague J. Mitchell, the PM of St Vincent and the Grenadines, had contributed to the agreement with the Commission at the meetings with Director-General Dieter Frisch and Director Erich Wirsing in Brussels on 23 and 24 March.

The Caribbean will be getting ECU 27 million, ECU 10 million of it in special loans, to finance its regional cooperation programme for tourism, trade (including in agricultural produce), transport and communications, farming, fishing and the development of human resources.

The 13 countries of the Caribbean are coordinating the programme through the Caribbean Forum, which combines Caricom and Suriname. The CARICOM Secretariat will make any applications for project financing on behalf of the Caribbean Forum. ◊

Brief summary

The Convention at work

- II. EDF financing
- V. Lorenzo Natali in Ghana and Madagascar
- VI. Seminar of the five Portuguese-speaking ACPs in Praia
- VII. Fishing agreements

General information

- X. Guidelines for the next UNCTAD
- XI. First practical steps in the Uruguay Round

European Community

- XII. Development cooperation Council
- XIII. GSP: proposals for 1988

Many operators underlined the similarities between the countries, territories and departments in this area but reminded the meeting that tradition and the fact that they were mostly islands were an obstacle to dialogue and constructive concertation.

So, when the various committees had completed their work, a large number of recommendations were adopted for joint action in trade, tourism and social, cultural and technical cooperation.

The three-day session ended with an appeal to the States involved and the Commission of the European Communities to do their utmost to give practical shape to the provisions laid down in Annex VII of Lomé III, which encourages "greater regional cooperation in the Caribbean, the Pacific Ocean and the Indian Ocean involving ACP States and neighbouring overseas countries and territories and French overseas departments". ○

EDF

Following a favourable opinion delivered by the EDF Committee, the Commission has approved financing in respect of the following projects:

Chad

Primary teaching development support programme
Sixth EDF
Grant: ECU 1 275 000

This is a project to spend four years providing teacher training for 750 primary teachers/secondary school-leavers and to help them fit into education, in particular, in the focal region of the 6th EDF Indicative Programme.

The idea is to improve primary teaching—in which there is a long-term staff shortage.

Chad

Improving road maintenance potential
Sixth EDF
Grant: ECU 19 500 000

The programme, a three-year one, involves maintaining, as a matter of priority, Chad's two main highways—the Sarh-Moundou-Léré (Cameroon border) road and the Sarh-N'Djamena road—by direct labour (forming a heavy road maintenance brigade) and by giving a firm responsibility for upkeep.

The two roads were rehabilitated under the 4th and 5th Indicative Programmes between 1983 and 1987 and the prime aim of this programme is to maintain them both (south-north and south-south). It includes training Chadian cadres in management and road equipment maintenance, permanently opening up an economically important region and making considerable cuts in transport time on the most popular stretches.

Niger

Maintenance on the RN 1
Sixth EDF
Grant: ECU 15 000 000

The aim of this project is to carry out periodical maintenance work on the Dossi-Bolbol-Dogon Douchi road (136.4 km) and on the Birni Konni-Tsernaoua (14.4 km) and Birni Konni-Frontier with Nigeria (6.7 km) feeder roads.

A total of 1 090 km of the main road (which links Niamey to Lake Chad from West to East) were built with Community financing in the year 1973/76.

The programme comprises the works proper, their monitoring and their control.

Niger

Small-Scale Irrigation Programme
Sixth EDF
Grant: ECU 21 560 000

The programme seeks to introduce irrigation into individual agricultural holdings or small areas of less than 5 ha, with the setting up of water supply points, the supply of pumping equipment and agricultural inputs for the production of cereals for own consumption and of vegetables either for own consumption or for sale.

It is planned to irrigate 8 000 holdings, corresponding to a population of 64 000 and a developed area of 3 300 ha.

The aims are to improve food security for people in rural communities by making a part of production independent of climatic variations, to increase producers' incomes and investment capacity and to improve their organisational skills in the supply and marketing fields.

It also seeks, through acting on the natural environment and by lessening the relative importance of rain-fed crops in production systems, to combat desertification phenomena.

Ghana

Transport Infrastructure Programme — Phase I
Sixth EDF
Grant: ECU 21 000 000

The objective of the Programme is to contribute to the improvement of the road infrastructure network in the south western part of the country so as to facilitate the movement of the main exportable commodities of the region (cocoa, timber, etc.) to the Port of Takoradi as well as improving the inflow of essential inputs through the Port.

This focal sector programme is, in fact, the first practical application in support of the Government of Ghana transport sector policy as foreseen in the Indicative Programme.

Guyana

River Ferry Service
Sixth EDF
Grant: ECU 1 950 000

The Lomé III Indicative Programme earmarks 90% of resources for the economic infrastructure sector with the aim of removing constraints on increased production through the rehabilitation of existing infrastructure. The objective of this project is to undertake an immediate Action Programme to rehabilitate the five vessels engaged on the river ferry service in order to ease the growing constraints on transport and communication along the coastal belt.

The total cost of the project is estimated at ECU 3 270 000. The EDF commitment will be ECU 1 950 000 to cover spare parts and materials, and technical assistance. The Government will meet the labour and docking costs, estimated at ECU 1 320 000.

Uganda

Hima Cement Power Supply Project
Fifth EDF
Grant: ECU 3 100 000

Uganda has two cement plants with a total installed capacity of 500 000 tons annually. During the last seven years production has in no year exceeded 30 000 tons and Uganda has had to import large quantities of cement.

Hima Cement Plant in southwest Uganda is the largest and most modern of the two plants with a capacity of 325 000 tons annually.

Following a request from the government of Uganda various methods of providing standby power have been exam-

ined. The most cost-effective solution found was to rehabilitate the existing hydropower station at nearby Kilembe Mines (KML). Its four turbines, with an installed capacity of 6.2 MVA, could provide the necessary power both to the cement plant and the surrounding area as well as voltage stabilisation for the central grid.

Uganda

Sleeping sickness and Trypanosomiasis Control Project

Sixth EDF

Grant : ECU 2 000 000

South-East Uganda has the largest concentration of sleeping sickness in the world with 4 000 cases expected to be registered this year. The objective of the project is to make an effort to control the disease through an integrated approach incorporating all aspects of the problem: tsetse fly eradication, human sleeping sickness, animal trypanosomiasis, and research.

Although sleeping sickness had been prevalent in Uganda for centuries, the disease was fully eradicated for a long period up to the mid-1970s when the first cases reappeared. Huge areas of land had also been cleared of tsetse flies. The various control measures were discontinued during the years of turmoil in Uganda and the situation became so serious that emergency aid was requested in 1986 to help arrest the spread of sleeping sickness. The purpose of the project is to continue this effort.

Malawi and Tanzania

Karonga-Ibanda Road

Fifth and sixth EDF

Special loan : RCU 4 000 000

Grant : ECU 15 000 000

The purpose of the project is to provide 51 km bitumenised road for heavy traffic from Karonga in Northern Malawi to Ibanda in Tanzania. The road closes a missing link in the overall Blantyre/Dar-es-Salaam Corridor (also called Northern Transport Corridor — NTC). The extension of the project road from Ibanda to the junction with the Tanzania-Zambia Railway (Tazara) and the Tanzania-Zambia Highway (Tanzam) already exists in the form of a paved road, which will be rehabilitated with aid from the Netherlands.

The project has a strong regional impact and is included in the EEC/SADCC Memorandum of Understanding as one of the priorities for EEC support. Imple-

mentation of this road project is expected to help reduce dependency of part of the SADCC countries on the transport system in the Republic of South Africa (R.S.A.).

French Polynesia

Electric power line to Hanavave

Fourth EDF

Grant : ECU 2 678 000

The project is located on the island of Fatu Hiva in the Marquesas in French Polynesia.

This island, which is extremely isolated, is 85 km² in area and has a population of around 400, divided between the two villages of Omoa and Hanavave. It is difficult to reach.

Omoa and Hanavave used to get their electricity supplies from two small generators that worked for a few hours each day. The Territory has already decided to build an HE station at Omoa to serve this village, but it will also generate enough power for Hanavave, which is 8 km away.

The purpose of this project is to build a medium-tension power line to serve Hanavave.

Guinea-Conakry

SOGUIPECHE — semi-industrial fishing project

Fifth EDF

Grant : ECU 6 500 000

Special loan : ECU 2 055 000

The purpose of the project is to develop the exploitation of Guinea's sea fishing resources by means of SOGUIPECHE, a mixed, semi-industrial fishing company.

The anticipated production is 9 300 t p.a., 40% of which will be sold fresh on the local market and the rest exported frozen.

The project involves supplying three freezer trawlers and building installations (a fish processing and packing plant, a maintenance workshop, a fuel store etc.) on land.

Training courses for national staff are also to be provided.

All ACP and OCT

Overall Commitment authorisation

Sixth EDF

Grant : ECU 30 000 000

It is an overall commitment authorisation to finance microproject programmes.

Somalia

Rehabilitation of the Mogadishu General Hospital

Fifth EDF

Grant : ECU 3 600 000

This is a project to help rehabilitate and reorganise the Mogadishu General Hospital, which occupies an important place in the nation's system of health care.

The main components are:

- modification of the facilities in certain parts of the hospital with a view to better general operation;
- rehabilitation of installations that can no longer be used;
- the supply of technological and medical-hospital equipment.

Uganda

West Nile Returnee Programme

Sixth EDF

Grant : ECU 3 860 000

Following the liberation war in 1979 and subsequent disturbances in 1982/83 about 250 000 people from West Nile Province in North-West Uganda sought refuge in Zaire (50 000) and Sudan (200 000). This was about one third of the population of the entire province while some counties were left almost totally deserted.

The programme objective is to assist in the efforts to resettle and reintegrate the Ugandan refugees in their areas of origin. Since the areas have experienced extensive physical devastation, the exercise has to cover many different aspects. Since the mandate of UNHCR is limited both in time and scope it is necessary to back up their resettlement effort with a number of measures in order to favour a permanent solution.

Zambia

Zambia Centre for Accounting Studies

Sixth EDF

Grant : ECU 4 000 000

The lack of training of nationals to full professional level in accountancy in Zambia has resulted in dependence on expatriate skills and a costly and inefficient need to train Zambians abroad. This project aims at setting up the Zambian Centre for Accounting Studies which will provide coordinated and sustained institutional support to the development of an indigenous Zambian accountancy profession in a cost-effective way.

The project involves the refurbishment of suitable existing premises, pro-

curement of training equipment and materials, and the recruiting of a professional accountancy instructor team who will set up and run the project.

Ghana

Support to the Ghana Regional Appropriate Technology Industrial Service (GRATIS)

Sixth EDF

Grant : ECU 1 200 000

The objective of the project is to support the Government of Ghana's measures to promote development and transfer of appropriate technology in the small-scale informal urban and rural industrial sector.

For this purpose the Government has created the Ghana Regional Appropriate Technology Industrial Service (GRATIS) under the Ministry for Industries, Science and Technology (MIST) which will operate two recently created Intermediate Technology Transfer Units (ITTU) and establish others (the aim is to have one in each region).

Sierra Leone

Rehabilitation of the Telecommunications Network

Fifth and sixth EDF

Special loan : ECU 10 900 000

Grant : ECU 3 100 000

The project has been conceived and designed in the light of fact-finding and project-preparation studies carried out during 1983-86 with EDF finance. As recommended by these studies, the Government has separated Telecommunications from the public service and has established the Sierra Leone National Telecommunication Co., owned by the Government, but operating on commercial lines. Based on this key institutional change action, an integrated package of further institution strengthening measures, including technical assistance for management and training, and the replacement and refurbishment of telecommunications equipment in a selected service network, is proposed for EDF support. This package would restore and help the new company to sustain inland telecommunications services for the priority economic and social sectors of Sierra Leone.

Zaire

Afforestation of 6 000 ha of the Plateau des Bateke

Fourth and sixth EDF

Grant : ECU 10 000 000

The project to plant trees on 6 000 ha of the Plateau des Bateke reflects one of the two aims of the Lomé III Indicative Programme — to supply the city of Kinshasa with food and firewood.

It is only a partial response to a huge problem, but it is a significant step towards a solution, particularly if it is not confined to wood production but it tries out agroforestry production alongside, based on a system of rotation in which firewood is produced on fallow ground on which soil-improving species have been planted.

The first aim of the project is to plant 6 000 ha of trees, in the light of the experience of the Kinzono Forestry centre, and to complete this operation, which is of a size that will attract professionals from the industrial plantation sector, with a series of agroforestry trials in both industrial and village environments.

Gambia

Second Highway Maintenance Project

Sixth EDF

Grant : ECU 1 200 000

The Second Highway Maintenance Project aims at the rehabilitation of about 150 km of paved roads, the maintenance of 1 100 km of paved and gravel roads, the repair of a bridge, and the strengthening of the Ministry of Works and Communications.

The project is needed to protect the investment in the highway network and to prevent further deterioration in road conditions, which would cause physical transport bottlenecks in the near future and necessitate far larger investments for road rehabilitation at a later stage.

Chad

Programme to reinforce the health system in the prefectures

Sixth EDF

Grant : ECU 12 000 000

The main purpose of this programme is to reinforce the national health system at the level of the prefectures as part of the development of the Chad Government's health policy. Strategy in the health sector is for genuine delegation of responsibility and powers to the intermediate level, under the control and supervision of the national health policy.

The Government fully supports this priority. The programme is one of organisation of the nation's system of health care.

It involves phasing in a cost recovery system for this sector — which the Gov-

ernment has already begun on an experimental basis — and contains the following schemes:

- (i) reinforcement in the prefectures;
- (ii) a drug supply system;
- (iii) training and retraining for medical and ancillary staff;
- (iv) central support for the Ministry of Public Health;
- (v) assistance outside the scope of the programme for certain sub-prefectures.

Swaziland

Science and agricultural pre-entry Programmes

Sixth EDF

Grant : ECU 2 300 000

The project concerns the upgrading of science and mathematics education in Swaziland. The project is expected to help reduce a serious manpower shortage at higher and middle levels, particularly in the technical and scientific fields. Activities will focus on the in-school teacher improvement and at the same time on upgrading of secondary school leavers to a level where they can cope with degree programmes in science and agriculture at University. Education and manpower development is one of the two concentration areas in the Lomé III National Indicative Programme (NIP) for Swaziland, the other being agriculture and rural development.

The project involves 180 high school teachers as well as about 570 secondary school leavers over a period of four academic years. Four expatriate teaching experts will be provided for the same period, as well as teaching equipment and funds for the organisation of courses.

Madagascar

Help with reintegrating young people in Antananarivo

Fifth EDF

Grant : ECU 500 000

In recent years, per capita GNP in Madagascar has declined rapidly — from US\$ 320 in 1982 to US\$ 270 in 1986. This is, among other things, the price of financial rationalisation in a dilapidated economy in which poor rice harvests, a shortage of foreign exchange and the deterioration of the antiquated production apparatus have led to a general drop in purchasing power and a move away from the country to the towns.

Antananarivo, the capital, now has a population of 1 000 000—more than 10% of the national population of 9 600 000—and a growth rate of 5.6% p.a. The result is an increasing

number of young people who are left to their own devices with no means of subsistence, leading to greater poverty due to unemployment.

A number of national organisations are trying to take over these young people and give them food, shelter, hope and the means, in the short term, of taking economic responsibility for themselves.

This project aims to help the young people in the towns to leave poverty, crime and unemployment behind them by providing the proper supervision and teaching them jobs. Three of these associations will be responsible for this.

St Vincent and the Grenadines

Kingstown Hospital Redevelopment
Sixth EDF
Grant: ECU 1 800 000

The purpose of the project is to continue the phased redevelopment of the Kingstown Hospital in order to enable this institution to satisfactorily fulfil its role as the island's referral centre. The project is a follow-up of Lomé I and Lomé II involvement in the health sector. Under the Fourth EDF a paediatric ward of 50 beds was constructed in 1981, whereas under the Fifth EDF a 90-bed ward (Phase I) was completed in 1984. The present phase follows a recent review and revision of the Master Plan for the Kingstown Hospital Redevelopment, which was also commissioned under the Fifth EDF; it involves the replacement of an obsolete delivery and operating theatre block, some demolition and other ancillary works and the provision of the necessary equipment. ◦

EIB

Mozambique: ECU 3 m for agri-foodstuffs

The European Investment Bank has advanced ECU 3 million to the Central Bank of Mozambique for rehabilitating a cotton ginnery and a vegetable processing plant. This loan represents the EIB's first operation in this country which joined the ranks of the ACP States upon entry into force of the Third Lomé Convention.

The funds have been made available for 15 years at 5% in the form of a conditional loan drawn from risk capital re-

sources provided for under the Convention and managed by the EIB. The Central Bank of Mozambique will pass on the proceeds to LOMACO (Companhia Agro Industrial Lonrho-Moçambique), the company responsible for implementing the works.

The projects, costed at a total of ECU 5.2 m, involve:

- rehabilitation of a cotton ginnery at Chokwe, with refurbishment and improvement of ancillary buildings, rationalisation of the machine drive system and acquisition of a basic stock of spare parts. Processing capacity will remain unchanged at 3 tonnes of cotton seed per hour;

- rehabilitation of a vegetable-processing plant at Chilembene, particularly the tomato-puree production line (520 tonnes per day); work also includes completion of a warehouse, fresh produce reception facilities, a can production unit, a basic stock of spare parts and harvesting equipment. This project will enable the capital to be provided with supplies of vegetables throughout the year.

The International Finance Corporation (IFC, World Bank Group) is co-financing the project.

Tanzania: ECU 5 m for smaller businesses

The EIB is advancing ECU 5 m (324 million Tanzanian Shillings approximately) to the Tanganyika Development Finance Company Limited (TDFL) to provide support for small and medium-sized enterprises (SMEs) in the industrial, agricultural processing and tourism sectors in Tanzania. The operation is being mounted under the Third Lomé Convention.

The funds have been made available in the form of a global loan (essentially a line of credit), drawn from risk capital resources provided for under the Convention and managed by the EIB. The terms and conditions attaching to the loan are linked to the use actually made of the funds: 15 years at 4% p.a. for sub-loans to directly productive investment schemes or a maximum of 25 years at 2% p.a. for acquisition of equity participations in SMEs. Projects suitable for financing will be selected with the EIB's agreement.

Founded in 1962, TDFL's principal shareholders are the Tanzanian State, the Commonwealth Development Corporation, DEG (Deutsche Finanzierungsgesellschaft für Beteiligungen in Entwicklungsländern) and FMO (Nederlandse

Financierings-Maatschappij voor Ontwikkelingslanden), together with the EIB, which acquired a shareholding in 1986 on behalf of the European Economic Community. The institution has already benefited from two EIB operations: in 1977 ECU 2.5 million was granted from risk capital resources in the form of a subscription to convertible bonds, on which the rights to convert were exercised in 1986, and in 1978 a global loan of ECU 5 million was made from the EIB's own resources. ◦

VISITS

Vice-President Lorenzo Natali goes out to Ghana...

Development Commissioner Lorenzo Natali made his first official visit to Ghana, at the Government's invitation, from 10-12 April. He talked with the Head of State, J. J. Rawlings, and a number of Ministers, including Dr Kwesi Botchwey, Minister for Finance and Economic Planning, with whom he signed a financing agreement for ECU 6.9 million (Cedis 1.2 billion) for rehabilitation of the Port of Takoradi. Mr Natali emphasised that this project was a key factor in the Ghanaian Government's export strategy.

He also announced the approval of an ECU 21 m (Cedis 3.6 billion) grant for the first phase of a programme to rehabilitate the transport infrastructure in the Western and Brong Ahafo areas.

Mr Natali, who said the Community supported the programme to right the Ghanaian economy, noted the nation's concern at the slump in the price of commodities, especially cocoa. As he saw it, both producers and consumers had to make sure the International Cocoa Agreement (which had just been extended) worked properly.

The Development Commissioner laid particular emphasis on his commitment to speeding up and improving the flow of finance to the ACPs. He pointed out that Ghana could have something like ECU 125 m (Cedis 21.5 billion) in Community financing, the bulk of it as grants, over the period 1985-90.

One of the other subjects up for discussion during the visit was AIDS. The Ghanaian Government welcomed the steps the Community had taken to help not just the Member States, but all countries afflicted by the disease, and to find ways of containing it.

... and Madagascar

Lorenzo Natali visited Madagascar from 1-10 May. The idea in this case was to get first hand knowledge of the realities of Grande Ile, to take stock of Community interventions on Madagascar since 1959 with the authorities and to confirm the main lines of EEC-Madagascar cooperation under Lomé III.

Vice-President Natali held talks with the Minister to the President's Office with responsibility for Financial and Economic Affairs (who is in charge of implementing cooperation with the EEC) and the Ministers for Foreign Affairs, Agricultural Production, Animal Production, Public Works and Trade.

He thus heard about the effort being made—and the constraints hampering the Government and the whole country—in the drive to right the economy, the measures introduced for this purpose and the results achieved so far, particularly as regards rice supplies. Mr Natali confirmed the Community's commitment of FMG 100 billion as a contribution to the country's efforts towards self-sufficiency in food and to ensure the harmonised economic and social development of the people of Madagascar as a whole. Lastly, he emphasised that the external trade balance and the problem of the external debt had to be solved, as

the success of the effort now being made depended on it. He also said that the Community would help with all the problems affecting the developing countries' future.

The Development Commissioner had a private audience with Didier Ratsiraka, the President of the Republic, who strongly emphasised the two problems of the moment—the search for a satisfactory solution to the external debt problem and the need to ensure the country development that was linked to significant economic growth. He pointed out that the rehabilitation measures involved the population in great sacrifices and accompanying measures were called for. Mr Natali confirmed that the external debt was still one of the major concerns of the EEC countries and that practical initiatives in this field could be expected shortly. He mentioned harmonised growth, pointing to the possibility of using the various Lomé instruments in close coordination with other aid donors so as to make the very most out of the resources available.

During his stay in Madagascar, Lorenzo Natali had the opportunity of making on-site visits to a number of EDF projects. Before departure, he celebrated the 30th Anniversary of the Treaty of Rome, which set up the EEC, by opening an exhibition on the development of the Community and cooperation with Madagascar over the past 30 years, which has amounted to something like FMG 450 billion so far. ◊

The Prime Minister of Zambia in Brussels

Mr Musokotwane, the Prime Minister of Zambia, visited the Commission in Brussels on 9 June and had warm and open discussions with Vice-President Lorenzo Natali.

The Prime Minister presented the Zambian government's recent economic policy measures and explained the current Zambian external financing policies.

In order to be able to finance the restructuring and diversification of the Zambian economy it was noted that sustained external financial assistance was necessary. The Commission acknowledged the size and difficulty of the present debt situation. Prime Minister Musokotwane confirmed that Zambia aims to honour its obligations. In this context Vice-President Natali expressed the Commission's concern that all possible efforts be made to maintain a contin-

uous dialogue between Zambia and the international community on the economic policy adjustment measures which are necessary in the short, medium and long term. It will be necessary to take account of the social impact of these measures. The Prime Minister confirmed Zambia's willingness to continue its open dialogue with the international community in this regard.

