The Courier

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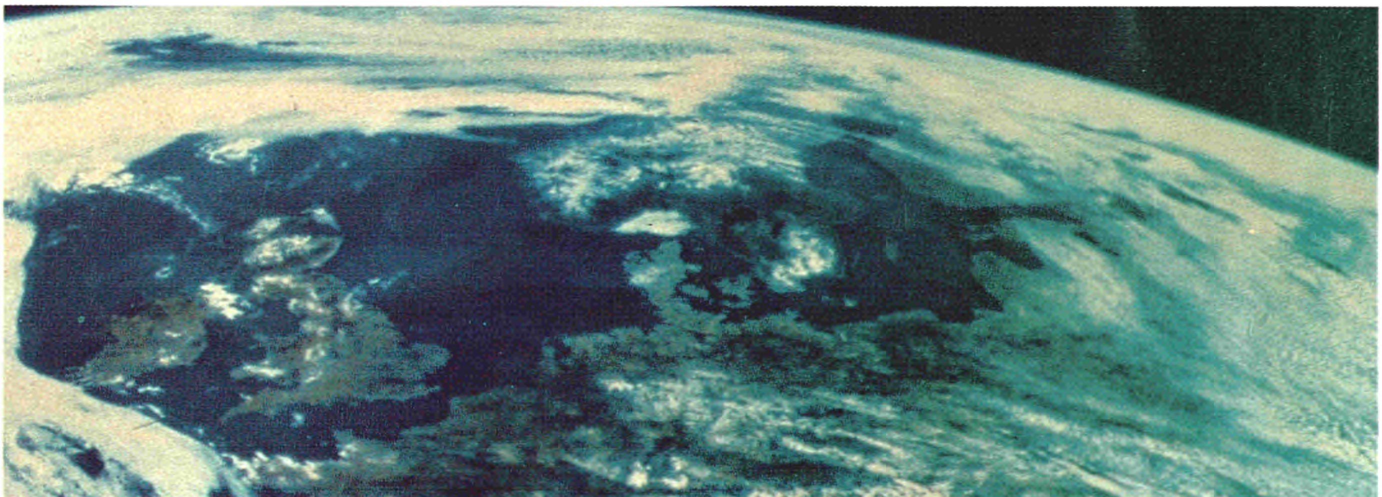
THE FUTURE



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General Secretariat
of the ACP Group
of States
Avenue Georges Henri, 451
1200 Brussels
Belgium
Tel.: 733 96 00

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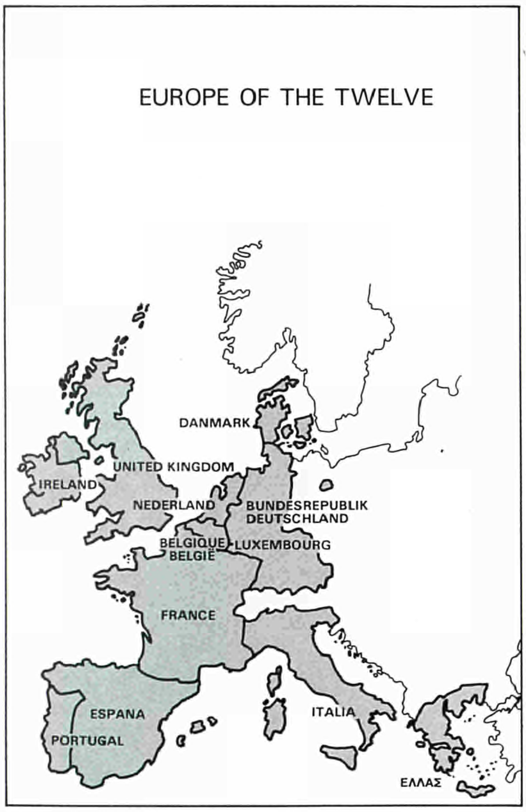

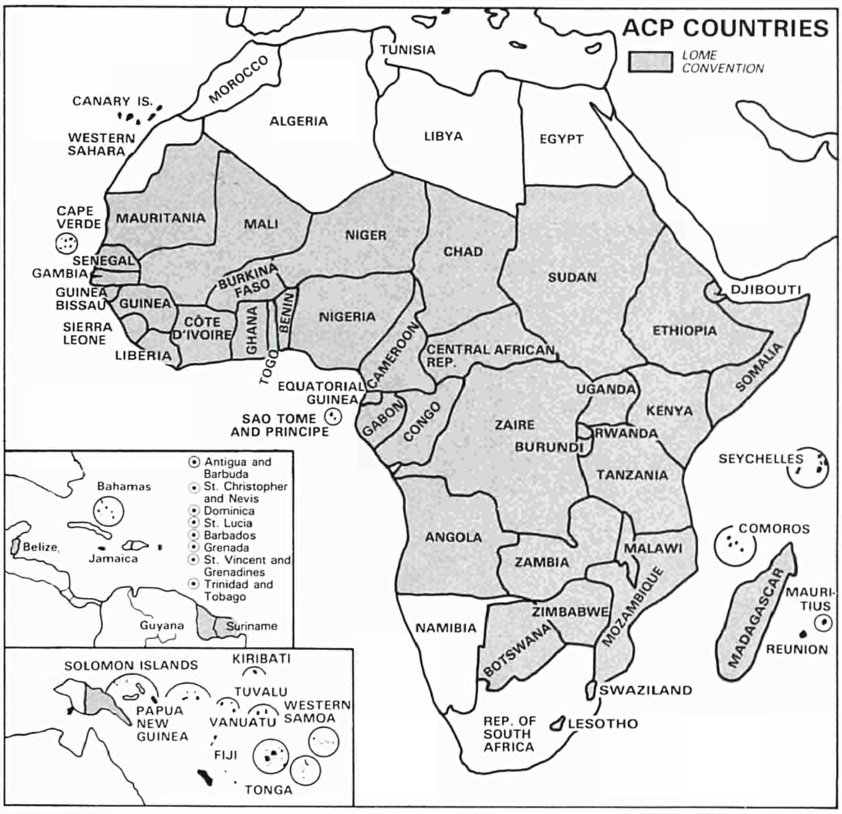

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(Territorial collectivities)

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French Southern and Antarctic Territories
Wallis and Futuna Islands

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(Country having special relations with Denmark)

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British Indian Ocean Territory
British Virgin Islands
Cayman Islands
Falkland Islands
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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.