The European Community, through the Lomé Convention and its other aid mechanisms, continues its sustained cooperation with the Zambian authorities. The Commission pledged to make all efforts to expedite the commitment, disbursement and implementation of the Lomé programmes with the Zambian government, in order to reinforce the viability of these actions.

These funds are to be concentrated in the focal area of agriculture and rural development to address crucial problems as foreseen in the national Indicative Programme signed in Lusaka on 6 December 1985. ◊

SEMINARS & TALKS**Top officials from the five Portuguese-speaking ACPs meet in Praia**

Top officials from Angola, Mozambique, Guinea-Bissau, Sao Tomé & Príncipe and Cape Verde met at a two-week seminar in Praia (Cape Verde) in April. The session, opened officially by the Cape Verdean Minister for Foreign Affairs Silvino da Luz, dealt with the Lomé Convention and its financial and contract award procedures and the possibilities of cooperation between the five countries present.

The first part of the seminar, when the idea was to make the Portuguese-speaking ACPs familiar with ACP-EEC cooperation, was chaired by Mr Da Camara Gomes, the Commission Delegate in Botswana, Jürgen Köppen, principal administrator at the Commission, and Jürgen Schaefer, economic adviser to the Commission Delegation in Guinea Bissau. It was officially closed by Commission Development Director-General Dieter Frisch.

Talks in Cape Verde

Mr Frisch then made an official visit to Cape Verde, during which he was received by President Aristide Pereira and



Lorenzo Natali visits a small hydro-agricultural installation in Madagascar

PM Pedro Pires. He also talked with a local delegation led by Arnaldo França, the Deputy Minister for Finance, an opportunity to point out that, in accordance with the Indicative Programme signed on 12 November 1985, cooperation between Cape Verde and the Community during Lomé III would be focused on the town of Praia and the surrounding area.

Both parties noted that, for various reasons (particularly the work on the Second National Plan for 1986-90) it had not been possible to stick to the timetable for implementation of the Indicative Programme laid down in November 1985.

As Cape Verde is anxious to speed things up, it will shortly be producing a dossier on the projected schemes, so the Commission can look at it and take a decision on financing.

Some measures have been brought in with a view to adoption of the programme. They include financing for prior studies and the early issue of invitations to tender (with suspensory clauses). It has also been decided to form a standing monitoring committee made up of representatives of the various departments, plus someone from the Community. Meetings, chaired by the Minister for Planning and Cooperation, would be held at least once a month.

Regional cooperation in Central Africa

National EDF Authorising Officers from Cameroon, the CAR, Congo, Gabon, Equatorial Guinea and Sao Tomé & Príncipe met an EEC Commission delegation in Yaoundé (Cameroon) on 2, 3 and 4 June.

The meeting was chaired by Sadou Hayatou, Cameroon's Minister for Planning and Territorial Development, and André Auclert, Deputy Director-General for Development at the EEC Commission.

The purpose of the meeting was to identify convergences between the ACP participants so as to reach a consensus between them and the EEC Commission on the principal fields in which Community support (regional cooperation) should be focused.

A sum of ECU 80 million (around CFAF 28 billion) had been earmarked under Lomé III as a basis for drawing up the regional cooperation programme for Central Africa. This was in addition to the EDF resources allocated to the individual states of the region.

Participants outlined two sectors on which the Community should concentrate its support. These were:

- regional support for rural development and the rational use of forestry and maritime resources;
- transport and communications.

They also noted other regional schemes which might be financed outside the area of emphasis.

The atmosphere at the meeting was one of openness, reflecting the spirit of cooperation between the Economic Community and the countries of Africa, the Caribbean and the Pacific.

Before the meeting took place, André Auclert had been on mission in Cameroon to see the Cameroonian authorities and to examine implementation of the Lomé II and III cooperation programmes.

He had talked to Sadou Hayatou, the Minister for Planning and Territorial Development, and Secretary of State Mrs Tankeu and been received by Dr Robert Mbella Mbappe, the Head of the Cabinet of the President of the Republic, and Philippe Mataga, the Minister for Foreign Affairs. Mr Auclert also exchanged views with Trade and Industry Minister Mr Nomo Ongolo, Agriculture Minister Jean-Baptiste Yonke and Equipment Minister Herman Maimo.

The EEC mission visited various EDF-financed projects in southern and northern Cameroon to ensure that the means being deployed were in fact reflecting the aims.

The talks and the on-site visits were an opportunity to:

- record progress on schemes still to be financed from the remainders of previous EDFs (about CFAF 11 billion);
- say what measures and reciprocal commitments needed to be taken to implement the 6th EDF (Lomé III) Indicative Programme, worth CFAF 33 billion, according to an agreed timetable.

The all-important points for future Community intervention are financing for the Yaoundé-Ayos road, a further stage in the development of the Bénoué Valley and continuation of the schemes in the Logone and Chari areas to back up the Cameroonian Government's drive to rationalise the rice market.

It was also agreed that the drive for rapid implementation of the projected schemes to help small and medium-sized firms and encourage poles of development in the forest areas should be pursued. ○

FISHERIES

Fishing agreements between the EEC and Angola, Mauritania, Dominica and Sao Tomé & Príncipe

The Community has just concluded fishing agreements with a number of ACP countries.

Angola: The text the EEC and Angola initialled on 30 April took effect, on a provisional basis, on 3 May 1987. It provides for licences for 25 deep-sea tuna vessels and 12 000 grt per month as an annual average for shrimpers over a two-year period. An annual quota of 10 000 t is laid down for shrimp catches.

Over these two years, the Community will pay financial compensation of ECU 12 050 000 and a contribution of ECU 350 000 for scientific and technical programmes. It will also be providing 12 study grants over a period of five years.

European ship-owners will be paying dues of ECU 20 per t of tuna caught (with an advance of ECU 4 000 per vessel) and ECU 225 per grt of shrimp p.a.

The bilateral agreement between Spain and Angola which has existed so far will be replaced by the present agreement.

Mauritania: This agreement, which has been under negotiation since 1979, provides opportunities for Community vessels fishing for tuna, pelagic species, lobster, shrimp and whiting. The two new Member States used to fish in Mauritanian waters under bilateral agreements which have since lapsed. The initialled Protocol, which lasts for three years, will take provisional effect on 1 July.

Dominica: The Dominican agreement, which is also scheduled to last three years, only covers small Community vessels (less than 30 feet) registered in Martinique and Guadeloupe.

Sao Tome & Príncipe: What has been signed here is a new Protocol of application of the outline fishing agreement which the Community concluded with this country in 1983.

Under this Protocol, the Community now has fishing opportunities for 50 tuna seiners and 10 tuna cannerys. It also has to pay financial compensation of ECU 450 000 p.a. to a scientific programme to be run in the islands.

The Protocol, which took provisional effect on 1 June, is scheduled to last three years. ○

TRADE

Controversy over the draft text on oils and fats

The ACP Group met representatives of Canada, the USA, Norway, Ireland, Chile, Brazil, Peru, Singapore, the Philippines, Thailand, Indonesia and Malaysia in Brussels on 2 June. All these countries feel they are threatened by the consequences of the EEC's proposed consumer tax on vegetable and marine oils and fats. Representatives of the European industries concerned were also present.

At the end of the meeting, a communiqué was issued saying that participants had looked at the consequences the projected tax could have on the economies of the countries and the European industries concerned. It had been clearly recognised, they said, that the countries exporting these products would suffer considerable losses when it came to markets, revenue, employment, investments etc., with grave repercussions on their economies and social wellbeing. These consequences would be further accentuated in the case of exporters in the developing world.

It had also clearly emerged that the situation of the European oils and fats industries would not be any better.

Participants had found a major contradiction between the EEC's levying of a tax on exports from the developing countries (including its privileged ACP partners) and the development measures the Community had taken in the ACP States and various other countries affected. They also felt that the tax the Community was planning to bring in was in flagrant violation of GATT and particularly the commitments it had made at Punta del Este (Uruguay) in September 1986 on the status quo and reductions made as part of protectionist measures.

The meeting had also noted that this sort of tax was being brought in for the first time in the history of the Community and that fears had been expressed about setting what was a very dangerous precedent that could well re-occur with other commodities in the future, with

disastrous consequences for many countries.

Participants said they totally opposed this tax and approved the principle of a joint representation being made to the Community and the Member States to get them to drop the idea.

Later, during a press conference, the interim chairman of the ACP Ambassadors' Committee, Mr Leslie Wilson (Jamaica) recalled that the Lomé III Convention prohibits partners from taking measures that may have a negative effect on exports of others and requires a prior consultation in the area of trade decisions.

The ACP representatives fear that, although the tax will not be a formal and discriminatory obstacle to the importation of their oils and fats, it would put pressure on the processing industries of the EEC to purchase cheaper oils and fats, even if they are of lesser quality, from countries other than the ACP countries. They feel that the 26 ACP States would thus lose between ECU 160 and 185 million per year. Mr Sy, the Senegalese Ambassador, predicts that if STABEX intervened to offset losses in revenues from exports, this system would soon be left without resources for intervening in other cases. The ACP countries affirm that "The EEC takes from us with the left hand what it gives with the right". Ambassador Tuho from Côte d'Ivoire explained that his country exports every year between ECU 65 m and 75 m of oils and fats and that the loss incurred following the introduction of the tax would be the equivalent to the aid his country receives from the European Development Fund, ECU15 m.

Faced with this mobilisation against its proposed vegetable oils and fats tax destined for human consumption the European Commission has counter-attacked with the publication of argumentation favouring this tax. During his press conference this week, Mr Delors announced this publication, admitting that up to now the Commission had not explained in enough detail the consequences of the proposed stabilisation mechanism. Having again explained the reasons and the way the tax would work, the Commission takes each of the arguments put forward by opponents outside the EEC (the ACP States, the United States, Canada, Norway, Iceland, Chile, Peru, Brazil, Singapore, Malaysia, Indonesia, Thailand and the Philippines).

It stresses that this is not a discriminatory tax since it is applicable to European products as well as to imported products. The amount to be paid will fall

on first of all the producer who could then have it fall on the consumers. Being identical in absolute value for all vegetable oils and fats, it would not negatively affect the competition between indigenous products and imported products and is consequently compatible with the GATT rules (art. III, para. 1).

The tax will not reduce imports from third countries, since:

— the Community has recently taken drastic measures to reduce butter production (price freeze and reduction of production quotas for milk of 9.5%).

— The range of measures proposed for oilseed also allows for the limitation of European production and therefore the preservation of export possibilities for third countries to the Community.

— During the 5 years chosen as reference for the mechanism, prices varied considerably but did not however affect consumption; the modifications resulting from the tax will not affect the level of imports.

— A large part of oilseed imported in the Community is used for animal feed (and therefore escapes this tax).

The tax will not distinguish between margarine and butter since the price of the latter will probably only increase by 10 to 15%, i.e. an increase of one thousandth of monthly household expenditure. In any case, butter remains much more costly than margarine, which excludes any transfer of consumption. Also, European consumers already take part in market support for milk products of which butter is a part.

But a few days later the Commission amended its proposal by accommodating some of the fears of its partners.

The improvements proposed by Mr Andriessen in the name of the Commission concern the length of time of the tax (2 years and three months, to start with), as well as its eventual reduction for some products and the guarantees to be given to third countries that their exports to the EEC will not be affected.

"In the case where it is noted that at 1 October 1988 the application of the stabilisation mechanism leads to a fall in imports of fruits and oilseed, oils from or which are fish oils, thus creating a prejudice for third countries which are traditional suppliers, the Commission will begin, without delay, holding negotiations with these third countries in order to establish, if necessary, compensation relating to the losses sustained. The Community will also take the necessary measures to avoid such a prejudice from arising again." ○

ACP EMBASSIES

New ACP Ambassadors have just presented their credentials to the Presidents of the EEC Council and Commission.

Botswana: Ernest Sipho Mpofu, Botswana's new Ambassador to Brussels, is a qualified public administrator. He began at the Europe and America desk at the Ministry of Foreign Affairs and Cooperation with the international organisations (UNCTAD and the UNDP, for example) and then went on to be Second and then First Secretary at the Botswanan Embassy in Washington. Before his Brussels appointment, 37 year-old Mpofu, a married man, was Adviser and in charge of administrative affairs in the Foreign Affairs Department.

Guyana: James Matherson, who takes over from Harold Sahadeo, is a graduate in Spanish and holds a master's degree in international relations. The 38 year-old Ambassador spent some years teaching before he went into Foreign Affairs, becoming, successively, Second Secretary, First Secretary Adviser, Head of the Economic Division and then, after a short spell in the President's Office and the Economic Commission for Latin America and the Caribbean, Principal Administrator.

Jamaica: The new Jamaican Ambassador, 57-year old father-of-two Leslie Wilson, is an economist whose career has led him through a series of posts of responsibility in the Departments of Foreign Affairs and Trade and Industry. Before the Brussels posting, Mr Wilson was Jamaica's High Commissioner to Canada.

Malawi: Malawi's new Ambassador, 55-year old L. P. Anthony, is an arts graduate who spent several years teaching before being appointed Permanent Secretary at the Ministry for Education. From there, he moved to the post of Permanent Secretary at the Ministry for Finance, where he was also Secretary to the Treasury, and then became Director-General, first of the Central Bank of Malawi, and then of Indebank (the Investment and Development Bank of Malawi), ending up as head of ADMARC, the agricultural development and product marketing company. ◦



SUDAN

The EEC and the USA cooperate on locust control

Vice-President Lorenzo Natali received a cheque for US\$ 600 000 from US Ambassador A.H. Kingdon in May as a further American contribution to the locust control campaign in Sudan. He said the European Commission welcomed renewal of the American commitment to the campaign in Sudan and the continuation of his efforts with other donors, including the Commission and the Member States.

The Commission and the USA had in fact already signed an agreement on the US contribution of \$1 million in July 1986, which was added to the Commission donation of ECU 1.7 m to this country. Close collaboration had also been established locally between the Community, the Member States, the FAO and the United States, all of which were involved in this operation.

Since 1986, a year in which the locust problem was acute, the Community has done a lot to fight this scourge in Africa.

In 1986, the Commission and the Member States ran various emergency schemes worth ECU 22.6 m (ECU 9.2 m from the Commission and ECU 13.4 m from the Member States). The Commission has already taken a number of emergency aid decisions for 16 African countries this year, with a view to financing Phase One of the campaign to prevent the locusts from reproducing. This means supplying pesticides and technical assistance to the value of ECU 2.2 m. And since 1982, ECU 7.3 m has been granted from regional cooperation funds to help with the Desert Locust Control Campaign for Eastern Africa.

The Commission has set up an early warning system based on regular information from its Delegates and formed a task force to assess the way the situation is developing, suggest any steps that need to be taken and mobilise relief. ◦

FOOD AID

The Commission has just decided to send the following quantities as part of its food aid programme. ◦

(tonnes)

	Cereals	Milk powder	Butteroil	Oil	Other
Zaire	30 000	—	—	—	—
Jamaica	—	500	100	100	—
Madagascar	25 000	500	180	—	—
Nicaragua	5 000	2 000	600	1 500	3 500 (beans)
Sri Lanka	55 000	—	—	—	—
Total	115 000	3 000	880	1 600	3 500

The cost to the budget of supplying these quantities is ECU 25.6 million. ◊

EMERGENCY AID

The Commission has just decided to provide emergency aid as follows:

Angola: ECU 500 000

This is for the International Committee of the Red Cross, which will provide seed to some 130 000 people who have been displaced by the continuing conflict in this country.

Nigeria: ECU 300 000

This is to enable Médecins Sans Frontières (Netherlands) to continue its part of the vaccination campaign to wipe out yellow fever in Oyo province. A first amount of ECU 650 000 was decided in January.

Senegal: ECU 230 000 and Gambia: ECU 100 000

This aid is to finance the first stage of the campaign to control the locusts which are a threat to the coming agricultural season. Pesticides in particular will be sent. ◊

GENERAL INFORMATION

UNCTAD: the Commission suggests guidelines to the Council for the next Conference

The Commission has just adopted a draft communication to the Council as a basis for the position the Community is to adopt at the forthcoming UNCTAD meeting in Geneva from 9-21 July.

On this occasion, Claude Cheysson said he felt that "UNCTAD VII comes at a particularly difficult time for the world economy, since growth is waning and it is no longer adequate to contain unemployment in the industrialised world or prevent the decline in the standard of living in many places in the Third World since 1980". UNCTAD VII, he went on, ought to be an opportunity to reach as broad a consensus as possible on ways of revitalising the process of growth and development on a lasting and non-inflationary basis. The Community is one of the main export markets as far as the developing countries are concerned and their biggest donor of official aid. It has close links with them because of the many agree-

ments it has concluded and they therefore have every confidence in it, which should mean it can play an active part in ensuring the success of the Conference.

As the Commission sees it, success will depend on the extent of the consensus reached by the industrialised and the developing countries when it comes to reviving world growth and on the practical progress notched up by the developing countries, especially the least developed of them, on trade, commodities and development resources, the three main themes of the Conference.

As far as the world economic situation is concerned, the Commission thinks that a return to stronger, lasting and non-inflationary growth and the revival of development in the developing world first means the developing countries making progress with their macro-economic cooperation. And this means doing something about the structural imbalances and ensuring better coordina-

Corrigendum

The general information section of Courier no 103 (May-June 1987), page VIII, contained a mistake.

Dr Denis Bra Kanon, the Minister for Agriculture in Côte d'Ivoire, is not the President of OAMCAF. He is in fact the Spokesman for the African group at the Inter-African Coffee Organisation and it was in this capacity that he met Lorenzo Natali, the European Development Commissioner, in Brussels on 24 February 1987.

tion of monetary and economic policies, too. The second essential thing is for the developing countries to improve their own domestic development policies. They need sound, stable macro-economic policies and structural policies that strengthen the role of the market and make for fair distribution of income.

On trade, the Commission suggests that the Community confirms its policy of GSP differentiation to the benefit of the developing countries' emergent exports. It also proposes broader use of the flexibility of the Multifibre Agreement for these same countries and speeding up the Uruguay Round work on tropical products, in accordance with the commitments made at Punta del Este.

The Commission's proposal on raw materials is that certain resources provided for in the Common Fund be used for immediate production diversification schemes, that product observatories be set up to improve the transparency of the raw materials markets and that other industrialised countries be invited to act in the same way as the Community by adopting agricultural STABEX systems to help the developing countries.

Lastly, in the matter of development resources, the Commission hopes to see the international community reaffirm its official development aid targets and to see the international development financing organisations have the financial resources they need — which means boosting the IMF's structural adjustment facility and pushing up the capital of the World Bank. The Commission also recommends putting emphasis on the need to treat the debt in a way that is right for the economic conditions of the debtor countries. It suggests, in particular, that UNCTAD should be the occasion for confirming the practical step of lightening the debt of the poorest countries of Africa which was proposed at the Venice summit. ◊

GATT

EEC's first practical step in the Uruguay Round

At the end of May, the Commission approved a draft Council decision authorising it to start negotiations on tropical products in the Uruguay Round. The developing countries consider these products to be an essential area of the negotiations and they are the sole products for which the Punta del Este Declaration envisaged a fast track (1).

Commissioner De Clercq took the opportunity of stressing the political importance of the decision. The Community, he said, which had fully subscribed to the Punta del Este Declaration, could then be the first to make a proposal in this field, thus proving its credibility by making the first practical step in the Uruguay Round. "I hope this political signal, which comes on the eve of the Venice Summit and just before the UNCTAD meeting in July, will encourage our developed partners to be as practical as we are and to do as we do and respect the commitments made on the developing countries at Punta del Este".

The Commission proposes liberalising the trade (tariff and non-tariff) system for both industrial and agricultural tropical products as far as possible. This could range from a significant drop in customs duties to complete removal. It would also mean the gradual elimination of quantitative restrictions.

The Commission made this proposal with a view to the greatest benefit and mutual advantage of all the participants, bearing in mind the spirit of existing contractual relations. It felt special attention should be paid to the least developed countries, but also that there should be some kind of balance in the concessions offered to all the participants.

It pointed out here that the Punta del Este commitment was a collective commitment and that it went without saying

that the Community should not be the only one to make the effort. Quite naturally, its offer was tied to a comparable effort being made by the other contracting parties. ◊

ICRC

Cornelio Sommaruga visits the Commission

The Chairman of the International Committee of the Red Cross (ICRC), Cornelio Sommaruga, visited the Commission on 18 May earlier this year. He was received by Vice-President Lorenzo Natali and Commissioners Claude Cheysson and Willy De Clercq.

This was Mr Sommaruga's first visit since he took up the post recently and he was anxious to convey his institution's gratitude at the often decisive support the Community and the Member States gave it with the humanitarian schemes it ran in the field. European solidarity had taken practical shape over the past few years, with considerable amounts of food and finance. In 1986, the Community and the Member States had granted ECU 55 m, making them the biggest contributors to the ICRC budget.

Up for discussion next were the issues that are ICRC concern on every continent. The Commissioners reiterated the confidence the Community has always had in the role and the action of the ICRC in emergency situations arising from conflict and they said they supported what the ICRC was doing for human rights. Lorenzo Natali said, in particular, that he would see that cooperation with the ICRC continued to occupy an important place in the Community's emergency aid activity. ◊

UNRWA

Sixth three-year convention between the Community and UNRWA signed

Representatives of the EEC Commission and Council and UNRWA, the UN Relief and Works Agency for Palestinian Refugees in the Near East signed the 6th EEC-UNRWA convention on 4 June 1987.

Under this convention, the Community provides UNRWA's education programme with annual financing of ECU 20 m in 1987, '88 and '89. This is an increase over the preceding years — ECU 16 m in 1984 and ECU 17 m in 1985 and 86.

The Community is also giving aid in cash and in kind to the UNRWA nutrition programmes — the supplementary nutrition programme, which is run by the Agency's health service, the nutrition programme for particularly difficult cases, directed by the UNRWA relief service, and the UNRWA training centres nutrition programme. The size of the food aid contributions will be decided on an annual basis.

The total amount of aid given to UNRWA in 1987 should be as much as ECU 35.1 m, as against the ECU 31.5 m of 1986. The Community is the Agency's second biggest donor, with a contribution of more than 20% of the UNRWA budget in 1987. ◊

HAITI & DOMINICAN REPUBLIC

Towards a cooperation agreement with the EEC

The European Commission has recommended to the Council the opening of negotiations aimed at the conclusion of a cooperation agreement between the EEC on the one hand, Haiti and the Dominican Republic on the other. This is a unique accord, of a regional nature (Haiti and the Dominican Republic being the two parts of a single island, formerly Hispaniola). Thus the Community would complete its network of agreements with the Caribbean countries, with the exception of Cuba which does not recognise the Community.

Haiti has several times requested to be part of the Lomé Convention, and the Dominican Republic asked, as from November 1984, the conclusion of a cooperation agreement with the Community. For geographical and historical reasons adherence to the Lomé Convention is impossible. The Commission therefore suggests a 5-year agreement, including economic cooperation and development cooperation as well as the creation of a joint Commission. On the commercial front, the agreement would be non-preferential. ◊

(1) The Declaration said that the negotiations would aim at the greatest liberalisation of the trade in tropical products. This was to include the trade in these tariff products as well, of course, as all the non-tariff measures affecting it. The contracting parties recognised the importance of the trade in tropical products to a large number of little developed contracting parties and agreed that special attention be paid to negotiations in this field and, in particular, to the timetable of negotiations and the application of results as laid down in Chapter B (11).

SUMMIT OF THE 7

The heads of State or government of the seven major industrialised countries (The United States, the Federal Republic of Germany, Japan, France, The United Kingdom, Canada and Italy) and the President of the European Community met in Venice from 8 to 10 June 1987.

In the final declaration published after the meeting, the "Seven" after noting that their economies had now been growing for five consecutive years, with lower average inflation rates and interest rates, a lot of problems still remained in some countries: external imbalances, persistently high unemployment, large public sector deficits, persistent weakness of many primary commodity markets and reduced prospects for developing countries to grow, find the markets they need and service their foreign debt.

In the passage of their declaration concerning more specifically the developing countries, the "Seven" underlined the continuing importance of official development assistance and welcomed the increased efforts of some of their countries in this respect. They recalled the target already established by international organisations (0.7% of GNP) for the future level of official development assistance.

For the major middle-income debtors, the "Seven" continue to support the present growth-oriented case-by-case strategy. Three elements are needed to strengthen the growth prospects of debtor countries: the adoption of comprehensive macroeconomic and structural reforms by debtor countries themselves; the enhancement of lending by international financial institutions, in particular the World Bank; and adequate commercial bank lending in support of debtor country reforms.

The "Seven" also recognised that the problems of some of the poorest countries, primarily in sub-Saharan Africa, are uniquely difficult and need special treatment. These countries are characterised by such features as acute poverty, limited resources to invest in their own development, unmanageable debt burdens, heavy reliance on one or two commodities, and the fact that their debt is owed for the most part to governments of industrialised countries themselves or to international financial institutions. For those of the poorest countries that are undertaking adjustment effort, consideration should be given to the possi-

bility of applying lower interest rates to their existing debt, and agreement should be reached, especially in the Paris Club, on longer repayment and grace periods to ease the debt service burden.

This new approach was recently put into practice: Mozambique has just obtained from the Paris Club the rescheduling of some \$ 15 million dollars of public debts over 20 years. o

EUROPEAN COMMUNITY

European Cooperation Ministers meet

The European Council of Ministers for Development Cooperation met on Thursday 2 May, with State Secretary Etienne Knoops (replacing André Kempinaire, who was unwell) in the chair. It approved three important resolutions.

The first, presented by the Belgian Presidency, was aimed at putting European public opinion more in the picture about the problem of Third World development. The Committee on Development and Cooperation was invited to convene the people in charge of information in the Member States and look at the possibilities of coordinating and intensifying the information given to the European public.

The second decision was to promote the private sector in development schemes the Community ran in the developing countries. The Council stressed the advantages of cooperation between European and Third World firms when it came to Third World development. It said that SMEs were particularly suitable for cooperation of this kind and invited the Committee on Development and Cooperation to look into ways of encouraging SMEs in this field and make proposals along these lines.

The AIDS control campaign

The third resolution was on the fight to control AIDS in the developing countries.

The Council said it agreed with the principle of the Community programme for the Third World fight against AIDS which the Commission had proposed and Vice-President Natali had explained. AIDS, it said, was a major public health problem on every continent, in both developed and developing countries.

The situation was even more of a threat in the developing countries because they tended not to have the techni-

cal or financial means needed to run the appropriate prevention schemes. The Community anti-AIDS programme for the developing countries would involve:

- as a prime objective, since it is not yet possible to cure the disease or vaccinate to prevent it from spreading, protecting those not yet infected by the virus;

- schemes to provide a rapid response to the proposals WHO made in its Special AIDS Programme, which is based, in particular, on national programmes geared to improving the health systems which will have to run the anti-AIDS campaign;

- great flexibility, making for rapid adaptation to the realities of a constantly changing situation — technical progress, social attitudes to the disease, specific characteristics of individual countries and the need for integration in national coordination systems.

Schemes could have such aims as reducing the transmission in blood (controlling blood banks etc), through sexual activity (running information and education campaigns) and injections (professional hygiene, supply of sterilising equipment etc.), evaluating the effect of the programme, studying the evolution of the disease and running operational research into the incidence of AIDS and the risks and methods of transmission.

The programme could, largely through the NGOS, mobilise the technical support of hospitals and research centres in Europe, preferably within the framework of cooperation between European institutions and their opposite numbers in the developing world.

The Council welcomed the Commission's initiative as expressed in Lorenzo Natali's oral communication. It noted the Commission's intention of mobilising ECU 35 m from the remainder of Lomé II.

EEC Member States' declaration on South Africa

In the light of the elections in the white community held on 6 May and of President Botha's address at the opening of Parliament on 19 May, Foreign Ministers of the Twelve discussed recent developments in South Africa, and reviewed their policy towards the region. They expressed their deep concern over the serious risk of a further polarisation of attitudes. They noted that this development would discourage those white and black South Africans who are genuinely working towards peaceful change.

Against this background, Ministers reaffirmed that the objective of the Twelve's policy towards South Africa remains the total dismantlement of apartheid and its replacement by a genuinely democratic, non-racial system of government. They once again called for a process of fundamental but peaceful change and urged President Botha to take the steps necessary to allow a national dialogue to begin. These steps must include the lifting of the State of Emergency, the unconditional release of all political prisoners and the unbanning of the African National Congress, the Pan-Africanist Congress of Azania and other political parties. Ministers reaffirmed that, in the absence of significant progress in the abolition of apartheid, the attitude of the Twelve to South Africa remains under constant review, taking into account their fundamental principles for the development of South Africa.

Ministers underlined the fact that the Twelve remain committed to work actively for the initiation of a process of peaceful change. They are continuing to support those within South Africa who are in favour of the peaceful dismantlement of apartheid and, in the region as a whole, the Twelve are devoting significant resources to assisting the neighbouring countries which have suffered so much as a result of the South African government's policies. ○

GSP

Better tariff preferences for the developing countries

The Commission has just adopted Council proposals on the generalised system of preferences (GSP) for 1988. They improve the 1987 situation by making

an average 5% increase in the value of the preferential import possibilities for industrial products.

The Community preference system for 1988 will cover something like ECU 24 billion-worth of exports from the developing countries, representing ECU 900 million-worth of relief on customs duties.

The preferential access granted to the developing countries is in addition to the one granted to the 66 ACP countries under Lomé and under the cooperation agreements between the Community and most of the countries of the Mediterranean.

GSP means zero-rated entry for all manufactures from developing countries which have no contractual preferences. This includes products from sensitive sectors like textiles, footwear, iron and steel and petrochemical products, all of which are partially or totally excluded by other tariff preference donors. In the agricultural sector, the Community is giving reductions on import dues on almost 400 products—tinned pineapple, coffee, raw tobacco, palm oil and coconuts—which are of particular importance to the developing countries.

The Commission thinks that preferential access to its markets is an essential part of its development strategy, especially at a time when the developing countries are particularly hard hit by their enormous external debt, there is a commodity price slump and their advantage in the matter of cheap labour is reduced.

It also believes that SPG has to evolve if it is to stick to the original aim of helping the industrialisation of the developing countries where necessary. This is why it proposes that the 1988 systems pursue the policy of differentiation for industrial products and introduce textiles. ○

EEC-CYPRUS

Negotiations on a customs union finalised

Following negotiations which began in December 1985, the EEC and Cyprus delegations reached agreement on 22 May this year on establishing a customs union.

The protocol which has just been initialled provides for a customs union to be set up between the Community and

Cyprus in two stages over a total period of 15 years. It will be an integral part of the 1973 association agreement and involve Cyprus in gradually doing away with all customs duties and quantitative restrictions on all industrial products from the Community (the Community having already done this). The Community will be increasing its concessions for Cyprus' most important agricultural exports (fruit, vegetables, potatoes and wine) and Cyprus will be granting concessions for some Community agricultural exports (cereals, beef and veal and vegetable oil).

The protocol also means Cyprus will have to adopt the common customs tariff and some essential parts of the common commercial policy over the first period of 10 years.

If it is ratified in time, it will take effect on 1 January 1988. ○

EEC-INDIA

Ambitious industrial cooperation programme

An ambitious industrial cooperation programme between the EEC and India was produced after Mr Vengala Rao, India's Minister for Industry, visited the Commission on 4 June.

It was the first visit from an Indian Minister for Industry.

During the visit, Vengala Rao talked with Claude Cheysson, the Commission for relations with the countries of Asia, and Vice-President Narjes, who is responsible for industry.

"This programme is an important step forward in cooperation between the Community and India", Mr Cheysson said. "We have moved on from principles to realisations by deciding on practical measures which will open the way to great opportunities for our economic operators on the enormous Community and Indian markets."

The programme, which reflects both parties' desire to develop cooperation between industrial operators in India and Europe (particularly the SMEs), was drawn up after discussions by the working group on industrial cooperation which was set up under the new EEC-India cooperation agreement signed in 1981. It lays down practical cooperation measures in fields as varied as standards, data banks, energy, telecommunications, science and technology and will be run

under existing budget lines for Asia (chapter 9 of the budget). ◦

EEC-MEDITERRANEAN COUNTRIES

Protocols of adaptation to the Mediterranean Agreements

The Council decided to sign the Protocols providing for economic and technical adaptation to the Cooperation Agreements—and the ECSC Agreements—between the Community and Algeria, Egypt, Jordan, Lebanon and Tunisia consequent upon enlargement of the Community.

The Protocols enable Spain and Portugal to participate fully in these Cooperation Agreements, and they make certain economic adjustments in the context of the overall Mediterranean policy of the enlarged Community.

The Protocol of adaptation to the Cooperation Agreement with Tunisia was signed on the occasion of the third meeting of the EEC-Tunisia Cooperation Council on Tuesday 26 May.

With regard to the Protocols of adaptation to the Association Agreement with Turkey, the Council will continue its discussions at a forthcoming meeting, the Permanent Representatives Committee having been instructed to examine the matter in greater depth in the meantime. ◦

EEC-TUNISIA

Ministerial cooperation Council

The EEC-Tunisia Cooperation Council held its third meeting at Ministerial level on 26 May 1987 under the Chairmanship of Mr Hedi Mabrouk, Minister for Foreign Affairs of the Republic of Tunisia. The Community delegation was headed by Mr Léo Tindemans, Minister for Foreign Relations of the Kingdom of Belgium and President-in-Office of the Council of the European Communities. The Commission was represented by Mr Claude Cheysson and the European Investment Bank by Mr Prate, Vice-President.

The Cooperation Council first of all reviewed the balance of trade between the two partners, pointing out that the Community was Tunisia's foremost

trading partner. In this respect the Council took note of Tunisia's concern about the large deficit on its balance of trade with the Community, while at the same time noting the growth of such trade. It called on the Contracting Parties to do their utmost to enable the aims of the Cooperation Agreement to be achieved. In the context of trade relations, Tunisia voiced its particular concern about olive oil exports. The Protocol of economic adaptation, which has just been signed, provides for measures affording Tunisia the possibility of exporting 46 000 tonnes to the Community every marketing year up to the end of 1990. As the Protocol cannot, however, enter into force until the conclusion procedures have been completed by both sides, whereas the 1986-1987 olive marketing year is already well under way, the Community showed great understanding for Tunisia's appeal to it to take measures quickly to enable Tunisia to benefit from the concession agreed to.

On the subject of financial and technical cooperation, the Cooperation Council took stock of the implementation of the First and Second Financial Protocols and welcomed the results obtained. The projects and measures financed under these Protocols have benefited not only the infrastructure and the industrial sector but also, more especially, and to a gradually increasing extent, agriculture, in view of the priority objective of Tunisia's VIth Economic and Social Development Plan to improve the country's self-sufficiency in food. This objective, which has just been reconfirmed by the VIIth Plan (1987-1991) as being one of the priorities of action by the Tunisian Government in the future, was also one of the priorities set by the Community under the Third Financial Protocol, which earmarks a total amount of ECU 224 m (ECU 93 m from budgetary resources and ECU 131 m in the form of EIB loans) for Tunisia for a period ending on 31 October 1991.

In this connection the Cooperation Council also noted the interest shown by the Tunisian authorities in an integrated approach combining financial cooperation instruments and food aid. It welcomed the fact that the direct food aid granted by the Community to Tunisia had contributed, through the use of counterpart funds, to the strengthening of agricultural structures in Tunisia and took note of the common will to make a contribution towards the implementation of a strategy for reducing Tunisia's food dependence.

The Cooperation Council also noted

that the other priorities proposed by the Community for the Third Protocol broadly coincided with those set by Tunisia. They concerned support for industrial, scientific, technological and trade cooperation projects and the development of regional and multilateral cooperation.

In this connection the Council welcomed the "Partnership 87" operation undertaken jointly by Tunisia and the Community to promote the harmonisation and development of industrial cooperation between Tunisian and European SMEs which was due to take place in Tunis in June 1987. It recommended that this type of operation be further encouraged in the mutual interest of both parties.

Finally, the Cooperation Council welcomed the bold measures which the Tunisian authorities had taken under the VIIth Development Plan. The purpose of this plan, which has just been launched, is to liberalise the Tunisian economy further, in particular through a programme of structural adjustment. The Community stated its declared objective of being able, both through the implementation of appropriate measures and projects under the Third Financial Protocol and through the development of reciprocal trade and more diversified cooperation, to make a significant contribution to the adjustment efforts being made by Tunisia with the aim of continuing its development. ◦

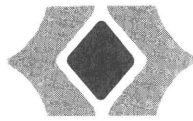
CURRENCY

ECU with no restrictions in Germany

The Commission welcomes the fact that the Federal Republic of Germany recognises the ECU in such a way as to allow its residents to use it without restriction.

This is a step in the right direction, meaning the ECU can be more widely used, particularly in the world of commerce. The Commission has always felt that greater use of the ECU by the private operators would facilitate the process of financial and monetary integration in Europe.

This is why, as announced in the programme for the liberation of capital in the Community (adopted last year), the Commission will soon be making proposals on implementing the final stage of this programme. ◦



INDUSTRIAL OPPORTUNITIES

PUBLISHED EVERY TWO MONTHS

No. 56 : JULY-AUGUST 1987

10th ANNIVERSARY EVENT

CDI SHOULD BE "SIGNIFICANTLY STRENGTHENED"

— PRIME MINISTER EUGENIA CHARLES, PRESIDENT OF THE ACP COUNCIL OF MINISTERS

At a special event which it organised on the 6th of May 1987 at ACP House, Brussels, to mark its ten years of existence under the Lomé Convention, CDI's role and performance were endorsed by the presence of political, diplomatic and business personalities from ACP and EEC countries, as well as senior officials from the European institutions and the ACP Secretariat.

GROWTH AND PROGRESS

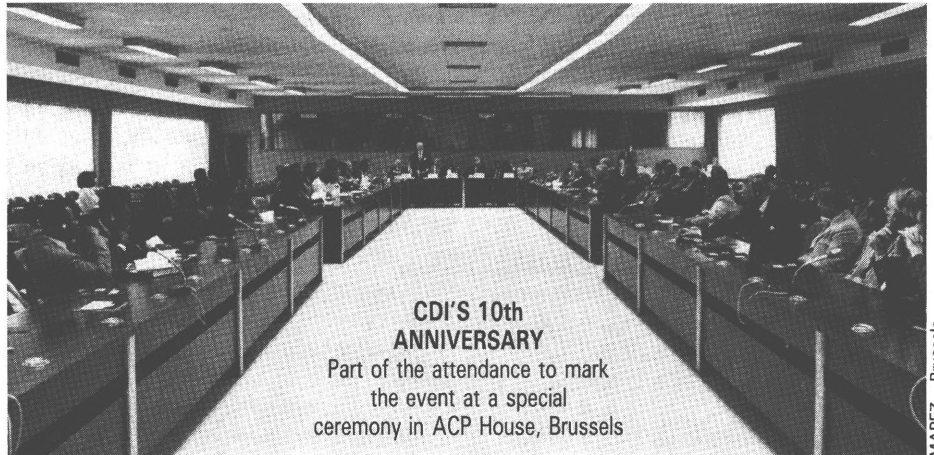
Speaking on behalf of the EEC Council of Ministers, Mr. Etienne Knoop (Belgian Secretary of State for Foreign Trade) said that the European Community "had noted with satisfaction" the progress made by CDI during recent years in increasing its interventions in favour of ACP countries.

The Minister said that it was "heartening to see that, as a result of its exemplary efforts, CDI's role and activities are becoming increasingly well known in economic and industrial milieux in the European Community and ACP States alike".

Given the limited means allocated to CDI and the difficulties it faces, continued Mr. Knoop, "I believe it is our duty to congratulate the Directorate and the staff for 10 years of growth and progress".

CALL TO STRENGTHEN CDI

The Ambassador of Dominica to the European Community, His Excellency Mr. Charles A. Savarin, reading a message from the President of the ACP Council of Ministers, Ms. Eugenia Charles, Prime Minister of Dominica, said that CDI has helped "to enhance



CDI'S 10th ANNIVERSARY
Part of the attendance to mark the event at a special ceremony in ACP House, Brussels

MAPEZ - Brussels

the credibility of the Lomé Convention".

In her message, Ms. Charles said that, as the first ACP-EEC executive agency, CDI has also "validated the concept of joint implementation".

"The concept works", she went on, "CDI has pioneered and proved that, indeed in some ways even dramatically so".

The Prime Minister's message referred to the role given to CDI under Lomé I, of spearheading the process of "transforming our under-developed ACP primary economies into at least semi-industrial economies".

We are all happy to note, she said, that while this "herculean" task has by no means been accomplished, CDI has been going from strength to strength since its inception. The message concluded by calling for CDI to be "significantly strengthened" to enable it to pursue its role.

Continued on Page 2



His Excellency Mr. Charles A. Savarin, Ambassador of Dominica to the European Community, delivers a message on behalf of the President of the ACP Council of Ministers.

MAPEZ - Brussels



MAPEZ - Bruxelles

Two of the speakers at CDI's 10th Anniversary event: Mr. Etienne Knoops (left), who spoke on behalf of the EEC Council of Ministers and Mr. Dieter Frisch, Director-General for Development of the European Commission.

Continued on Page 1

IRREPLACEABLE ROLE

Mr. Dieter Frisch, Director-General for Development of the European Commission, echoed earlier comments about the importance of CDI's role in assisting small and medium-sized industries; and he stressed that industry still occupies a significant place in development despite the focus on agriculture. He added that private investment is no longer a "flawed expression" and that CDI has an important role to play in attracting and supporting private initiatives.

Mr. Frisch commented that CDI was founded as a joint institution to express a new spirit of North-South cooperation for a new economic order. He congratulated the Directorate and the staff, saying that the professionalism of CDI has developed since 1977 and that the organisation was now well launched on its path.

Mr. Frisch was particularly pleased to note that the heavy system of control by an intergovernmental body had been replaced under Lomé III by a flexible and business-oriented Joint Governing Board.

Mr. Lorenzo Natali, vice-President of the European Commission, in a special message for the 10th anniversary event, said that he hoped that CDI would continue with increasing success to play its "irreplaceable role" in its own special area of development cooperation.

Mr. Michel Defoortrie, Chairman of CDI's Joint Governing Board, appealed in his address for the instigation of some means to assure the continuity of CDI's work between Conventions, to avoid a "slowing-down toward the

end of each Convention and a loss of efficiency at the beginning of the following one".

MEASURE OF RESULTS

The Director of CDI, Dr. Isaac Adedayo Akinrele, reviewing the operations of the Centre during the past ten years, remarked that he had been associated with CDI "throughout the period of its transformation from a paper instrument to a fully operational institution".

He recounted some of the operational experience of CDI through the successive Lomé Conventions and summarised the concrete achievements realised over the period.

He said that as a result of CDI's interventions, 92 industrial projects went into production in ACP States, involving new investment of 113 million Ecu and providing 3 589 jobs. In addition,

132 existing industries benefitted from rehabilitation interventions and over 1500 technicians received in-plant training. These results may be seen clearly in the accompanying table.

The Director said that CDI's management is of the view that the effect of CDI's work should not be measured only in the quantified employment/investment terms applied to investment institutions. This, he explained, is because the greater part of CDI's successful interventions actually relates to industries with an often marginal profitability potential — an area where financial institutions fear to tread.

Dr. Akinrele referred to the enigma of CDI's inability, as a Lomé Convention instrument, to link up its operational activities with those of the indicative programmes managed by the European Commission and the European Investment Bank. Lomé III, he added, had drawn attention to this problem and an improved environment for cooperation has now been established between the three institutions.

A new initiative was taken under Lomé III to tap additional funding sources through the establishment of bilateral cooperation agreements with interested institutions in appropriate ACP-EEC milieux.

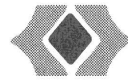
Dr. Akinrele announced that CDI may soon be able to finance up to 40% of its current intervention costs from external sources, notably by contributions from public sector agencies in EEC countries (so far, Belgium, Denmark, France, Greece and Italy) and from ACP/EEC industrial enterprises.

SUMMARY OF CDI'S ACHIEVEMENTS (1977-86)

	Lomé I '77-'80	'81	'82	'83	'84	'85	'86	Cumulative Total
CDI-assisted projects which entered production (including pilot plants)	6	4	7	12	16	23	22	92
Investment costs (in millions of Ecu) of projects which entered production	14.5	7.8	9.8	34.4	30.7	5.9	10.2	113.3
Employment created	258	340	754	460	651	436	690	3589
Industrial projects under implementation	5	15	6	17	25	12	15	95
CDI rehabilitation interventions	14	16	12	19	21	18	32	132
CDI training operations (number of trainees)	192	74	255	200	289	321	268	1599

INDUSTRIAL COOPERATION AWARDS

GO TO FIVE COUNTRIES



To mark its ten years of existence under the Lomé Convention, CDI initiated awards to recognise and encourage outstanding efforts by those firms and individuals who have been involved in promoting ACP-EEC industrial cooperation. These first industrial cooperation awards went to Belgian, Dominican, German, Irish and Togolese recipients.

ANTENNA AWARD

This award went to the **Industrial Development Corporation (Dominica)** for outstanding service as a CDI antenna (field representative).

IDC was first nominated as its antenna in Dominica in May 1982. CDI's activities in the country were relatively marginal during the following two years.

But in 1985, mid-way through Lomé II, after the IDC sent its Marketing and Promotion Manager, Mr. Peter Azille, to spend six weeks with CDI in Brussels (under the Promotion Attaché Programme), a marked increase took place in the number of requests from Dominica and for which CDI was able to provide effective project assistance.

The award was accepted by **Mr. Peter Azille**, who said in an acceptance speech that he likes to work with CDI because of the simplicity of its procedures and its "responsiveness and practical orientation" compared to other aid organisations. These qualities, he added, have enabled CDI to make "a significant impact" on Dominica's development.

CDI has, for example, assisted the following projects in Dominica:

- the rehabilitation of a rum distillery;
- the manufacture of pre-fabricated wooden houses for local and export markets;
- running a major regional workshop for wood-based industries;
- upgrading the production of four furniture companies (one of which has since broken into export markets).

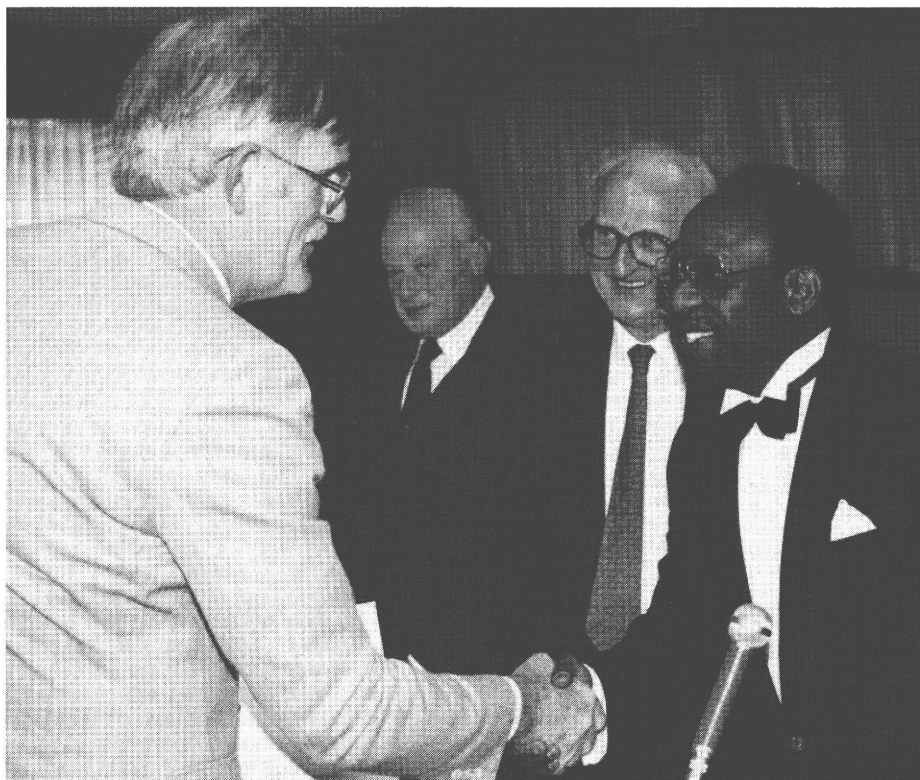
AWARD FOR ADAPTED TECHNOLOGY

This award went to **Eurobrevets (Belgium)** for the successful transfer of technology adapted to ACP countries: **Comoros, Congo, Burundi, Kenya, Madagascar, Mauritania, Nigeria and Antigua**. It was accepted by **Mr. Peter Limage**, Assistant Managing Director of the company.

Eurobrevets is a company that acts as a link between small and medium-sized industries and inventors, who are not themselves equipped to diffuse and implant their own, often very interesting, technologies.

One of the technologies promoted by Eurobrevets concerns the manufacture of cement-based floor and wall tiles. The products can be substituted for traditional ceramic tiles as regards aesthetics and physical properties.

Among the qualities of this technology which attracted the attention of CDI and ACP promoters alike, are the low level of investment re-



Irish wood and furniture expert Mr. William St. John Vernon (left) receiving an Industrial Cooperation Award from Dr. I.A. Akinrele, Director of CDI. Also pictured are Mr. Michel Delefortrie, Chairman of CDI's Joint Governing Board and Dr. Alberto Armani, Secretary to the Board.

quired, the relative simplicity of the manufacturing techniques, the use of locally available raw materials (cement, sand, gravel, ...) and low energy consumption (as it is not necessary to bake the tiles).

Eurobrevet's success is due not only to its choice of technologies, but also to the first-rate technical assistance which it provides.

AWARD FOR TECHNICAL ASSISTANCE

The award went to the Togolese furniture firm **Ameublement Goeh-Akue**, for the quality of design and the technical excellence it achieved following assistance from CDI.

Ameublement Goeh-Akue was established as a handicraft industry in Lomé, Togo, in 1976 with 8 employees.

It manufactures wooden furniture, door and window frames and various decorations (such as mouldings, wardrobe cornices, and picture frames).

The operations grew to reach a turnover of Ecu 435 000 in 1985, with 60 employees.

A turning point in the history of this firm came in late 1985 and early 1986, when CDI provided an expert for 45 days to train staff, to upgrade designs and to increase productivity.

This resulted in commercial success with new export outlets, and the company now has the prospect of doubling or tripling production.

Mr. Goeh-Akue has also reported that his company's products have earned him numerous other awards, prizes and distinctions, at recent trade fairs.

AWARD FOR THE CREATION OF AN ACP-EEC JOINT ENTERPRISE

This award went to **Karl Bergmann KG (Federal Republic of Germany)** for a very successful joint venture with ACP partners, in **Western Samoa**, for the production of honey.

Karl Bergmann KG is a major honey importer in West Germany, a country with the highest per capita consumption of honey in Europe.

In order to help him secure further supplies of high quality exotic honey, CDI put him in touch with an existing company in Western Samoa that had already expressed a wish to find a European partner.

In 1983, CDI sponsored a feasibility study and, based upon this, Karl Bergmann KG took the decision to invest in a joint venture with the Western Samoan partner.

A new company was formed in Western Samoa and under CDI's sponsorship, Karl Bergmann trained local staff in harvesting, quality control, packing and bee breeding.

The project is now operating successfully and

Continued on page 4

Continued from page 3

honey is supplied to both local and European markets.

The operation has aroused a great deal of interest in **Vanuatu, Fiji, Tonga and Jamaica**. Karl Bergmann KG is now negotiating in each of these countries to set up similar joint ventures.

Accepting the award, Mr. Bergmann said: "Many years ago, I had hardly heard of Western Samoa and the reports were hardly an incentive to take on such a financial risk". But CDI, he added, gave us "its support and constant motivation".

AWARD FOR INDUSTRIAL TRAINING

This award went to **Mr. William St. John Vernon** from **Ireland**, an expert in wood and furniture manufacturing, for his outstanding performance in providing industrial training in the wood sector in **Caribbean and Pacific** countries.

During the past 10 years, CDI has built up a register of some hundreds of experts in every field, able to go out and work, sometimes under difficult conditions, to provide immediate assistance to ACP companies.

These experts are expected to have a very high level of technical expertise in addition to practical capabilities. They should, if necessary, be able to operate plants themselves and to train people in a short period of time. CDI needs between 30 to 40 such "supermen" each year.

Mr. Vernon first worked with CDI four years ago in **Western Samoa** where, over a period of three months, he made a significant contribution to five furniture manufacturers.

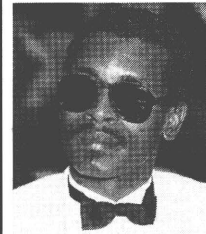
Last year, he ran a woodworking workshop in **Dominica** for 16 furniture manufacturers from **Eastern Caribbean** islands.

Not content to limit himself to the formal programme, he found time to work in **Dominican** factories in the evenings, helping to design new plant layouts, building jigs and offering technical advice.

More recently, Mr. Vernon carried out a review of the **Ghanaian** wood industry and found several well-equipped companies interested in joint ventures with European firms.

CDI expects that his report will also be used as the basis of a major training exercise to be funded via the European Commission.

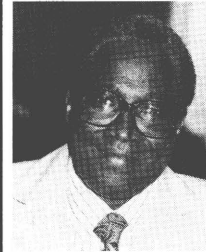
OTHER AWARD RECIPIENTS



Mr. Peter Azille,
Dominica



Mr. Patrick Limaugé,
Belgium



Mr. Goeh-Akua,
Togo



Mr. Karl Bergmann,
Germany



GERMAN FIRMS SEEK JOINT VENTURE PARTNERS ACP ENTREPRENEURS, PLEASE REPLY

BUILDING MATERIALS, CERAMICS, REFRACTORY PRODUCTS

West German manufacturers of building materials, ceramics, and refractory products see investment in ACP countries as a means of expansion.

Recent investigations carried out by CDI in Germany have revealed that EEC industrialists may be encouraged to invest in ACP productions based on proposals which they themselves have originated and which may fit easily into their European operations, making only limited demands on their scarce manpower.

Such proposals could be of interest to ACP entrepreneurs because they often contain elements of which ACP parties are unaware. On the other hand, proposals made by ACP promoters are not always attractive to EEC industrialists, especially as they are often based on small markets and have been conceived in an environment of limited industrial information.

In view of such circumstances, CDI decided to undertake studies of certain industrial sectors to identify opportunities for the redeployment of production from EEC countries to ACP States. Depending on the re-

sults of the first studies and the response of ACP entrepreneurs to them, CDI may decide to extend this approach to other sectors and other countries.

The first of these studies to be completed concerns the ceramics and building materials sectors in the Federal Republic of Germany. In CDI's experience, these two sectors are of great interest to ACP countries.

We present below a brief assessment of the current economic environment in the industrial sectors surveyed in Germany and some examples of proposals received from German companies interested in industrial cooperation with ACP entrepreneurs.

BUILDING MATERIALS SECTOR

Heavy re-investment, followed by a fall in demand, has caused an economic crisis in this sector. This is why affected companies are now interested in re-investing in ACP countries. The export of know-how in this sector is now seen to be increasingly important and is no longer regarded as merely a side business.

The re-location of production units to

ACP countries is an especially attractive concept to the affected companies in the sector. They are interested in contributing machinery and know-how as part of their equity, in joint ventures with ACP partners. In such cases, if so requested, CDI can provide independent evaluations of second hand plant, free of charge.

THE CERAMIC SECTOR

Traditionally, the long-established ceramic sector in Germany has not been export-oriented. This is especially true of the small and medium-scale manufacturers of **tableware and decorative items**. Due to strong competition from foreign manufacturers, they are now seeking new markets through overseas investment. They are well aware of the risks attached to investing abroad, but see joint ventures with ACP partners as a means of minimizing these risks.

The same considerations apply to the manufacturers of **refractory products** who have suffered a drop in demand due to the crisis in the European steel industry. →

Please ALWAYS mention the CDI reference numbers if reproducing the following proposals.

All equipment costs are quoted in Ecu (European currency units). The value of the Ecu may easily be ascertained from its relationship to other European currencies. Thus, on 2 June 1987: 1 Ecu = £0.697931, or FF 6.93186, or DM 2.07607.

REINSTALLATION OF A BRICKWORKS

GERMAN PROPOSAL

87/12

A West German brickworks wishes to reinstall a second-hand brick production unit in an ACP country. The plant can produce 50 000 hollow bricks (240 x 115 x 113 mm) per day (8 hours forming, 24 hours firing, in a tunnel kiln). This equals about 45 000 tons per year.

A total investment of about Ecu 1.5 m will be required for this project. The raw material (170 tons per day) has to be available locally.

The firm already holds shares in a joint venture project in Asia and is experienced in the reinstallation of production units.

Besides taking an equity participation in a joint venture, the German company is able to give industrial training in its own plant and can provide technical assistance during the installation phase and on an ongoing basis when the plant is in production.

PRODUCTION OF REFRACTORY MATERIALS

GERMAN PROPOSAL

87/13

A big West German producer of fireproof materials for the steel-making industry and for foundries, wishes to establish the production of refractory materials in an ACP country.

The production capacity and the product range would depend on the local market situation, but raw materials like sand, clay, bauxite, quartzite and magnesite should be available locally. Preferential access to energy sources (gas, oil) would be an added advantage.

The German firm wishes to set up production under an ACP joint venture project. Besides its equity participation, the firm can offer licencing arrangements, technical assistance, industrial training, as well as the supply and installation of second-hand machinery. Minimum capacity would be around 20 tons of finished products per day for an estimated investment in equipment of Ecu 4.8 million.

In exchange for these services, the company would wish to re-import raw materials for its plant in Germany.

CLAY PIPE PRODUCTION (FOR SEWERS)

GERMAN PROPOSAL

87/18

One of the biggest West German producers of vitrified clay pipes and fittings for use in sewers (in either the private or public sector) wishes to reinstall a second-hand plant for the production of clay pipes in ACP countries. The production capacity of the plant is about 20 000 tons per year and requires a total investment of about Ecu 20 million.

The German firm wishes to produce the pipes wherever possible. However, the raw material (plastic clay containing 20-28% Al₂O₃ and 60% SiO₂) has to be available locally in a minimum annual quantity of 20 000 tons.

The German firm is open to giving technical assistance and training in its own operational plants. Feasibility and marketing studies could be carried out by the firm's own engineering and consulting department.

PUMICE AND CONCRETE BLOCKS

GERMAN PROPOSAL

87/19

A West German manufacturer of blocks for drystone walls and of hollow building blocks, wishes to reinstall a production line for the manufacture of pumice concrete blocks. The unit has a capacity of 5 000 to 6 000 blocks per day (8 hour shift). This equals about 165 tons.

The raw materials (cement, pumice or sand, water) must be available locally.

A total investment of about Ecu 150 000 is required for the project.

Besides taking equity participation in a joint venture, the company is open to giving industrial training in its own plant in Germany and technical assistance for the installation of the unit and during subsequent production.

RAW MATERIALS FOR CERAMIC INDUSTRY: EXPLORATION, PRODUCTION, MARKETING

GERMAN PROPOSAL

87/20

A West German firm wishes to establish joint venture projects with partners from ACP countries.

The firm is experienced in feasibility studies and in consulting for the exploration, evaluation, mining, production and marketing of non-metallic raw materials for the ceramics industry.

The company has previous experience in South America, Africa and Asia. It now wishes to find partners with whom it may consider working under joint venture arrangements in ACP countries.

Besides taking an equity participation in a joint venture project, the firm can offer technical assistance and training in Germany.

CERAMIC GARDEN FIGURES AND FOUNTAINS FOR EXPORT MARKETS

GERMAN PROPOSAL

87/11

A long-established West German manufacturer of garden ceramics, decorative garden figures and living room fountains, wishes to set up a production in a Caribbean ACP country.

The production capacity should be about 50 000 garden figures and 5 000 fountains per year.

About 100 tons a year of plastic clay is required and this raw material need not necessarily be available locally.

The total investment needed to set up the project would be about Ecu 120 000.

The German firm wishes to export the products manufactured under this project to the US market and to re-import products to the EEC.

The company is open to an equity participation in a joint venture and can assist in the search for project finance.

Information required of ACP entrepreneurs when replying

ACP entrepreneurs interested in any of the above proposals are invited to write to CDI quoting the reference number. CDI will not be in a position to act upon letters received unless ACP entrepreneurs provide all the information requested below.

- Show why it would be worth-while to manufacture the products in question in your country, e.g. give market data, indicate that raw materials are available locally, etc.
- Describe your present activities plus your industrial and/or commercial experience, enclosing any available information such as your latest balance sheet.
- State how much capital you yourself could contribute.
- State the maximum portion of the equity your country legally allows to an EEC partner.
- Can you obtain finance and if so from where?
- If you need a foreign loan or supplier's credit, can you obtain a local guarantee?
- Is your project a national priority?
- Outline the incentives your country offers to foreign investors.

NEWS IN BRIEF

PORTUGUESE INTERESTED IN INDUSTRIAL COOPERATION

In April, a CDI delegation to Portugal was encouraged to note that key institutions showed considerable interest in cooperating with CDI and that Portuguese industrialists are outward-looking with a positive attitude towards cooperation with ACP entrepreneurs.

A well-attended meeting was held in Lisbon on 24 April at the headquarters of a major State holding company (IPE), where CDI was able to put across its message to a wide cross section of Portuguese industrialists.

DEVELOPMENT EXPERIENCE

The meeting was addressed by Dr. Lopes da Costa, vice-President of the institute for economic cooperation (ICE). Dr. da Costa explained that Portugal had acquired considerable experience in industrial cooperation through the relationships established with Portuguese-speaking African countries after they had achieved independence.

The Portuguese economy, he said, has created a business sector perfectly suited to supplying what these and similar countries lack. It has gained relevant experience through its own development process and its emphasis on the importation of raw materials from former overseas territories.

Dr. da Costa added that many technicians returning to Portugal, from former overseas territories, had been absorbed by organisations with operations relevant to tropical countries.

Portugal has recently been assisting the Portuguese-speaking African countries to restore their industrial bases according to their own priorities and the resources available.

Dr. da Costa encouraged Portuguese industrialists to take an interest in non-Portuguese-speaking countries, starting perhaps with countries like Zaïre and Zimbabwe where there are large Portuguese communities.

However, Dr. da Costa said that financing has been a "major obstacle" to Portuguese cooperation with ACP countries. "There will have to be a greater collective effort", he went on, "to study the question of credit facilities".

He sees the need for the setting-up of a Portuguese financial body for industrial cooperation, or for the granting of credit

lines earmarked for investment and principally for the creation of mixed enterprises. Such a facility may become available, he feels, within a couple of years.

ICE coordinates industrial projects in developing countries with the Ministry of Industry and appropriate business organisations.

INVESTMENT INSURANCE

Another speaker at the Lisbon meeting was Mr. José Troni, vice-President of the credit insurance company (COSEC). Mr. Troni explained that his organisation provides protection covering political risks, such as confiscation, nationalisation, moratoriums, changes in policies towards investment and financial transfers. When providing cover his organisation presupposes some Portuguese involvement—private or public—in an overseas investment.

Although COSEC covers financial guarantees for the export of private capital, this does not cover the transfer of know-how; and in drafting its new policies COSEC took into consideration the cover provided by the World Bank's MIGA and recent EEC studies aimed at setting up a guarantee system for investments in ACP countries.

However, Mr. Troni remarked that Portugal normally sees itself as a host country for investment rather than as an exporter of it.

CDI SPEAKERS

Mr. Fernando Matos Rosa of CDI told the meeting that projects supported by CDI should be small or medium-sized especially as they usually cater for smallish markets. This, he said, also reduces investment risks.

He encouraged Portuguese industrialists to come forward with production proposals for ACP countries which CDI can promote e.g. proposals for joint ventures, licencing, franchising, sub-contracting or other new forms of investment.

At present CDI is giving its support to project involving Portuguese companies in Cape Verde, Guinea Bissau and São Tomé and Príncipe.

Mr. Jens Mosgard, Deputy-Director of CDI remarked that Portugal's wide expe-



Dr. Lopes da Costa, vice-President of ICE (institute for economic cooperation), speaking at the Lisbon meeting.

rience of Africa could be very useful to CDI's development efforts. He added that Portugal's proximity to Africa should prompt it to use CDI's service for setting up production in non-Portuguese-speaking countries.

CDI Director, Dr. Isaac Akinrele, stated that the concept of cooperation is one of partnership and that one should get away from the idea of "giving aid".

"CDI is an experiment", he said, which looks at ways of moving from aid to joint commitment".

Dr. Akinrele said that if Portuguese firms were willing to commit themselves to long-term contractual arrangements, which could be funded from the profits of ACP projects, that they could obtain "exclusive rights" to CDI's assistance for such projects. However, firms merely willing to sell equipment or services would have to submit themselves to the tendering process.

In closing the meeting, Dr. Akinrele stressed that banks are unwilling to come forward with investment until there are credible partners. "Your know-how", he added, "can be a source of investment".

Mr. Antonio Coimbra, CDI's Joint Governing Board member for Portugal, helped to make the arrangements for the Lisbon meeting which was also attended by Mr. Diarmuid Peavoy, Mr. Sebastiao Ditutala and Mrs. Nadine Verhoeven of CDI.

The CDI delegation held high level meeting with the national development bank (BFN), and the industrial training agency (IEFP), the State holding company

CDI - PEAVOY

(IPE), the institute for economic cooperation (ICE), the export promotion agency (ICEP) and the small industries Institute (IAPMEI).

A meeting was also held with the Secretary of State for Industry (Mr. Luis Todo Bom) and the Director General for EEC relations, in the Ministry of Industry (Mr. Jorge Antas).

CDI'S FIRST SPANISH MEETING

About 80 people from Spanish industrial milieux attended CDI's introductory meeting in Madrid on 28 April.

In opening the meeting, the Secretary General of the Secretariat of State for the EEC (Mr. Luis Javier Casanova), said that the Lomé Convention opened a new field for Spanish development cooperation which had previously been oriented towards Latin America, Maghreb countries, Equatorial Guinea and a few other West African countries.

"Public institutions and the private sector should work together", said Mr. Casanova, "to provide ACP countries with the assistance they require."

Spain's commitment to ACP countries is evidenced, he said, by its contribution of Ecu 99 million a year to Lomé III funds.

Mr. Casanova added that the Lomé Convention provides potentially important new geographic areas for the operations of Spanish companies.

To participate actively in projects in these areas, Mr. Casanova said that Spanish companies would need to display "initiative, organisation, drive and entrepreneurial capacity".

Some of the ACP countries, said Mr. Casanova, are distant and their problems are new to Spanish industrialists. However, this "should not be an obstacle", he concluded, to the "entrepreneurial initiative" of Spanish industrialists whose capacity has already been proven in projects in other developing countries.

The meeting was preceded by talks with the Director General for International Technical Cooperation (Mr. Antonio de Oyarzabal) and the Director General of Economic and International Relations (Mr. Carlos Blasco). There was general agreement that the National institute for export development (INFE) would be the most appropriate body to act as CDI's coordinator in Spain. It was expected that the basis for an agreement between the two bodies would shortly be drawn up.

A number of Spanish regional bodies are also interested in working closely with CDI.

It was generally admitted that Spain

has little experience of ACP countries. The Spanish authorities therefore hope to use CDI's services to open up contacts in Africa in particular.

Talks were also held with the centre for the development of industrial technology (CDTI) and the Spanish external bank (BEE).

CDI's delegation to the Spanish meeting was led by the Director, Dr. Isaac Akinrele and included Deputy Director Jens Mosgard, joint venture promotion expert for the EEC South Mr. Fernando Matos Rosa, in addition to Sebastiao Dittala and Nadine Verhoeven.

CDI's Joint Governing Board member for Spain, Mr. Antonio Cendan, helped to make the mission to Madrid a success.

AGREEMENTS WITH TWO FINANCE INSTITUTIONS (DENMARK AND FRANCE)

On May 20 in Copenhagen an agreement was signed between CDI and Denmark's Industrialisation Fund for Developing Countries (IFU).

For jointly assisted projects, IFU will indicate its potential to contribute to the financing should the feasibility study promise satisfactory viability and profitability; and CDI will make a preliminary commitment of funds (if the relevant country budget so permits) for pre-investment studies, implementation assistance, training, sourcing of additional

funds, mediation, management support, etc.

CDI will also assist existing industries requiring financing by IFU. This could include diagnostic studies, technical assistance, in-plant training or marketing support.

Both institutions will also undertake joint actions to substantiate industrial investment proposals and to identify suitable Danish or ACP partners.

In an annex to this agreement, both institutions pledge to contribute on a 50/50 basis up to Ecu 200 000 a year for the co-financing of feasibility studies, for new ACP industrial projects eligible in principle for financing by IFU.

As heralded in issue No. 53 of "Industrial Opportunities", CDI and the French development finance corporation (PROPARCO) signed a cooperation agreement in Brussels on 6 April.

The ingredients are basically the same as those in the agreement with IFU, except that PROPARCO must limit its operations to 38 particular ACP countries.

PROPARCO will mobilize the resources of a "reimbursable study fund" (FER) for the co-financing of feasibility studies with CDI; it will also indicate, before a study is undertaken, how much it envisages contributing in equity should the study's conclusions prove positive.

Already PROPARCO are examining six projects submitted by CDI for financing; in turn, CDI has agreed in principle to consider providing technical assistance for eight projects submitted by PROPARCO.



Mr. Sven Riskaer Managing Director of IFU (left) and CDI Director, Dr. I.A. Akinrele, signing the co-operation agreement in Copenhagen.

API - COPENHAGEN

OFFERS FROM GHANAIN SPONSORS EEC INDUSTRIAL PARTNERS WANTED



TIMBER PRODUCTS: GHANA

EEC industrialists in the wood and woodworking sector are invited to contact CDI, quoting the reference number in response to any of the offers, listed below, from Ghanaian furniture and wood processing firms.

The wood and woodworking sector has traditionally been one of considerable importance in Ghana, and the timber industry's exports have for a long time been the country's second foreign exchange earner, after cocoa.

The downward trend, which characterised the country's timber exports from the late 70's to the early 80's, has been reversed since 1985.

Existing woodworking facilities have been re-established or expanded under the National Investment Bank's (NIB's) credit line from the World Bank; and the country can today boast of some fifty modern and well-equipped wood-

working factories.

Ghana is interested in diversifying and increasing its exports of timber products.

The foreign exchange requirements for such developments may to some extent be met through the export sales retention scheme allowed under Ghana's new Investment Code.

The new emphasis in timber exports is on value-added items (e.g. furniture components, finished wood products, machined or sawn wood) rather than on raw logs. Indeed Ghana has banned the export in log form of 14 commercial species of timber.

A diagnostic and planning mission conducted by CDI in Ghana in 1986, shows that the development prospects of the wood and woodworking sector are excellent.

A recent CDI survey of Ghana's industrial potential (see Issue No. 50 of Industrial Opportunities) concluded that the country's new Investment Code would contribute to a relatively favourable investment climate for foreign capital.

The survey predicted that "as excellent business opportunities do exist in Ghana, foreign private capital will once again be attracted to this country".

Organisations reprinting any of the following offers in their own publications are kindly asked ALWAYS to include the corresponding reference numbers.

WOOD COMPONENTS

GHANA

662.GHA.28.WOO

A Company which started operating in 1985 produces lumber, sliced veneer, solid wood components, furniture and block-board. It has an installed production capacity for each of these products of 4 000 m³, 3 000 m³, 1 800 m³, 459 m³ and 250 m³ respectively.

The company employs 467 persons, including 9 foreigners (in supervisory grades). The skilled members of the workforce number 230.

A joint venture partner is required who can provide technical assistance to improve quality and marketing, particularly of wood components.

TURNED WOOD PRODUCTS: PRODUCTION AND MARKETING

GHANA

662.GHA.29.WOO

A company which started operations in 1978 produces sliced veneer, rotting veneer, plywood, sawn timber and turned wood products, for which it has an installed capacity for the annual production of 1 200 000 m³, 2 000 m³, 3 000 m³ and 1 000 m³ and 200 000 units, respectively.

Its total workforce is 425, out of which 225 are skilled and 20 are engaged in wood turning.

The company seeks a joint venture partner to assist in developing its wood turning capacity and its production in general.

Marketing assistance is also desired, particularly for turned wood products related to joinery.

HOUSEHOLD FURNITURE

GHANA

662.GHA.06.WOO

A Ghanaian company established in 1981 has the installed capacity to produce 550 sets each of living room, dining room and bedroom sets a year.

It can also produce 250 wall units and 200 units of China top.

At present, it is carrying an excess capacity of about 50%.

It has a workforce of 96 persons.

The company is looking for wood processing expertise to advise on equipment and design to produce for European tastes and standards.

A marketing and joint venture partner is also required, who will open European markets to the company's products.

CHAIRS, TABLES, CABINETS, DESKS

GHANA

662.GHA.33.WOO

A company established in 1960 manufactures and exports single chairs, carver chairs, boardroom table sets, dining table sets, filing cabinets and writing desks, to the United Kingdom.

The company seeks technical expertise to improve production, quality and design, with an eye to the European market.

Marketing assistance is also required; and equity participation by an EEC partner would be welcomed.

OPERATIONAL SUMMARY

No. 40 – July 1987

(position as at 15 June 1987)



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), Lomé II (31 October 1979) and Lomé III (8 December 1984), 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 ALA 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 beneficiary 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

Correspondence 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

Please cover only one subject at a time.

DESCRIPTION SECTOR CODE

A1	Planning and public administration	A5B	Industrial development banks
A1A	Administrative buildings	A5C	Tourism, hotels and other tourist facilities
A1B	Economic planning and policy	A5D	Export promotion
A1C	Assistance to the normal operations of government not falling under a different category	A5E	Trade, commerce and distribution
A1D	Police and fire protection	A5F	Co-operatives (except agriculture and housing)
A1E	Collection and publication of statistics of all kinds, information and documentation	A5G	Publishing, journalism, cinema, photography
A1F	Economic surveys, pre-investment studies	A5H	Other insurance and banking
A1G	Cartography, mapping, aerial photography	A5I	Archaeological conservation, game reserves
A1H	Demography and manpower studies		
A2	Development of public utilities	A6	Education
A2A	Power production and distribution	A6A	Primary and secondary education
A2Ai	Electricity	A6B	University and higher technical institutes
A2B	Water supply	A6Bi	Medical
A2C	Communications	A6C	Teacher training
A2D	Transport and navigation	A6Ci	Agricultural training
A2E	Meteorology	A6D	Vocational and technical training
A2F	Peaceful uses of atomic energy (non-power)	A6E	Educational administration
		A6F	Pure or general research
A3	Agriculture, fishing and forestry	A6G	Scientific documentation
A3A	Agricultural production	A6H	Research in the field of education or training
A3B	Service to agriculture	A6I	Subsidiary services
A3C	Forestry	A6J	Colloquia, seminars, lectures, etc.
A3D	Fishing and hunting		
A3E	Conservation and extension	A7	Health
A3F	Agricultural storage	A7A	Hospitals and clinics
A3G	Agricultural construction	A7B	Maternal and child care
A3H	Home economics and nutrition	A7C	Family planning and population-related research
A3I	Land and soil surveys	A7D	Other medical and dental services
		A7E	Public health administration
A4	Industry, mining and construction	A7F	Medical insurance programmes
A4A	Extractive industries	A8	Social infrastructure and social welfare
A4Ai	Petroleum and natural gas	A8A	Housing, urban and rural
A4B	Manufacturing	A8B	Community development and facilities
A4C	Engineering and construction	A8C	Environmental sanitation
A4D	Cottage industry and handicraft	A8D	Labour
A4E	Productivity, including management, automation, accountancy, business, finance and investment	A8E	Social welfare, social security and other social schemes
A4F	Non-agricultural storage and warehousing	A8F	Environmental protection
A4G	Research in industrial technology	A8G	Flood control
		A8H	Land settlement
A5	Trade, banking, tourism and other services	A8I	Cultural activities
A5A	Agricultural development banks	A9	Multisector
		A9A	River development
		A9B	Regional development projects
		A10	Unspecified



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To obtain any information concerning PABLI please write, specifying the option chosen (terminal or telex) to:

Mr A. BOLDRIN
 "Data base Section" – B9/69
 Directorate-General for Development
 Commission of the European Communities
 200, rue de la Loi
 1049 Brussels
 Belgium

ACP STATES

New projects are printed in italics and offset by a bar in margin at left

Projects under way are marked with an asterisk and with words or phrases in italics

ANGOLA

Rural Water supply. Resp. Auth.: Ministère de l'Industrie et des Ressources Naturelles. HYDROMINA. Parallel cofinancing with UNICEF. EEC contribution 2.250 mECU. Study, T.A. and supply of hand-pumps, tubes, drilling equipment, vehicles. Project in execution.
ALA ANG 8425 A2b

ANTIGUA AND BARBUDA

Livestock development - Phase I. Resp. Auth.: Ministry of Agriculture. 1.9 mECU. Works, supplies, T.A. T.A.: Short-list done. Project in execution. 4th and 5th EDF.
EDF AB 5003-4003 A3a

BAHAMAS

Rural economic infrastructure (Family Islands Energy). Resp. Auth.: Bahamas Electricity Corporation. Estimated cost 2.4 mECU. Works, installation, supply of generators, cables, renewable energy systems. Project on appraisal. 6th EDF.
EDF BM 6001 A2a

BELIZE

Belize City Hospital. Phase I. Estimated cost 7.494 mECU. Work constructions and supply of equipment. 4th and 5th EDF. Project stage: identification.
EDF BEL 4007-5002 A7a

Hummingbird Highway. Estimated cost 5.6 mECU. Road reconstruction. Study to be done: design plan and bridge and int. tender dossier. Short-list already drawn up. Project stage: identification. 6th EDF.
EDF BEL 6001 A2d

Community Development Programme. Resp. Auth.: Ministry for Social Services. 0.150 mECU. Project preparation study. Short-list done. 6th EDF.
EDF BEL 6002 A8b

BENIN

Upgrading of health service infrastructure in Porto Novo Hospital. Resp. Auth.: Ministère de la Santé Publique. Estimated cost 9 mECU: renovation and construction of the hospital building and equipment. Project on appraisal. 5th EDF.
EDF BEN 5010 A7a

Road maintenance programme (phase II). Resp. Auth.: Ministère Equipements et Travaux Publics. EDF part 23 mECU. Resurfacing of the roads Malanville-Parakou and Comé-Lokosa-Dogbo. Works and supply of T.A. Project on appraisal. 6th EDF.
EDF BEN 6002 A2d

BOTSWANA

Initial measures for the conservation of the Kalahari ecosystem. T.A. and supply of equipment. Monitoring and protection of the natural reserves. 2 mECU. Project in execution. 6th EDF.
EDF BT 6001 A8f

Kasane airport. Resp. Auth.: Ministry of Works and Communications. Estimated total cost 6.6 mECU. EDF 4.5 mECU, Italy 1.6 mECU, local 0.5 mECU. Construction of 2 000 m runway, bush clearance of 170 ha, buildings, two main apron stands, air traffic control equipment, telecommunication network, crash fire and rescue equipment, car park. Works supervision. Project on appraisal. 6th EDF.
EDF BT 6002 A2d

Support programme for dry land agriculture. Resp. Auth.: Ministry of Agriculture and Ministry of Lands. 3.5 mECU. Masterplan for Pandamatenga, soil laboratory, Pandamatenga Research Farm, price study. Works, supply of laboratory equipment, agricultural machinery, studies and T.A. Studies: Pandamatenga masterplan. Price study: short-lists not yet drawn up. Project on appraisal. 6th EDF. *Date foreseen for financing July 87.*
EDF BT 6005 A3a

Manpower development for sustainable resource utilisation. Resp. Auth.: Ministry of Finance and University of Botswana. Estimated cost 4.5 mECU. T.A. and training for basic science, ground water exploration and management, environmental resource and sustainable agriculture. Project on appraisal. 4th and 6th EDF.
EDF BT 6003 A6

BURKINA FASO

Ouagadougou-Kaya railway. Resp. Auth.: Ministère Promotion Economique. 5.5 mECU. Supply of rails, equipment and ballast. Int. tender (conditional) foreseen in the 2nd quarter 87. Project on appraisal. 5th EDF.
EDF BK 5019 A2d

Rural water supply. Comoé, 3rd phase. Resp. Auth.: Ministère des Ressources Financières. Estimated cost 3.1 mECU. 210 bore-holes and rehabilitation of 30 water-points. Supply of handpumps and equipment. Project on appraisal. 4th EDF.
EDF BK 4023 A2b

BURUNDI

Extension of "Institut Pédagogique" (IUSE). Resp. Auth.: Ministère de l'Éducation Nationale ± 1 mECU. Construction and equipping of educational buildings (general teaching classes, laboratories, workshops). Int. tender dossier: TETRA Consultants (Lux). Int. tender (conditional) *launched in April 87.* Project on appraisal. 4th EDF.
EDF BU 4124 A6b

Social-economic development of the Kirundo Province. Resp. Auth.: Ministère de l'Agriculture et de l'Élevage. 15.5 mECU. Works: spring wells catchment, well boring, buildings, feeder road. Supply of agricultural inputs, equipment, vehicles, T.A. and training. Works by acc. tender, supplies by int. tender or direct agreement. T.A. and training by restr. tender. Short-list done. Project in execution. 5th EDF.
EDF BU 5005 A3a

Support to "Département des Eaux et Forêts". Resp. Auth.: Département des Eaux et Forêts. Estimated cost 3.350 mECU. Reforestation works, supply of equipment, T.A. and training. Project in execution. 5th EDF.
EDF BU 5020 A3c

Roads and bridges in Bujumbura. Estimated cost 8 or 9 mECU. Road and bridge construction. Supervision of works. Study of the execution and preparation of the int. tender dossier for roads: short-list not yet done. Project stage: identification. 5th EDF.
EDF BU 5023 A2d

Rural development in the Mosso Buyogoma. Resp. Auth.: Ministère de l'Agriculture et de l'Élevage and Département des Eaux et Forêts. Estimated cost 40 mECU. Improvement of the feeder roads and secondary roads, rural hydraulics, rural stock-farming and reforestation development. Support to cooperatives. Feasibility study for secondary roads and hydraulics: short-list not yet done. Project stage identification. 6th EDF.
EDF BU 6001 A3a

Rehabilitation of the R.N. 1-Bujumbura-Rwanda border. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 22 mECU. Rehabilitation works plus the town section up the port of Bujumbura. Study to be done: technical study for the execution and int. tender dossier preparation. Short-list not yet drawn up. Project on appraisal. 6th EDF.
EDF BU-REG 6305 A2d

CENTRAL AFRICAN REPUBLIC

National Livestock Programme. Supply of agricultural inputs, monitoring training, T.A. Feeder roads. EDF part estimated 10 mECU. Cofinancing with France, EIB, local, IFAD. Project on appraisal. Date foreseen for financing June 87. 6th EDF.
EDF CA 6001 A3a

Conservation programme for the ecosystem in the North. National game and natural reserves. Supervision for protected areas. Monitoring, management. Supply of infrastructures. EDF 25 mECU. Project on appraisal. Date foreseen for financing June 87. 6th EDF.
EDF CA 6002 A3a

Development programme of the Central and Southern region. Resp. Auth.:

Ministère du Dév. Rural. Estimated cost 25 mECU. To strengthen coffee plantations in the villages and the infrastructure, diversifications in ex-cotton zones; rural health and human hydraulics, T.A., studies, following and evaluation. Studies to be done: hydro-geological study and health expertise; studies to reconvert cotton zones and on producers cooperatives; if necessary, expertise on agriculture and reforestation. Short-lists not yet drawn up. Project stage: identification. 6th EDF.
EDF CA 6005 A3a

CAMEROON

Rural development programme in the Bénoué basin. Resp. Auth.: Mission d'études pour l'aménagement de la vallée supérieure de la Bénoué (MEAVSB). Total estimated cost 30 mECU, EDF part 25 mECU. Roads network, schools, health centres, rural water supply. Support to crop production and fishery. Irrigated agricultural areas, fight against soil and surface vegetation degradation. Works, supplies, T.A. and training. Study to be done: sectoral studies to implement different sectors of the programme. Short-list not yet drawn up. Project on appraisal. 6th EDF.
EDF CM 6002 A3a

CHAD

Priority actions programme in the educational field. Resp. Auth.: Ministère du Plan et de la Reconstruction. Estimated cost 5.2 mECU. Works, supplies, scholarships and T.A. T.A.: ADITEC (Lux). Project in execution. 5th EDF.
EDF CD 5003 A6a

Agricultural programme in the Sudan zone. Estimated cost 5.5 mECU. Various actions for: organising the peasantry, stocking and marketing, utilisation of improved seeds and production techniques. T.A.: AGRER (B). Project on appraisal. Date foreseen for financing decision 2nd half 87. 5th EDF.
EDF CD 5010 A3b

Strengthening of Road maintenance brigades. Resp. Auth.: Ministère de Travaux Publics, de l'Habitat et de l'Urbanisme. 19.5 mECU. For Sarh-N'Djamena: supply of road equipment, logistics and T.A. For Sarh-Lere: works by int. tender and supply of T.A., training and supervision of works.
★ **Project in execution.** 6th EDF.
EDF CD 6001 A2d

Rural development priority programme in the concentration zone. Resp. Auth.: Office National de Dév. Rural (ONDR). 15 mECU. Hydro-agricultural works, infrastructure, education, health. Works, supplies and T.A. Project on appraisal. Date foreseen for financing May 87. 6th EDF.
EDF CD 6002 A3e

Support programme to strengthen primary education. Resp. Auth.: Ministère de l'Education Nationale. 1.275 mECU. Supply of teaching equipment and training and integration scholarships. **Project in execution.** 5th EDF.
EDF CD 5022 A6a

Strengthening of the health sector in the Sahelian prefectures. Resp. Auth.: Ministère de la Santé Publique. Estimated cost 12 mECU. Supply of essential medicines, training programme and T.A. Date financing June 87. 6th EDF.
EDF CD 6003 A7e

COMOROS

Artisanal fishery. Resp. Auth.: Ministère de la Production et des Industries Agricoles et de l'Artisanat. 1.092 mECU. Supply of equipment, boats, engines, T.A. and training. Project on appraisal. Date foreseen for financing June 87. 5th EDF.
EDF COM 5017 A3d

Moroni port. Resp. Auth.: Ministère du Plan et de l'Equipeement. Total estimated cost 14 mECU. EDF 8 mECU, France 6 mECU. EDF part: maritime civil engineering. Construction of a jetty, a pier and a quay and dredging. Int. tender (conditional) foreseen in August 87. Project on appraisal. 6th EDF.
EDF COM 6001 A2d

COTE D'IVOIRE

Rural development of the central region. Resp. Auth.: Ministère de l'Agriculture. 10.5 mECU. Development of irrigated rice-growing. Works, supplies and T.A. Project in execution. 5th EDF.
EDF IVC 5021 A3a

Rural oil palm plantations for the 2nd palm plan. Resp. Auth.: Ministère de l'Agriculture. Rural. EDF 20.850 mECU. 22,945 ha in rural areas. Project in execution. 6th EDF.
EDF IVC 6001 A3a

DJIBOUTI

Ranch construction. Resp. Auth.: Ministère de l'Agriculture. Studies and Works. Works by int. tender. 1.030 mECU. Int. tender dossier prepared by Dubois (ACP). Project in execution. 5th EDF.
EDF DI 5005 A3a

Rural development programme. Resp. Auth.: Ministère de l'Agriculture. EDF part estimated at 4.9 mECU. Improvement of the rural development, farm and livestock monitoring, rural hydraulics, palm-tree plantations, pump-station maintenance. Studies to be done: evaluation of the rural development programme; study on possibilities to improve rural development. Short-lists, not yet drawn up. Project stage: identification. 6th EDF.
EDF DI 6001 A3a

Urban development programme. Resp. Auth.: Ministère des Travaux Publics, de l'Urbanisme et du Logement et Ministère de l'Intérieur. EDF part estimated at 4.2 mECU. Rehabilitation, construction of waste water controlled network, works and supplies, road assessments to improve rain waters.

Studies for rehabilitation and to prepare int. tender dossiers (drainage, roads, drinking water, fire protection): short-lists not yet drawn up. Project stage: identification. 6th EDF.
EDF DI 6002 A2d

EQUATORIAL GUINEA

Rural interventions. Project stage: identification. 5th EDF.
EDF EG A3a

Rural development in the Bata district. Resp. Auth.: Ministère de l'Agriculture, de l'Elevage et du Dév. Rural, Ministère de la Santé. 1.350 mECU. T.A.: B.D.P.A. (F). 5th EDF. Project in execution.
EDF EG 5004 A3a

Malabo electrification (Phase II). 2.7 mECU. Purchase of generator sets, repairing of the power station and town mains extension. 2 int. tender launched in June 85. Project on appraisal. Supervision of works: S.G.I. (Lux). Date foreseen for financing decision 2nd half 87. 5th EDF.
EDF EG 5003 A2ai

Assistance to the road maintenance service in Rio Muni. 2nd phase. Resp. Auth.: Ministère des Travaux Publics. 1.1 mECU. T.A., training and purchase of road equipment. Project in execution. 5th EDF.
EDF EG 5009 A2d

ETHIOPIA

Rural Water Supply. Resp. Auth.: Ethiopian Water Works Construction Authority. 1.9 mECU. Supply of equipment. T.A.: J. Taylor and Son (UK) and GITEC (D). Project in execution. 5th EDF.
EDF ET 5016 A2b

North Shewa rural reclamation and development programme. Resp. Auth.: Ministry of Agriculture. Estimated total cost 28.5 mECU. EDF 24 mECU, local 4.5 mECU. Soil and water conservation, reforestation, rural infrastructure development and feeder roads. Works, supply of equipment, vehicles, T.A. and line of credit. Project on appraisal. Date foreseen for financing July 87. 6th EDF.
EDF ET 6001 A3a

GABON

Continuation of the Fernan Vaz project (II). EDF ±6 mECU. Improvement and diversification of agricultural production, social action and feeder road construction. Project on appraisal. Date foreseen for financing June 87. 6th EDF.
EDF GA 6001 A3a

Bokué reforestation — Phase II. 6 mECU. Continuation of the existing project and agroforestry experimentation. Supply of equipment and T.A. Project in execution.
★ **Int. tender for equipment launched in April 87.** 6th EDF.
EDF GA 6002 A3e

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, 2nd half 87. Project in execution. 4th EDF.
EDF GM 4005 A6b

Second highway maintenance project. Resp. Auth.: Ministry of Works and Communications. EDF part 1.2 mECU. Supply of road construction-maintenance equipment. Bulldozer, motor grader, truck, water tanker. Project on appraisal. Date of financing May 87. 6th EDF.
EDF GM 6001 A2d

GHANA

Takoradi harbour rehabilitation. Resp. Auth.: Ghana Ports Authority. EDF 6.9 mECU. Works and supply of equipment. Tender for works in execution. Project in execution. 5th EDF.
EDF GH 5028 A2d

Programme for the improvement of the transport infrastructure in the South-Western part. First actions. 21 mECU. Rehabilitation of the Axim-Axim junction road, construction of a road link (including bridge) to Enchi and studies. Feasibility and design study for Wiawso-Awaso-Mim corridor, short-list drawn up. *Project in execution.* 6th EDF.
EDF GH 6001 A2d

Support to Ghana Regional Appropriate Technology Industrial Service (GRATIS). Resp. Auth.: Ministry of Industries, Science and Technology. EDF part estimated at 1.200 mECU. Supply of equipments, vehicles, T.A. and training. Date financing May 87. 6th EDF.
EDF GH 6004 A4g

Rehabilitation of Dawhenya smallholder rice irrigation scheme. Estimated total cost 2.5 mECU EDF part 2 mECU, local 0.5 mECU. Rehabilitation works over 244 ha. Provision of agricultural equipment and other inputs. Project stage: identification. 6th EDF.
EDF GH 6005 A3a

Accra Plains Livestock Development Project (APLDP). Estimated total cost 4 mECU. EDF part 3 mECU, local 1 mECU. Provision of veterinary and animal husbandry extension services, including construction of cattle treatment centres, water points and other inputs. Project stage: identification. 6th EDF.
EDF GH 6006 A3a

Transport infrastructure programme. Phase II. Resp. Auth.: Ghana Highway Authority. Estimated cost 5.140 mECU. Rehabilitation of drainage structures and minor bridges of first priority on trunk and feeder roads. T.A. and supervision of works. Technical study: short-list not yet drawn up. *Project on appraisal. 5th EDF. Date foreseen for financing July 87.*
EDF GH 5030 A2d

Twifo oil palm development. Maintenance aid 1988-1991. Resp. Auth.: Ministry of Finance and Economic Planning (M.F.E.P.). Total estimated cost 12.6 mECU. EDF 5 mECU, local 7.6 mECU. Works, supply of equipment and T.A. Study to be done: financial reappraisal of the Twifo oil palm plantation. Short-list not yet drawn up. *Project on appraisal. 6th EDF.*
EDF GH 6007 A3a

GRENADA

Eastern Main Road. Phase III. Resp. Auth.: Ministry of Communications and Works. EDF 3.5 mECU. Strengthening the road base by coal mix surface course and improving drainage structures. Works by direct labour. Supply of equipment by int. tender. Project in execution. 6th EDF.
EDF GRD 6001 A2d

GUINEA

Semi-industrial fishery project "SO-GUIPECHE". Resp. Auth.: Ministère du Plan et de la Coopération Internationale. Secrétariat d'Etat à la Pêche. 8.555 mECU. Rehabilitation and renovation of the existing plant and buildings. Supply of specialised equipment. Int. tender for works and supplies launched in September 86. Date financing decision April 87. 5th EDF.
EDF GUI 5031 A3d

Rural development programme in Upper-Guinea. Resp. Auth.: Coordination team composed by representation from: Ministère du Plan et de la Coopération Internationale, Ministère des Finances, Secrétariat d'Etat à la Décentralisation, Ministère du Dév. Rural, 30 mECU. To modernise agricultural systems and to improve the way of living. Development of the crop production, infrastructure (roads, social, rural hydraulics), micro-projects, lines of credit, T.A. and training. Project on appraisal. Date foreseen for financing June 87. 6th EDF.
EDF GUI 6002 A3a

Rural development programme in Maritime-Guinea. Resp. Auth.: Coordination team (see EDF GUI 6002). 40 mECU. Crop production and fishery, road network, social infrastructure, rural hydraulics, micro-projects, lines of credit, research actions, vulgarisation, T.A. and training. Project on appraisal. Date foreseen for financing June 87. 6th EDF.
FED GUI 6001 A3a

GUINEA BISSAU

T.A. for trade reform measures. 3 mECU. Short-list done for restr. tender. Project in execution. 6th EDF.
EDF GUB 6001 A4e

Minor bridges. Resp. Auth.: Ministère de l'Équipement Social. Estimated total cost 3.7 mECU. Construction of 4 bridges to open four agricultural regions. Works and supervision. Project on appraisal. 5th EDF.
EDF GUB 5011 A2d

Rural development programme. Estimated cost 23.5 mECU. Improvement of the food and fishery production, line of credit, micro-projects, T.A. and training. Project on appraisal. 6th EDF.
EDF GUB 6002 A3a

JAMAICA

Rural road and bridge reconstruction. Resp. Auth.: Ministry of Construction. Estimated cost 7.3 mECU. Rural roads and bridges damaged during heavy flooding during May-June 86. Project in execution. 6th EDF.
EDF JM 6001 A2d

KENYA

Rehabilitation of Kigano-Namyuki Road. Resp. Auth.: Minister of Transport and Communication. 14 mECU. Works and supervision. Int. tender for work (conditional) launched in March 87. Project on appraisal. Date foreseen for financing June 87. 5th EDF.
EDF KE 5027 A2d

Minor roads rehabilitation and maintenance programme. Estimated cost 5 mECU. Works by direct labour. Project stage: identification. 6th EDF.
EDF KE 6002 A2d

Agricultural research programme. Estimated cost ±15 mECU. Soil and water management research. Soil fertility and plant nutrition. Civil works and libraries. *Project on appraisal. Date foreseen for financing July 87.* 6th EDF.
EDF KE 6003 A3e

Development of commerce and industry. Estimated cost 5 mECU. Export promotion and marketing, trade development promotion and support to informal sector and small scale industries. Studies, short-lists not yet drawn up. Project stage: identification. 6th EDF.
EDF KE 6004 A5de

LESOTHO

"Highlands Water Scheme" Project. Resp. Auth.: Ministry of Water, Energy and Mining. Estimated EDF contribution 9.5 mECU. Final planning study on hydraulics and T.A. to the Lesotho Highlands Development Authority. Two short-lists already drawn-up. Project in execution. 6th EDF.
EDF LSO 6001 A2b

Mphaki area development. Phase II. Resp. Auth.: Ministry of Agriculture. 3.7 mECU. Feeder roads, livestock, veterinary and marketing installations, supplies and T.A. Project in execution. 6th EDF.
EDF LSO 6002 A3a

Asparagus expansion programme. Resp. Auth.: Ministry of Trade and Industry. ±4.7 mECU. The project aims to increase within 10 years smallholders asparagus growing areas from present 80 to 670 ha. Works: wells, tracks, houses and other infrastructures. Supplies: vehicles, tractors and farm equipments, T.A. and training.

Project on appraisal. Date foreseen for financing June 87. 6th EDF.
EDF LSO 6003 A3a

LIBERIA

Monrovia Port. Resp. Auth.: National Port Authority. 1.9 mECU. Management assistance. Project in execution. 5th EDF.
EDF LBR 5019 A2d

Rural health training centre. Estimated cost 2 mECU. Provision of services, supplies and equipment (including drugs), T.A. for management and training. Project on appraisal. Date foreseen for financing decision 1st half 87. 5th EDF.
EDF LBR 5020 A7a

MADAGASCAR

Microhydraulic programme in the village sector: consolidation and extension. Programme to improve the management of water in the village sector on 21 000 ha of small enclosed irrigated rice fields. Works by direct labour. Acquisition of equipment and supplies by int. tender and tech. assistance by restr. tender. 8.35 mECU. T.A. Short-list done. Project in execution. 6th EDF.
EDF MAG 6001 A2b

Soyalala iron: prefeasibility study. Resp. Auth.: Ministère de l'Industrie. Estimated total cost 6.1 mECU. EDF 1.9 mECU, Italy 4 mECU, local 0.2 mECU. EDF part: soil prospection by acc. tender and supply of vehicles. Project on appraisal. Date foreseen for financing June 87. 5th EDF.
★ EDF MAG 5032 A4a

Support to the social integration of youth in Antananarivo. Resp. Auth.: Ministère de la Fonction Publique, du Travail et des Lois Sociales and Ministère de l'Intérieur. 0.5 mECU. Construction, buildings, storage, purchase centres and schools. Supply of equipments. Works by acc. tenders, supplies by direct agreement. Date financing May 87. 5th EDF.
★ EDF MAG 5033 A8e

Water supply in the South (phase III). Improvement of water supply conditions for population and livestock. Estimated total cost 5.8 mECU. EDF part 5.1 mECU, local 0.700 mECU. Wells, boreholes, supply of specialised equipment, T.A. and evaluation. Project on appraisal. 6th EDF.
EDF MAG 6003 A2b

MALAWI

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. Date foreseen for financing decision 2nd half 87. 5th EDF.
★ EDF MAI 5019 A3a

Strategic fuel reserve. Resp. Auth.: Office of the President and Cabinet. Contingency Planning Unit. 4.2 mECU. Construction of tanks for diesel, petrol, ethanol. Associated

infrastructure and equipment. T.A. Project on appraisal. 5th EDF.
EDF MAI 5020 A2a

Small Enterprise Development Organization of Malawi (SEDOM) — Phase II. Resp. Auth.: Sedom secretariat. EDF 4.8 mECU. Works by direct labour. Supply of vehicles and equipment by int. tender in 87. T.A.: GITEC (D). Project in execution. 5th EDF.
EDF MAI 5021 A4e

Smallholder coffee project. Phase II. Resp. Auth.: Ministry of Finance/Smallholder Coffee Authority (S.C.A.). Total cost 9.59 mECU. EDF 4.62 mECU, local 4.97 mECU. T.A. by restr. tender, supplies by int. tender and civil works by loc. tender. T.A.: Short-list done. Project in execution. 6th EDF.
EDF MAI 6003 A3a

Smallholder agricultural input support programme. Resp. Auth.: Ministry of Agriculture. Estimated cost 28 mECU. Establishment of fertiliser buffer stock of 70 000 tons, building of 3 warehouses + auxiliary facilities, T.A. Project on appraisal. 6th EDF. *Date foreseen for financing July 87.*
★ EDF MAI 6005 A3a

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, equipment, training. Architectural and technical studies and T.A.: Dominic Michaelis Associates (UK). 4th EDF.
EDF MLI 4016 A7a

Support to establish businesses and to employ young graduates. EDF 2.8 mECU. Supply of T.A. training and line of credit. Project in execution. 5th EDF.
EDF MLI 5021 A4e

Pharmaceutical sector restructuring. 0.880 mECU. Supply of equipment. Project in execution. 5th EDF.
EDF MLI 5022 A7a

Support programme to the food strategy. Estimated cost 27 mECU. Project on appraisal. Date foreseen for financing June 87. 6th EDF.
EDF MLI 6001 A3a

Strengthening of the health infrastructure in the district of Bamako. Resp. Auth.: Ministère de la Santé Publique. 1.3 mECU. Extension of 2 health centres and construction of a new Blood Transfusion Centre. Supply of equipment by int. tender. Works by acc. tender. Project on appraisal. Date foreseen for financing July 87. 5th EDF.
★ EDF MLI 5026 A7a

MAURITANIA

Aioun El Atrouss hospital. Resp. Auth.: Ministère de l'Équipement. 1.050 mECU. Renovation and supply of equipment for 3 buildings. Works by acc. tender. Supplies by

int. tender. Project on appraisal. 5th EDF.
EDF MAU 5012 A7a

"Centre de Formation Professionnelle Maritime de Nouadhibou (C.F.P.M.). Resp. Auth.: Ministère de l'Équipement. 2.5 mECU. Construction, supply of equipment, T.A. Project in execution. 5th EDF.
EDF MAU 5014 A6d

MAURITIUS

Development of Ile Rodrigues. Resp. Auth.: Ministry of Agriculture. 3 mECU. Development centred on agricultural production. Economic and technical study under way. T.A.: Luxconsult (Lux.). 5th EDF.
★ EDF MAS 5001 A3a

Programme to diversify productive sectors to improve, employment prospects (1st part: industry). Estimated cost 10 mECU. Actions to strengthen export and industry promotion institutions, actions to incite development of small enterprises. Project stage: identification. 6th EDF.
★ EDF MAS 6002 A5e

MOZAMBIQUE

Nacala Railway Rehabilitation. Resp. Auth.: Government of Mozambique. EDF part 25 mECU. Cofinancing with France, Portugal, Italy, Canada and Finland. 4 Int. tenders launched in February 87. Project in execution. 6th EDF.
EDF MOZ 6001 A2d

Rehabilitation of the Port of Beira. Reconstruction of parts of berths 2 to 5. National and regional project with Zimbabwe, Malawi and Zambia. Estimated total cost 40 mECU. Resp. Auth.: Beira Corridor Authority. Reconstruction of about 390 m of quay including the construction of the associated container-multi purpose terminal area. Int. tender (conditional) launched in December 86. Project on appraisal. Date foreseen for financing June 87. 6th EDF.
MOZ 6003. REG 6401 A2d

Import support programme for rural development. Resp. Auth.: Ministry of Commerce. 40 mECU. Direct support to the agricultural production and consumer foods production, development of the rural marketing and infrastructure. Importation of seeds, fertilisers, pesticides, raw materials for light industry: textiles, food, tobacco, shoes, soap. Purchase of vehicles and trucks, cranes, loading platforms (containers), importation of raw materials for manufacture of tyres, building materials. T.A. and valuation. Supplies by int. tender. Project on appraisal. Date foreseen for financing July 87. 6th EDF.
★ EDF MOZ 6008 A1c

NIGER

Rice-growing in the river valley. Resp. Auth.: Ministère de l'Agriculture. Cultivation of 1 800 ha, electrification, feeder roads, T.A. for management. Project preparation study: short-list already drawn up. Project on appraisal. 6th EDF.
EDR NIR 6001 A3a

- Small irrigation programme.** Resp. Auth.: Ministère de l'Agriculture. 21.560 mECU. Rehabilitation of the Tarka down valley, irrigation, boreholes and wells. Feeder roads, environmental protection, T.A. ★ **Works and supplies.** Studies: short-lists *already* drawn up. **Project in execution.** 6th EDF. EDF NIR 6002 A3a
- Road maintenance on R.N. 1.** Resp. Auth.: Ministère des Travaux Publics. 15 mECU. Maintenance works for 160 km ★ and supervision. **Project in execution.** 6th EDF. EDF NIR 6003 A2d
- Zinder-Agadez road. Rehabilitation works for Takieta-Nigeria border.** Resp. Auth.: Ministère des T.P. Estimated cost ★ **3.68 mECU.** Supplementary financing. Works: int. tender after prequalification. Prequalification done. Project on appraisal. Date foreseen for financing July 87. 5th EDF. ★ EDF NIR-REG 5026 A2d
- NIGERIA**
- Kaduna afforestation project.** Resp. Auth.: Federal Department of Forestry. 9.4 mECU. Works, supplies and T.A. Project in execution. T.A.: Hedeselkabet (DK). 5th EDF. EDF UNI 5001 A3c
- Abakaliki Zinc Feasibility Study.** Resp. Auth.: NMC (Nigerian Mining Corporation). 1.220 mECU. T.A. by restr. tender after short-list. Supply of equipment by int. tender. Project in execution. 5th EDF. EDF UNI 5007 A2b
- PAPUA NEW GUINEA**
- Magi highway.** Resp. Auth.: Department of Transport. 3.5 mECU. Upgrading and sealing of a road section. Works: int. tender foreseen 2nd half '87. 5th EDF. EDF PNG 5006 A2d
- Diesel Power Replacement Programme.** Resp. Auth.: Electricity Commission (ELCOM). Estimated cost 4.850 mECU. 4 small hydroelectric power plants with transmission line extensions from existing grids. 1st int. tender (conditional) launched in October 85. Project in execution. 5th EDF. EDF PNG 5011a A2a
- RWANDA**
- Development of the small-scale tin industry.** Resp. Auth.: Ministère de l'Industrie, des Mines et de l'Artisanat. 2.840 mECU. Sysmin. Works, supplies, training and T.A. T.A.: Short-list done. Project in execution. 5th EDF. EDF RW 5016 A4a
- ST. LUCIA**
- Roseau agricultural resettlement and diversification project. Phase II.** 1.4 mECU. Works, supply of equipment and T.A. Project in execution. 6th EDF. EDF SLU 6001 A3a ★
- ST. VINCENT AND THE GRENADINES**
- Kingstown Hospital redevelopment (phase II).** 1.8 mECU. Works and supplies. ★ Date financing May 87. 6th EDF. EDF SVG 6002 A7a
- SAO TOMÉ & PRINCIPE**
- Riberia Peixe rural development.** Resp. auth.: Ministère de la Coopération. Development of agricultural output (palm oil) and industrial exploitation. Estimated total cost: 6.79 mECU as follows: EDF 4.00 mECU, EIB 2.00 mECU and local 0.791 mECU. T.A., works, training and supplies. T.A.: Short-list done. Project in execution. 6th EDF. EDF STP 6001 A3a
- Strengthening of the electricity production capability.** Supply and installation and works for electricity production of ±2 000 KVA. Estimated cost 0.950 mECU. Project on appraisal. Date foreseen for financing June 87. 6th EDF. EDF STP 6002 A2ai
- SENEGAL**
- New energy research and testing in rural regions.** Resp. Auth.: Secrétariat 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: AGIP-AFOR (I). Equipment: int. tender in 87. Project on appraisal. 5th EDF. EDF SE 5005 A2a
- Consolidation of the livestock development programme.** Resp. Auth.: SODESP. Estimated cost 1.6 mECU. Study under way by Bessel Ass. (UK). Project on appraisal. 5th EDF. EDF SE A3a
- Artisanal fishery development in the Casamance Region.** Resp. Auth.: Secrétariat d'Etat à la Pêche Maritime. EDF 1.6 mECU. Works, supplies and training. Project in execution. 5th EDF. EDF SE 5024 A3a
- Support programme to the development of the Podor region.** Estimated cost 90 mECU. Rural hydraulics, support to promote S.M.E., micro-irrigation, road and urban infrastructures, telecommunications, electrification, health, training, promotion of women, fight against desertification. Project on appraisal. Date foreseen for financing ★ **June 87.** 6th EDF. EDF SE 6002 A3a
- SIERRA LEONE**
- Rehabilitation of the Telecommunications Network.** Resp. Auth.: Post and Telecommunications Dept. Estimated cost ±1.4 mECU. Study to prepare technical specifications and int. tender dossier: British Telconsult (UK). 2 int. tenders (conditional) launched in January 87. Date financing May 87. 5th EDF. EDF SL 5024 A2c
- Port Loko rural development programme.** 6 mECU. Infrastructures, T.A., training and supplies. T.A.: Short-list done for restr. tender. Project in execution. 5th EDF. EDF SL 5006 A3a
- Creation of regional centres for small enterprises.** Estimated cost 1.25 mECU. Project stage: identification. 5th EDF. EDF SL 5017 A4d
- Rural health development programme.** Estimated cost 1.5 mECU. Buildings, equipment and training. Works by acc. tender already launched. Project in execution. 5th EDF. EDF SL 5025 A7a
- Tourism development project.** Estimated cost 0.850 mECU. T.A. for Ministry of Tourism and supply of equipment. Project stage: identification. 5th EDF. EDF SL 5026 A5c
- Bennimix baby food production programme.** Estimated total cost 3.6 mECU. EDF 2.8 mECU. Improvement of the nutrition and health status of children by producing from local raw materials low cost, high quality weaning food, which can be afforded by the low-income groups. Project stage: identification. 5th EDF. EDF SL 5028 A7a
- Construction of the road Fadugu-Kabala.** Resp. Auth.: Ministry of Public Works. Estimated cost 12 mECU. Bituminised road, 40 km. Project stage: identification. 6th EDF. EDF SL 6001 A2d
- SOLOMON ISLANDS**
- Coconut industry development project.** Resp. Auth.: Ministry of Land and Natural Resources. Study under way by Agrar und Hydrotechnik (D). Project stage: identification. 5th EDF. EDF SOL 5009 A3a
- Rehabilitation programme after cyclone Namu.** Resp. Auth.: Ministry of Economic Planning. 1.722 mECU. Works and supply of equipment. Project in execution. 6th EDF. EDF SOL 6002 A7a
- Development of human resources in the rural sector.** Resp. Auth.: Ministry of Economic Planning. 4 mECU. Supply of equipment, T.A. and training. Project on appraisal. ★ **Date foreseen for financing June 87.** 6th EDF. EDF SOL 6003 A3a
- SOMALIA**
- 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 infrastructure and electrical transmission lines. The dam will provide water, flood protection and power for up to 223 000 ha of irrigated agriculture in the Juba Valley, and energy to Mogadishu. Civil works: first int. tender launched in 1984.
- ★ Transmission lines int. tender in 1988. Equipment: powerhouse main equipment and auxiliary equipment, int. tenders in 1988. Gates, valves, intake equipment, int. tender in 1989. Int. tender with prequalification launched in February 86 for hydraulic tests. Project in execution. 5th EDF. EDF SO 5003 A2a
- "Aula Magna" Mogadishu National University.** Resp. Auth.: Ministry of Public Works. ±2.5 mECU. Project on appraisal. 4th EDF. EDF SO 4015 A6b
- Upgrading of the road Afgoi-Shalambot-Goluen.** Resp. Auth.: Ministry of Public Works. Works by int. tender in 87. Supervision of works. Studies: AIC. PROGETTI (I). Project on appraisal. 5th EDF. EDF SO 5017 A2d
- Food Early Warning System.** Resp. Auth.: Ministry of Agriculture. Estimated total cost 4 mECU. EDF ±3.1 mECU. Supply of meteorological and office equipment and T.A.: Transtec (B). Project in execution. 5th EDF. EDF SO 5015 A8f
- North-West agricultural development project.** Estimated total cost 36 mECU. EDF: 7.6 mECU, World Bank 14.9 mECU, IFAD 9.9 mECU, local 3.6 mECU. Infrastructural work and supply of equipment and T.A. T.A.: DARUDEC (DK). Project in execution. 5th EDF. EDF SO 5016 A3a
- Development of inshore fisheries in the Mogadishu region.** Resp. Auth.: Ministry of Fisheries. EDF 3.0 mECU, local 0.3 mECU. Upgrading of fisheries infrastructure. Civil works local restr. tender, materials by int. tender/restr. tender or direct agreement. Project in execution. 5th EDF. EDF SO 5024 A3d
- Rehabilitation of Mogadishu General Hospital.** Resp. Auth.: Ministry of Health and Ministry of National Planning. Estimated cost 3.6 mECU. Works and supplies. Works: int. tender (conditional) in February or March 87. Supplies by direct agreement. Date financing May 87. 5th EDF. EDF SO 5021 A7a
- Animal feed by agricultural sub-products.** Resp. Auth.: Ministry of Livestock, Forestry and Rangelands. Rehabilitation of a part of a dairy farm, supply of equipment and vehicles, T.A. Project on appraisal. 5th EDF. EDF SO 5027 A3a
- SUDAN**
- Jebel Marra Rural Development Project - Phase II.** Resp. Auth.: Ministry of Agriculture. 15.8 mECU. Civil works, supply of vehicles and equipment by international tender (conditional) launched in November 86, and T.A. by restricted tender. Project in execution. 6th EDF. EDF SU 6001 A3a
- Nuba Mountains rural development programme. Phase II.** Resp. Auth.: Ministry of Finance and Ministry of Agriculture. ★ **EDF 11.450 mECU.** Construction works, supply of vehicles and equipment and rural inputs, T.A. Project on appraisal. **Date foreseen for financing July 87** 6th EDF. EDF SU 6005 A3a
- SURINAME**
- Rice project at Coronie.** Resp. Auth.: Ministerie van Landbouw, Veeteelt, Visserij en Bosbouw. 7.650 mECU. Rice production developments. T.A.: EUROCONSULT (NL). Project in execution. 3rd and 5th EDF. EDF SUR 5002 A3a
- Biomass energy project at Wageningen.** Resp. Auth.: Government. Installation of an energy generator on the basis of rice husks. Project stage: identification. 5th EDF. EDF SUR 5009 A2a
- Artificial Insemination Project.** Resp. Auth.: Ministry of Agriculture, Fisheries. 0.72 mECU. Building of a new station and provision of equipment and material. Project in execution. 5th EDF. EDF SUR 5010 A3a
- Rehabilitation of the Burnside-Wageningen road.** Resp. Auth.: Ministry of Finance and Planning. Estimated total cost 7.5 mECU. Study to be done: technical methods for the implementation of the project: Delft Universiteit (NL). Int. tender for works (conditional) launched in April 87. Date foreseen for financing June 87. Project on appraisal. 4th and 5th EDF. EDF SUR 5011 A2d
- SWAZILAND**
- In-service maths and science teaching improvement programme.** Resp. Auth.: University of Swaziland. Ministry of Education. 2.3 mECU. Supply of teaching equipment, T.A. and training. Date financing May 87. 6th EDF. EDF SW 6003 A6a
- Integrated development of trade, tourism and handicrafts in Swaziland.** Resp. Auth.: Ministry of Commerce, Industry and Tourism. 2.7 mECU. T.A. and training for the 3 sectors. Short-lists not yet drawn up. Project on appraisal. Date foreseen for financing July 87. 5th and 6th EDF. EDF SW 6005 A5c, d, e
- TANZANIA**
- Mtwara water supply.** Resp. Auth.: Ministry of Water, Energy and Minerals. 5 mECU. Works: drilling of new wells, and construction. Supply of equipment and T.A. Drilling activities and power supply connections by direct labour. Supplies: int. tender in 87. Supervision of works: G.W.E. (D). Project in execution. 5th EDF. EDF TA 5003 A2b
- Ports of Zanzibar and Pemba.** Resp. Auth.: Zanzibar's Ministry of Communications and Transport. 12.5 mECU, T.A. for management, organisation, pricing and financial systems, training. Restoration of infrastructure. T.A.: NEDECO (NL). Project on appraisal. Date foreseen for financing June 87. 5th and 6th EDF. EDF TA 5024 A2d
- Cooperative Rural Development Bank (CRDB) Project.** 3.15 mECU. Provision of equipment, training and T.A. Project in execution. 5th EDF. EDF TA 5026 A3a
- Rehabilitation of Zanzibar Hospitals. Phase II.** Resp. Auth.: Ministry of Health, Zanzibar. EDF 2.6 mECU. Cofinancing with Italy. Works, supply of equipment and training. Works by acc. tender. Project on appraisal. Date foreseen for financing June 87. 5th EDF. EDF TA 5017 A7a
- Agricultural sector support programme.** Resp. Auth.: Ministry of Finance and Planning. 94 mECU. Measures to improve food security, support for coffee production and processing, assistance to co-operative unions, repair and maintenance of vehicles and tractors, feeder road maintenance and assistance to institutions implementing the programme. Supplies by int. tender/restr. tender or direct agreement. T.A.: Short-list done for restr. tenders. Project in execution. 6th EDF. EDF TA 6001 A3a
- TOGO**
- Lomé hotel training centre (CFH).** National and regional project (French-speaking countries of the sub-region). 3.450 mECU. Works, training and T.A. Project in execution. 5th Reg. 6th EDF. EDF TO 6001. REG 5147 A6d
- TONGA**
- Vava'u Airport Development Project.** Resp. Auth.: Ministry of Civil Aviation. 2.130 mECU. Works, supply of equipment and training. Works by direct labour, supplies by int. tender. Project on appraisal. 5th and 6th EDF. EDF TG 5003-6001 A2d
- Integrated regional development study for Vava'u.** Short-list done. Project stage identification. EDF TG A3a
- TRINIDAD AND TOBAGO**
- Training programme, health sector.** Resp. Auth.: Ministry of Health and Environment. 1.2 mECU. Training awards, laboratory equipment (sound-meters, chemical chro-

matographs, spectrometers) by int. tender. Short-term T.A. to coordinate and establish new laboratory. Project in execution. 5th EDF.

EDF TR 5003 A8c

Goat development project. Resp. Auth.: Ministry of Agriculture. 0,750 mECU. Works and supply of equipment. Project in execution. 5th EDF.

EDF TR 5005 A3a

UGANDA

Karamoja Development Programme. Phase II. Resp. Auth.: Government of Uganda. EDF 6 mECU. Works and supplies. Project in execution. 5th EDF.

EDF UG 5001 A3a

Support to emergency relief and rehabilitation programme. Resp. Auth.: Government of Uganda. EDF 3,860 mECU. Date financing May 87. 6th EDF.

EDF UG 6104 A8e

Hima cement power supply project (Kilembe hydroelectric power scheme). Resp. Auth.: Ministry of Water and Mineral Development. Kilembe Mines L (KML) and Uganda Electricity Board (UEB). 3.1 mECU. Rehabilitation works for the existing power station, supply of equipment and T.A. **Project in execution.** 5th EDF.

EDF UG 5024 A2ai

Sleeping sickness and trypanosomiasis control project. Resp. Auth.: Ministry of Health, Ministry of Animal Industry and Fisheries. 2 mECU. Supply of drugs, chemicals, equipment, tools, vehicles and T.A. **Project in execution.** 5th EDF.

EDF UG 5020 A3a, A7e

Forestry rehabilitation programme. Resp. Auth.: Government of Uganda. Estimated total cost 32 mECU. EDF part 9 mECU. Natural forest protection and management; reforestation; improved charcoal production, fuel wood plantation preparation. Works, supplies, T.A. and training. Project on appraisal. 6th EDF.

EDF UG 6003 A3c

Tea rehabilitation programme. Resp. Auth.: Government of Uganda. Estimated total cost 97 mECU. EDF part 8 mECU. Project will rehabilitate tea factories, estates outgrower tea areas, repair roads, improve fuelwood supplies and assure inputs to the tea sub-sector. Works, supplies and T.A. Project on appraisal. 6th EDF.

EDF UG 6002 A3a

Uganda sectoral import programme. Resp. Auth.: Ministry of Commerce. 15 mECU. Acquisition of agricultural machinery and inputs, repair of trunk and of feeder roads, acquisition of lorries and railway rolling stock, raw materials and packaging for soap production, yarn and dyestuffs for textile manufacture, chemicals and other raw materials for lead battery manufacture, steel flats and auxiliary materials for hoe production. T.A. and evaluation; supplies by int. tender. Project on appraisal. Date foreseen for financing July 87. 6th EDF.

EDF UG 6005 A1c

VANUATU

Fisheries extension service and training centre. Resp. Auth.: Fisheries Dept. Estimated total cost 2,160 mECU. EDF 1,690 mECU, local 0,470 mECU. Work construction by acc. tender. Supplies by int. tender. T.A. Project on appraisal. 6th EDF.

EDF VA 6002 A3d

Smallholder cattle development project (phase II). Resp. Auth.: Livestock Service of Ministry of Agriculture. 0,225 mECU. Supply of vehicles and training. Project on appraisal. 6th EDF.

EDF VA 6003 A3a

WESTERN SAMOA

Afulilo hydro power project. Estimated total cost 18 mECU. EDF part 7,5 mECU. Construction of a dam, reservoir, penstock, 4 MW power station, 40 km transmission lines, T.A. and training. Cofinancing under discussion with EIB, IDA and Asian Dev. Bank. Project stage: identification. 6th EDF.

EDF WSO 6001 A2a

ZAIRE

Kalemie port rehabilitation. Resp. Auth.: Département des Transports et Communications. 5 mECU. Prequalification for int. tender launched in February 87. Works and supplies. Project on appraisal. Date foreseen for financing decision 2nd half 87. Regional project. 5th EDF.

EDF REG 5215 A2d

Butembo-Beni hydro-electrical development. Preliminary study done by Tractionnel (B) on local funds. Detailed economic and technical studies: WLPU (UK). Project on appraisal. 5th EDF.

EDF ZR 5006 A2a

2nd intervention Sysmin. Gécamines Working and SNCZ. EDF part 41 mECU. Supply of mining equipment, machine-tools, engines. Int. tender for SNCZ launched in January 87. Project in execution. 5th EDF.

EDF ZR-SYS 5001 A4a

Reafforestation of the Bateke plateau. Resp. Auth.: Département de l'environnement, conservation de la nature et affaires foncières. 6,000 ha of plantings. Int. tender with pre-qualification launched in November 86 (conditional). Date financing May 87. 6th EDF.

EDF ZR 6001 A3a

Kivu programme. Estimated cost 40 mECU. Action for crops (coffee, corn, palm-tree, rice) environment (Parc de la Virunga), lines of credit. Project on appraisal. 6th EDF.

EDF ZR 6002 A3a

Kinshasa hinterland programme. Estimated cost 35 mECU. To improve crop production. Project stage identification. 6th EDF.

EDF ZR 6003 A3a

Oso-Osokari road. Resp. Auth.: DG Travaux Publics et Administration Territoriale.

Construction of an asphalted road. 74 km. Estimated total cost 37 mECU. EDF 18 mECU, KfW (D) 19 mECU. Int. tender (conditional) launched in April 87. Project on appraisal. 6th EDF.

EDF ZR 6004 A2d

Matadi-Kinshasa-Kenge road. Resp. Auth.: DG Travaux Publics et Adm. Territoriale. Estimated cost 22 mECU. Road rehabilitation and training for the staff of "Office des routes". Project stage identification. 6th EDF.

EDF ZR 6006 A2d

ZAMBIA

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.: Central Diergeneeskundig (NL). 5th EDF.

EDF ZA 5018 A3a

Rehabilitation of 3 grain silos. Resp. Auth.: Ministry of Agriculture. NAMBOARD. EDF 7 mECU, Germany F.R. 7 mECU. EDF part works, supplies and work supervision. Project on appraisal. Date foreseen for financing decision 2nd half 87. 6th EDF.

EDF ZA 6007 A3f

Zambia Centre for Accountancy Studies (ZCAS). 4 mECU. Training and management. Date financing May 87. **Project in execution.** 6th EDF.

EDF ZA 6001 A6a

ZAMSTEP. Zambia Mathematics and Science Education Project. 3,5 mECU. Supplies, training and management. T.A.: Short-list done for restr. tender. Project in execution. 6th EDF.

EDF ZA 6002 A6a

Agricultural inputs import support programme. Resp. Auth.: Ministry of Finance and Nitrogen Chemicals of Zambia. Estimated total cost 40 mECU. Procurement after int. tender of raw materials, catalysts and other chemicals required for the production of fertiliser by NCZ. Supply of agric. inputs, equipments and spare parts. Project on appraisal. 5th and 6th EDF.

EDF ZA 6003 A3a

Smallholder development in copper belt province. Resp. Auth.: Ministry of Agriculture and water development. 12 mECU. Basic infrastructure by acc. tender. Supply of vehicles and materials by int. tender. T.A. Project on appraisal. Date foreseen for financing June 87. 6th EDF.

EDF ZA 6004 A3a

Smallholder development in central province. Resp. Auth.: Ministry of Agriculture and water development. 8 mECU. Basic infrastructure and social facilities. Works, supplies and T.A. Project stage identification. 6th EDF.

EDF ZA 6005 A3a

Batoka cross-breeding ranch. Phase II. Resp. Auth.: Ministry of Agricultural and water department. Veterinary Dept. 1 mECU. Provision of further equipment and refurbishment and continued T.A. Project stage identification. 6th EDF.

EDF ZA 6006 A3a

ZIMBABWE

Small-holder Coffee and Fruit Development Programme. Resp. Auth.: Ministry of Lands, Resettlement and Rural Development. EDF 4.2 mECU, local 1.65 mECU. T.A.: I.R.F.A. (F). Project in execution. 5th EDF. EDF ZIM 5006 A3a

Mashonaland East Smallholder Fruit and Vegetable Programme. Resp. Auth.: Agricultural and Rural Development Authority (ARDA). 2.9 mECU. Works, supply of equipment and materials, T.A. and credit line. T.A.: Short-list done for restr. tender. Project in execution. 5th EDF. EDF ZIM 5012 A3a

Rural water supply in South Matabeleland. Resp. Auth.: Ministry of Energy, Water Resources and Development (MEWRD). Boring wells, supply of hand pumps. 4.1 mECU. Project in execution. 5th EDF. EDF ZIM 5005 A2b

Zimbabwe export development programme. Resp. Auth.: Ministry of Trade and Commerce, Export Promotion Dept. Estimated total cost 6.3 mECU. EDF 4.4 mECU. Sector and market development, human resource development and institutional development and T.A. Project in execution. 6th EDF. EDF ZIM 6001 A4a

Construction of Bulawayo grain silo complex. Resp. Auth.: Grain Marketing Board (GMB). EDF 7.010 mECU. Works by acc. tender. Supply of T.A. and training. Project on appraisal. Date foreseen for financing June 87. 5th EDF. EDF ZIM 5017 A3a

Land Use Project for Kanyati and Gatshe-Gatshe Communal Lands. Cultivation and development and proper utilisation of wildlife potential. Works, supply of vehicles and rural equipment and T.A. Project stage: identification. 6th EDF. EDF ZIM 6004 A3a

Assistance to the Agricultural Finance Corporation (AFC). Resp. Auth.: A.F.C. Estimated cost 20 mECU. Line of credit (17 mECU), construction (infrastructures) and T.A. Project on appraisal. 6th EDF. EDF ZIM 6005 A3a

Overseas Countries and Territories (OCT)

FRENCH POLYNESIA

Hanavave electric line. Supply and installation of 8 km of electric lines. M.T. Estimated total cost 0.319 mECU. EDF 0.267 mECU. *Project in execution.* 4th EDF. EDF POF 4004 A2ai

Tahiti hydro-electric rehabilitation. Estimated total cost 13.7 mECU. EDF 1.8 mECU, France 2.6 mECU, EIB 4 mECU, local 3.1 mECU, SODEP 2.2 mECU. EDF part: supply of pylons,

cables and materials. Project on appraisal. Date foreseen for financing June 87. 5th EDF. EDF POF 5005 A2ai

NETHERLANDS ANTILLES

Line of credit to the Aruba Dev. Bank to improve agriculture, livestock and fishery. Resp. Auth.: Departement voor ontwikkelingsamenwerking. Estimated cost 0.3 mECU. Project on appraisal. 4th EDF. EDF NEA 4003 A5a

Tourism improvement. Curaçao. Phase I. Otrobanda sewerage. Resp. Auth.: Ministry of Public Works. Estimated total cost 5 mECU. EDF 3 mECU, Netherlands 2 mECU. EDF part: sewage, road works, piping. Project on appraisal. 5th EDF. EDF NEA 5013 A5c

ARUBA

Aruba Airport Extension. Estimated cost EDF part 5 mECU. Supply of navigational aids, equipment and construction of a service road. T.A. Project on appraisal. 5th EDF. EDF NEA 5014 A2d

MONTSERAT

Water Supply Project. Resp. Auth.: Montserrat Water Authority and Ministry of Public Works. 1 mECU. Project planning: SCET Int. (F). Project on appraisal. Date foreseen for financing July 87. 4th and 5th EDF. EDF MON 5001-4001 A2b

Regional Projects

MEMBER COUNTRIES OF CEDEAO

Actions to inform and promote investments in West Africa. (West Africa Industrial Forum, Dakar). 3 mECU. T.A. Project on appraisal. Date foreseen for financing July 87. 6th EDF. EDF REG 6103 A1e

GUYANA — SURINAME

Guyana — Suriname ferry link. Resp. Auth.: Ministry of Public Works and Ministerie van Openbare Werken. Link ferry on Corentine river. 12.1 mECU. T.A. for Phase II: Short-list done for restr. tender. Project in execution. 4th and 5th EDF. EDF REG 5602 - 4084 A2d

NIGER BASIN AUTHORITY

Protection and reforestation in the "Haut Bassin Versant du fleuve Niger en Guinee". Works, supplies and T.A. Estimated total cost 1.5 mECU. Project stage: identification. 5th EDF. EDF REG 5112 A8f

BURKINA — NIGER

Timber development in the future reservoir of the Komienga Dam. Resp. Auth.: Ministère de l'Environnement du Burkina. EDF part estimated at 7 mECU. Timber trees recuperation and processing to obtain building and service timber, fuel-wood, charcoal for their commercialisation. Works, supply of equipment and T.A. Project on appraisal. *Date foreseen for financing July 87.* 6th EDF. EDF REG 6102 A3c

EQUATORIAL GUINEA — SAO TOME AND PRINCIPE

Improvement of port facilities to develop trade in the Guinea Gulf. Estimated total cost 2.04 mECU. EDF 0.690 mECU, F.R.G. 1.350 mECU. Works in the port of Bata, T.A. and supply of handling facilities equipment in the port of Sao Tome. Project in execution. 5th EDF. EDF REG 5222 A2d

ZAIRE — CONGO — GABON — SAO TOME AND PRINCIPE — EQUATORIAL GUINEA — CAMEROON

Fishery development in the Gulf of Guinea. Estimated cost ± 5 mECU. T.A. to prepare these projects: Short-list done. Project on appraisal. 5th EDF. EDF REG 5206 A3d

SENEGAL — MAURITANIA — MALI — O.M.V.S.

Dam construction in the right bank of the river Senegal delta. Resp. Auth.: O.M.V.S. Estimated total cost 15 mECU. EDF 10 mECU, France 5 mECU. Works: int. tender (conditional) foreseen in June or July 87. Project on appraisal. 5th EDF. EDF REG 5157 A2a

PACIFIC ACP COUNTRIES

Pacific Regional Tourism Programme. Resp. Auth.: Tourism Council of the South Pacific (TCSP) and SPEC. 3.2 mECU. Study to be done: data base, organisation and strategy. Short-list already drawn up. for restr. tender. Project in execution. 5th EDF. EDF REG 5714 A5c

Pacific Regional Aircommunications. Stage I. Resp. Auth.: SPEC. 4.6 mECU. Buildings, runways and supply of navigational aids. Project in execution. 5th EDF. EDF REG 5717 A2d

MEMBER COUNTRIES OF CILSS

Provisional survey of natural renewable resources in the Sahel. Resp. Auth.: CILSS Secretariat. Setting up of an observation unit to forecast crop production. Remote sensing by satellite, air survey and ground control. Project in execution. T.A.: Sodeteg - (F). 5th EDF. EDF REG 5116 A8f

Millet, maize, sorghum and niébé project. Resp. Auth.: CILSS Secretariat. Estimated cost 2 mECU. To provide improved varieties for farmers. Local tests. Purchase of vehicles and equipment and to take charge of local test control staff. Project stage: identification. 5th EDF. EDF REG 5116 A3a

MEMBER COUNTRIES OF U.A.P.T.

Satellite telecommunications project. Resp. Auth.: U.A.P.T. Secretariat in Brazzaville. R.P.C. Parametric study under way by national organisations of I, UK, F and D. Project stage: identification. 5th EDF. EDF REG 5307 A2c

INDIAN OCEAN ACP COUNTRIES

Tuna fishing in the Indian Ocean. EDF 6.3 mECU. Determination of different methods of tuna fishing. Evaluation of resources and T.A. to the countries. Madagascar, Comoros and Mauritius to select models for development. Project in execution. 5th EDF. EDF REG 5504 A3d

Aircraft maintenance centre for Indian Ocean countries. EDF 3.2 mECU. Strengthening of the existing centre in Ivato (Madagascar). Works, supplies and training. Project in execution. 5th EDF. EDF REG 5508 A2d

TANZANIA — ZAMBIA

Tazara Ten Year Development Plan (phase I). Resp. Auth.: Tanzania-Zambia Railway Authority. EDF part 13 mECU. Programme to improve maintenance of track and rolling stock, supply of equipment and T.A. Project in execution. 5th EDF. EDF REG 5026 A2d

EAST AFRICAN 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-rooms, offices and housing. Project stage: identification. 5th EDF. EDF REG 5311 A6b

Migrant pest control in Eastern Africa. Phase II. Resp. Auth.: Desert Locust Control Organisation for Eastern Africa (DLCO-EA). Estimated total cost 6.4 mECU. EDF 4.3 mECU, DLCO-EA 2.1 mECU. Research rapid survey, control and spraying of insects. Project on appraisal. 6th EDF. EDF REG 6302 A3a

CAMEROON — COTE D'IVOIRE — GHANA — MAURITIUS — SENEGAL — ZAIRE

Strengthening of scientific and technical capacities in the field of food and nutrition in Africa. Resp. Auth.: Association des Universités africaines. AUA. 1.5 mECU.

T.A., training, supply of equipment, production and diffusion of scientific information. Project in execution. 5th EDF. EDF REG 5054 A3a

BURUNDI — RWANDA — TANZANIA — UGANDA — ZAIRE — KENYA

T.A. to the Central Corridor. Estimated cost 10 mECU. Building of a rail-road terminal in Isaka, improve the traffic on the TRC and facilitate transit through the Kigoma, Kalemie and Bujumbura ports. Project on appraisal. 5th EDF. EDF REG 5341 A2d

Northern Corridor: Masaka-Mbarare-Kabale Road Rehabilitation. Reconstruction of 277 km of road including drainage work lime stabilised base course and double surface dressing. Supervision. Project on appraisal. 6th EDF. EDF REG 6304, (UG 0000) A2d

Northern corridor transport programme, Kenya. Resp. Auth.: Ministry of Transports and Communications, Kenya. 37 mECU. Works (rehabilitation) of 105 km. Supervision. Project on appraisal. Date foreseen for financing July 87. 6th EDF. EDF REG 6303 (KE...) A2d

AFRICAN COUNTRIES

Campaign against rinderpest in African. Resp. Auth.: OUA and IBAR. Estimated total cost for 2 years 50 mECU. Supply of equipment T.A. vaccines and research. T.A.: Dr. Cheneau (F). Project in execution. 4th and 5th EDF. EDF REG 5007 - 4085 A3a

Fight against onchocercosis in Western Africa. EDF part 6 mECU. Project in execution. 5th EDF. EDF REG 5148 A3a

SADCC

Maseru Container Terminal. Resp. Auth.: Government of Lesotho and SADCC. 1.350 mECU. Construction of container terminal and supply of containers, handling equipment. Study required: detailed design of works. Short-list already drawn up. Project on appraisal. 5th EDF. EDF REG 5421 A2d

Karonga-Ibanda-Uyole Road. EDF 19 mECU. Works and supervision by EDF. Int. tender (conditional) launched in October 86. ★ **Project in execution.** 5th and 6th Reg. EDF REG 5423-6402 (MAI 6004) A2d

MALAWI — ZAMBIA — ZIMBABWE

Regional Tsetse and Trypanosomiasis Control Programme. Resp. Auth.: Technical and financing responsibility: Zimbabwe national authorising officer. 19.150 mECU. Works by direct labour. Vehicles, veterinary products, aerial spraying and equipment by int. tender. T.A. by direct agreement. Project in execution. 5th EDF. EDF REG 5420 A3a

CARIBBEAN AND ACP COCOA PRODUCERS

Cocoa Research Unit (CRU), Phase II. Resp. Auth.: CRU in Trinidad. 2.624 mECU. Works, supply of equipment and agricultural inputs, T.A. and training. Study: I.R.C.C. (F). Project in execution. 5th EDF. EDF REG 5043 A3a

ALL ACP COUNTRIES

Programme for the Control of AIDS. To provide technical and financial assistance to countries in implementing national AIDS control programmes modelled on the World Health Organisation's Special Programme on AIDS. Initial assessment, public health intervention and education and information campaigns, control activities (surveillance systems) public health-operational research, T.A. and evaluation. 35 mECU. Project on appraisal. Date foreseen for financing June 87. 5th EDF. INT/EDF 002 A7e

MEDITERRANEAN COUNTRIES

ALGERIA

Scientific cooperation programme with "Ministère de l'Enseignement Supérieur" (MES). Resp. Auth.: MES. EEC contribution 2.5 mECU. Supply of technical and scientific equipment, training and T.A. Project on appraisal. SEM AL A4g

Export training programme and assistance to the potentially exporting enterprises. Resp. Auth.: INC (Institut National du Commerce, ONAFEX (Office National des Foires et Expositions et Centre National du Commerce Extérieure). EEC contribution 2.2 mECU. T.A. and training. Project on appraisal. SEM AL A5d

Technical and scientific programme with HCR "Haut Commissariat à la Recherche". Resp. Auth.: H.C.R. EEC contribution 12.1 mECU. T.A., training and evaluation. Supply of equipment by int. tender: test micro steam power plant, pilot plant for desalination, solid waste treatment, biomass, wind energy, computers, solar and nuclear laboratory. Project on appraisal. SEM AL A4g

CYPRUS

Sanitation in Nicosia. Phase II. Resp. Auth.: Sewage Board of Nicosia and the Department for Water, Geology and Mining. EEC part 2.4 mECU. Increase in capacity of the treatment plant. By local tender and by int. tender. Project in execution. SEM CY A2b

EGYPT

Egyptian Renewable Energy Development Organization. EREDO. Resp. Auth.: Egyptian Government. EEC contribution 7.7 mECU. Construction and equipment for the centre. Works and supplies: int. tender
★ with prequalification foreseen in 2nd half 87. T.A.: GET/KFA (D). Int. tender dossier: Phoebus (I).
SEM EGT 1002 A2a

Training Institute for Egyptian Labour Representatives. "Workers University". EEC contribution 1.970 mECU. T.A. and supply of kitchen, cafeteria and laundry equipment by int. tender. Project in execution.
SEM EGT A6d

Sinai water resources Study — Phase II. EEC contribution 3 mECU. Project on appraisal.
SEM EGT A3e

Credit line to the Principal Bank for Development and Agricultural Credit, PBDAC. Resp. Auth.: PBDAC. EEC contribution 45 mECU. Line of credit 43 mECU, T.A. and training 2 mECU. Project on appraisal.
SEM EGT A3z

JORDAN

Sheep improvement project: breeding unit. Estimated total cost 4.018 mECU. EEC 2.1 mECU. Establishment of a breeding unit to provide improved species of the local breed, Awassi, to farmers. Project on appraisal.
SEM JO 2004 A3a

A.T. to the Royal Scientific Society-Phase II. 2 mECU. Supply of equipment, training, scholarships and seminars. Project on appraisal.
SEM JO 2006 A6a

SYRIA

ISSAT. Institut Supérieur des Sciences Appliquées et de Technologie. Resp. Auth.: State Planning Commission. Estimated total cost 70.3 mECU. EEC part: supply of teaching and training equipment for the institute and T.A.: 8.250 mECU. Date financing decision: July 86.
SEM SYR 2002 A6b

Rural Water Supply Suweida Region. Resp. Auth.: Ministry of Local Administration and Ministry of Housing and Utilities. EEC 3.8 mECU. Project in execution.
SEM SYR 2001 A2b

TUNISIA

Date-palm plantations study project in Régime Maatoug. Resp. Auth.: Banque Nationale de Dév. Agricole (B.N.D.A.). 1.9 mECU. Feasibility study, drillings and access roads. Works by direct labour. Study: Short-list done. Project in execution.
SEM TUN 2001 A3a

Water resources research and training study. Resp. Auth.: Ministère de l'Agriculture.

1.0 mECU. Supply of soil equipment and data system. T.A. and training. T.A.: Short-list done for restr. tender. Project in execution.
SEM TUN 2004 A2b

Evaluation of soil resources and their liability to desertification in Southern Tunisia. Resp. Auth.: Ministère de l'Agriculture. Estimated cost 1.2 mECU. EEC 0.400 mECU, local 0.800 mECU. T.A. and training. Supply of specialised equipment. T.A.: Short-list done for restr. tender. Project in execution.
SEM TUN 2005 A3c

Management improvement in the public irrigated areas in Tunisia. Resp. Auth.: Ministère de l'Agriculture. EEC contribution 2.5 mECU. Rehabilitation of hydro-electric equipment, training and T.A. Project in execution.
SEM TUN 2006 A3A

T.A. to the "Unités Coopératives de Production Agricole (U.C.P.A.). Resp. Auth.: B.N.D.A. 1.800 mECU. T.A., training and supply of equipment. Project in execution.
SEM TUN 2007 A3a

WEST BANK AND GAZA OCCUPIED TERRITORIES

Assistance to the Palestinian population in the occupied territories. EEC contribution 2.971 mECU. Various projects, lines of credit, supply of equipment, T.A. and training. Project on appraisal.
SEM OT A8a, b, e

A.L.A. developing countries ASIA and LATIN AMERICA

ASEAN

Aquaculture development and coordination programme. 6,77 mECU. Project in execution.
ALA ASN 8604 A3d

Industrial standards and quality control programme. 5 mECU. Project in execution.
ALA ASN 8609 A4a

Marine fisheries resources assessment. Resp. Auth.: South-East Asian Fisheries Development Centre (SEAFDEC). EEC contribution 0.652 mECU. Supply of equipments and T.A. Date financing June 87.
ALA ASN 8618 A3d

BANGLADESH

Rangpur. Rural Development Programme. Resp. Auth.: Central Coordination

Committee. (CCC). Total cost 40 mECU. EEC 25.5 mECU, NL 7 mECU, local 6 mECU. Works by acc. tender. Supplies by int. tender or direct agreement. Project in execution.
ALA BD A3e

Cotton Development. Phase II. Resp. Auth.: Central Coordination Committee (CCC) and Cotton Development Board (CDB). EEC 4.9 mECU. Supply of T.A. training and equipment. Int. tender for supplies launched in May 86. Project in execution.
ALA BD 8504 A3a

BHUTAN

Water supply. Resp. Auth.: Inter dep. Commission on water and sanitation. Works by direct labour. 4.5 mECU. Supplies int. tender or direct agreement. T.A.: UNICEF. Project in execution.
ALA BHU A2b

T.A. programme to the Department of Agriculture. Resp. Auth.: Ministry of Agriculture and Forests. 1.1 mECU. Two experts during 3 years. 1 rural development engineer and 1 agro-economist. Short-list already drawn up for restr. tender. Project in execution.
ALA BHU 8513 A3a

BOLIVIA

Flood protection programme. Santa Cruz. EEC 9 mECU, NL 1 mECU. Works, supply of equipment. T.A. for NL. Project in execution.
ALA BO 8510 A8g

Rural self-development programme. Resp. Auth.: CORDEPO-CORDEOR. 20 mECU. Supply of equipment, materials, line of credit, T.A. **Project in execution.**
ALA BO 8701 A3a

CHINA (PEOPLE'S REP.)

Gansu Sugar Beet Development. Resp. Auth.: Gansu Province Department of Agriculture. EEC contribution 1 mECU. T.A., training and supply of equipment. Project in execution.
ALA CHN 8517 A3a

Strengthening of soil and water conservation measures in Sichuan Province. 1.5 mECU. Supply of equipment, training and T.A. Project in execution.
ALA CHN 8526 A3a

Improvement of the rubber quality. 0.900 mECU. Supply of equipment, training and T.A. Project in execution.
ALA CHN 8527 A3a

Pilot project to improve production from fish farming. 2.1 mECU. Project in execution.
ALA CHIN 8528 A3d

Study of rural water supply and technical strengthening of institutions. Estimated total cost 3,080 mECU, EEC 1.1 mECU and 1.980 mECU locally. Study, T.A. and training in Europe. Project in execution.
ALA CHN 8515 A2b

Decentralised energising systems. Phase III. Supply of services and equipment to develop, supply and install a set of wind-generators of 150 KVA and an operating system to exploit in an integrated way a mixed system of wind-generators/diesel sets. Development, supply and installation of a test centre for mixed systems of wind-generators/diesel sets. Development of mixed systems wind-generators/diesel sets susceptible for joint manufacturing operation and commercialisation in the People's Rep. of China and in the Pacific countries. Plans to extend use of these sets are envisaged and also training actions. Supply of a diesel generator set of 280 KW, an electric submarine cable of 10 KVA, 4 km length, supply and installation supervision of a television-satellite receiving station and several re-transmitting stations (powered by solar generators or by the grid). Estimated cost 2.180 mECU. Int. tender to prequalify services and int. tender for supplies foreseen in the 2nd quarter 87.
ADE 933-87-01 A2ai

Pilot project for fruit processing in the Hunan Province. Resp. Auth.: Agricultural Research Institute of Hunan. EEC contribution 1.550 mECU. Supply of a laboratory and pilot processing plant 1.5 ton/hour capacity. T.A. and training. Project on appraisal. Date foreseen for financing July 87.
ALA CHN 8610 A3a

COLOMBIA

Reconstruction Programme. Resp. Auth.: Corporation de Reconstruction de Cauca. Total cost 5.9 mECU. EEC 3.9 mECU. EEC part: supply of materials and T.A. Project in execution.
ALA CO 8403 A8a

Microprojects programme in the pacific coastal. Line of credit, T.A. and training, EEC contribution 4 mECU and supply of equipment. Project in execution.
ALA CO 8516 A3a

COSTA RICA

Productive projects programme for refugees in Costa Rica. T.A. and line of credit. 3.6 mECU. Project in execution.
ALA CR 8501 A8b

Integrated rural development of the region of OSA/GOLFITO. Total cost 21.635 mECU. EEC 9.95 mECU. Supply of equipment, infrastructural works, maintenance, lines of credit and T.A. Project in execution.
ALA CR 8506 A3a

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 financing decision 2nd half 87.
ALA CIM 8302 A8b

ECUADOR

Rural development in the region of the Chambo river. Resp. Auth.: Institut Equatorien des Ressources Hydrauliques (INERHI). EEC 9 mECU. T.A. and training, irrigation works, line of credit, supply of equipment.
★ Date financing June 87.
ALA EC 8701 A3a

EL SALVADOR

Rehabilitation Programme. University of El Salvador. Resp. Auth.: U.E.S. Total estimated cost 5 mECU. EEC 3.3 mECU. Italy 1.7 mECU. EEC part: supply of equipment, T.A. and training for Agronomics and partly for Electrotechnology. Italian part: supplies for Electrotechnology, Physics and Mechanics, T.A. and training. Project in execution.
ALA ES 8519 A6c

GUATEMALA

Support to smallholder farmers. 12 mECU. Supply of equipment, line of credit and T.A. Project in execution.
ALA GU 8612 A3a

HONDURAS

Rehabilitation and Maintenance of Feeder Roads in Coffee Producing Areas. Resp. Auth.: Instituto Hondureno de Café (IHCAFE). EEC 2.750 mECU. Supply of T.A. and work construction equipment. Project in execution.
ALA HO 8524 A3a

Water supply, health in the rural sector. Resp. Auth.: Consejo Directivo de Saneamiento (CODISA), and Ministerio de Salud Publica. EEC contribution 14.5 mECU. Supply of equipment, materials, vehicles, T.A. and training. Date financing June 87.
★ T.A. and training. Date financing June 87.
ALA HO 8620 A8bc

INDIA

Development of Water Control Systems for diversification of crops in Maharashtra. Resp. Auth.: Irrigation Department of the Government of Maharashtra. EEC contribution 15 mECU. Works, supplies, T.A. and training. Project in execution.
ALA IN 8418 A3a

Co-operative rural storage, Bihar. 21.19 mECU. Project in execution.
ALA IN 8607 A3f

Integrated watershed management in U.P. 0.980 mECU. Date financing April 87.
★ U.P. 0.980 mECU. Date financing April 87.
ALA IN 8619 A3a

INDONESIA

Bali Irrigation Sector Project. Resp. Auth.: Ministry of Public Works. DG for Water Resources Development. EEC 12 mECU. ADB ±37 mECU. Local ±55 mECU. Re-

habilitation and expansion of 50 village-level irrigation schemes, establishment of a water-management training centre, and establishment of climatological stations. T.A. Works: acc. tender. Project in execution.
ALA IND 8114 A3a

LAOS

Rural micro-projects programme in the Luang Prabang Province. Resp. Auth.: Administrative Committee of the Luang Prabang Province. EEC contribution 6 mECU. Infrastructure work, supply of equipment, vehicles, Bailey bridges, T.A. and training. Project on appraisal. Date foreseen for financing July 87.
ALA LA 2623 A3a

MEXICO

Hospital construction. EEC 5.2 mECU. 144 bed hospital. Works, supplies and supervision. Int. tender launched in December 86. Project in execution.
ALA ME 8602 A7a

NEPAL

Nepal Administrative Staff College. NASC. Resp. Auth. NASC Secretariat. Estimated total cost 6.5 mECU. EEC 5 mECU, U.K. 1.5 mECU. Renovation and construction works, supply of equipment and training. Project in execution.
ALA NEP 8407 A6b

Soil and water conservation in Bagmati Watershed. Special hunger programme. 5.5 mECU. T.A.: I.D.C. (D). Project in execution.
958-NEP 8401 A3a

Arjun Kuhola Irrigation Project. 1.536 mECU. Project in execution.
ALA NEP 8521 A3e

NICARAGUA

Rural integrated development in San Dionisio and La Meseta. Estimated cost 8.5 mECU for the EEC contribution. Supply of equipment, vehicles, T.A. and training. Project on appraisal.
ALA NI 8614 A3a

PACTO ANDINO MEMBER COUNTRIES

Regional programme for technical cooperation: food strategy. Resp. Auth.: JUNAC. EEC contribution 7 mECU for European T.A. and supply of data-computerised equipment by int. tender. Project in execution.
ALA JUN 8406 B1a

Regional programme for technical cooperation: industry and sub-regional exchanges. Resp. Auth.: JUNAC. EEC Contribution 7 mECU. T.A. and supply of equipment. Project in execution.
ALA JUN 8503 A4a

PAKISTAN

Talli irrigation project. Dam construction and infrastructure. Supply of equipment and ★T.A. EEC contribution 7.8 mECU. Date financing April 87.
ALA PK 8615

PANAMA — COSTA RICA — NICARAGUA — HONDURAS — EL SALVADOR — GUATEMALA

Regional programme of technical cooperation for food security. Resp. Auth.: CADESCA (Comité de acción para el desarrollo económico y social de centroamerica — Panama). Total cost 9.07 mECU. EEC 4.82 mECU, France 0.350 mECU, local 3.9 mECU. T.A. training and supply of equipment. Project in execution.
ALA REG 8505

Regional programme for child survival in Central America. EEC 16.5 mECU, Italy 16 mECU. Supply of T.A., training, equipment, medical equipment and medicines. Project in execution.
ALA REG 8520

EL SALVADOR — GUATEMALA — HONDURAS — NICARAGUA

Regional programme to eliminate rabies in Central America. Resp. Auth.: Pan-American Health Organisation (PAHO). EEC contribution 2.9 mECU. Supply of equipment and materials and T.A. Date financing *June* 87.
ALA REG 8625

PERU

Lake Titicaca. Reconstruction-prevention programme. Resp. Auth.: Corporación de Desarrollo de Puno (CORPUNO). EEC contribution 5 mECU. Studies, works and ★supplies. Date financing *June* 87.
ALA PE 8603

PHILIPPINES

Integrated development project of the Aurora region. Resp. Auth.: NACIAD. Total estimated cost 12.6 mECU. EEC 10.8 mECU. Irrigation works, feeder roads, reforestation, supply of equipment and T.A. Project in execution.
ALA PHI 8525

Cordillera development programme. Resp. Auth.: Ministry of Agriculture and Food (MAF). EEC part 18.5 mECU. Rural micro-projects in the Northern Luzon. Irrigation, roads, bridges, water supplies, rural credit. Supply of equipment, T.A. and training. Date financing *May* 87.
ALA PHI 8616

THAILAND

Rural credit and rubber planting. Resp. Auth.: Ministry of Agriculture and Cooperatives. 35 mECU. Supply of lines of credit, T.A., training, rural inputs, equipment. Project in execution.
ALA TH 8509

Huai-Mong. Phase II. 5.6 mECU. Works and supplies. Date financing decision *June* 87.
ALA TH 8613

YEMEN — ARAB REPUBLIC

Rehabilitation and maintenance of Al Mahwit road network. Supply of equipment and materials by int. tender. T.A. and ★training. EEC contribution 7.5 mECU. Date financing April 87.
ALA YAR 8611

YEMEN — PEOPLE'S DEMOCRATIC REPUBLIC

Rural development of Al Mahwir. Estimated cost 6.5 mECU. Project on appraisal. ★Date foreseen for financing decision *2nd* half 87.
ALA YDR

LATIN AMERICAN AND ASIAN DEVELOPING COUNTRIES

Studies and external expert reports. "Contrat-cadre" LAA DC. Resp. Auth.: CCE DIV I-H-3. Berl. 8/31, Brussels. Prequalification of consultants, research and training institutes, experts. For rural development, industries, trade and services, training, scientific cooperation and research, ★health. Prequalification in *June* 87.
ALA 86 EIAT/C

INTERNATIONAL CALLS FOR TENDER

All international calls for tender (int. tenders) referred to in this Operational Summary are notified in due time in the Official Journal (O.J.) of the European Communities' «S» supplement. This information is also available by computer link via the "TED" data base.

Subscriptions to the O.J. «S» supplement should be addressed to the «Office for Official Publications of the European Communities», L-2985 Luxembourg, Tel.: 49 00 81, or contact Mr A. Boldrin (see box page II).

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annexes give lists of decisions and regulations, as well as written Parliamentary questions. However, for those interested in the legal basis for further expansion of EEC-ACP trade, for those who wish to understand the machinery of food aid mobilisation, and for those with an interest in the origins of the Community's fast-developing Mediterranean policy, this book is an invaluable source of information.

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Douglas WILLIAMS — **The specialised agencies and the United Nations** — C. Hurst & Co. Publishers — London, UK — 280 pages — £ 17.50

The UN System of Specialised Agencies was intended by its founders to be functional in its operations and universal in its membership. By 1986 two of its founders—the United States and Britain—had withdrawn from one of the most important of the Agencies, UNESCO, amid accusations that it had become too political and a platform for attacks on the West. Criticism of the competence of the System and of many Agencies is now widespread in both developed and developing countries. This book describes the System, "warts and all", and explains what has gone wrong.

The book sets recent developments in their historical context of the "Revolt against the West". This climate has created political difficulties which have been reinforced by some internal features of the Agencies—their constitutions, the lack of co-ordination, the status of their Executive Heads, the complications of their finance, their processes of decision-making, their staffing difficulties, and the dubious role of member states. (This part of the book provides a description, not readily available elsewhere, of how the System has operated).

The book outlines attempts at reform from 1970 onwards, describes the current crisis provoked by recent legislation in the United States, and analyses the main issues which have divided the System—notably the New International Economic Order and some intractable political questions arguably not within the Agencies' province. To illustrate both the achievements and the shortcomings of the System, the book discusses some of its operations in greater detail (such as the UNDP and the IBRD) and con-

trasts two very different attempts to stimulate scientific research. It explains the long-term reform proposals of Maurice Bertrand. It concludes that member governments have the UN System they deserve, but suggests a number of practical steps they can take if they want it improved—as it deserves to be because, with all its faults, it is still rendering a valuable service to the world.

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Rural Building Course — Tool Foundation, Entrepotdok 68a, 1018 AD Amsterdam — The Netherlands — 900 pages

Rural Building is a course book, in four volumes, designed for people who are involved in technical vocational training. Although primarily meant for students at vocational training centres, this course is also useful for their teachers because of the extensive and planned way in which the subjects are treated. The technical training information is provided in understandable language and with illustrations suited to the understanding of those involved. The Rural Building Course consists of four volumes:

1. Reference book: covers the basic tools needed in rural building, how to use and maintain them, and deals with the traditional and modern building materials.
2. Basic knowledge: covers the basic techniques of masonry and carpentry and gives the trainee a general idea about basic procedures on a building site.
3. Construction: covers the essential construction techniques; it is built up in the same logical way that a

house is built up: starting with the preliminaries of setting out and ending with the roof construction, hanging the doors, and the finishing.

4. Drawing book: covers the making and reading of construction drawings; after an introduction in the techniques for oblique and orthographic drawings, the trainee will find out the lay-out of a whole building from the foundations to the roof.

Rural Building is the outcome of many years of experiment in Ghana conducted by Dutch and German instructors in simple building techniques required for a rural community. Except for a few corrections and changes in format and binding, this second edition is similar to the first one, published in 1982.

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Jorge E. HARDOY and David SATTERTHWAITTE — **Small and Intermediate Urban Centres** — Editions Hodder & Stoughton, P.O. Box 702 Dunton Green, Sevenoaks, GB — £ 15.00 — 411 pages

Most of the Third World's population either lives in or depends on small and intermediate urban centres for access to goods, services and markets, yet most Third World urban research has concentrated on large cities. In response to the fact that an increasing number of governments are adopting special programmes for small and intermediate urban centres, this book seeks to provide a better understanding of how economic, social and political forces act to shape urban systems, and thus affect the development prospects of small and intermediate urban centres.

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<p>THE COURIER AFRICA - CARIBBEAN - PACIFIC — EUROPEAN COMMUNITY</p> <p>PUBLISHER Dieter Frisch</p> <p>Commission of the European Communities</p> <p>200, rue de la Loi 1049-BRUSSELS (Belgium)</p> <p>Tel. 235 11 11 (switchboard) Telex COMEURBRU 21877</p>	<p>EDITOR Marie-Hélène Birindelli</p> <p>DEPUTY EDITOR Lucien Pagni</p> <p>ASSISTANT EDITORS Roger De Backer Amadou Traoré Augustine Oyowe Myfanwy van de Velde Tom Glaser</p> <p>SECRETARIAT: Mary Beatty (235 75 87) Viviane Jacquet (235 27 19)</p> <p>CIRCULATION Margriet Mahy-van der Werf (235 76 39)</p>
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