Cover page: ***Europe as seen from METEOSAT (photo ESA/METEOSAT)***

Best wishes for 1988

MEETING POINT:

Bent Haakonsen

José Durão Barroso

Denmark and Portugal both attach great importance to their development policies. Portugal, of course, has a long and recent colonial past. Denmark has a long tradition of social equity. In these interviews with *The Courier,* Bent Haakonsen, Denmark's Permanent Under-Secretary for Development and José Durão Barroso, Portugal's Secretary of State for Foreign Affairs, look at how these factors influence their present relations with the countries of the Third World. **Pages 2 to 9**

COUNTRY REPORTS

CAPE VERDE: After nearly two decades of drought the rains have at last been plentiful this year in Cape Verde, the little string of islands (nine of which are inhabited) 300 miles or so off the coast of Senegal whose overwhelming preoccupation since independence has been the struggle against desertification and the search for food security for its people — people who have so often in the past fallen victim to famine. **Page 15 to 31**

EQUATORIAL GUINEA: Equatorial Guinea, in the Gulf of Guinea, looking like an enclave between Cameroon and Gabon, is made up of territory partly on mainland Africa and partly on two islands. Though Spanish-speaking, the country is now firmly integrated into francophone Central Africa as a whole. President Obiang N'guema Mbasogo spoke to *The Courier* about his country.
Pages 32 to 42

DOSSIER: The future of Europe

To speak of Europe at the very moment when the European Council in Copenhagen (December 1987) proved incapable of taking decisions on questions vital to its future might seem something of a challenge. *The Courier* takes up the gauntlet, though, and for two reasons: firstly, because our readers ask us to talk about Europe and, secondly, because Europe has experienced — and survived — crises before, and will perhaps again. Our Dossier describes Europe, its genesis and its future. **Pages 48 to 80**

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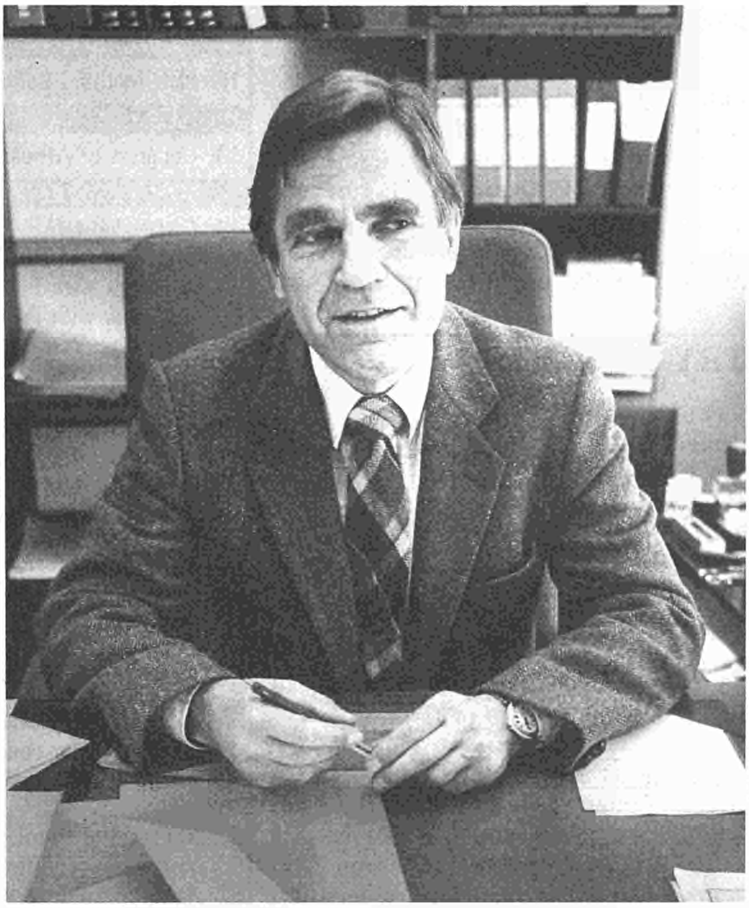
BENT HAAKONSEN, Denmark's Permanent Under-Secretary for Development

People and poverty first

Why are the Danish so magnanimous—both as a government and as individuals—in their levels of development aid? Why should their people, who, after all, have no recent colonial history, have committed themselvs to a statutory increase in ODA such that, by 1992, the level will have reached 1% of GNP, well over the UN's 0.7% target? Why should it be that, of the four countries that exceed this target, three are Scandinavian?

Denmark, one of the smaller of the Member States of the European Community, with a population of just over five million, has a distinctly dynamic and original development policy, very much people-centred. As President of the European Council for the past six months, Denmark has been keen to advance the causes of three issues in particular in the ACP-EEC context: women in development, the environment and evaluation. In this interview with The Courier, *Bent Haakonsen, Permanent Under-Secretary of State, looks at the main issues in Denmark's development policy. First, however, he offers his own explanation as to why his countrymen should be so generous towards the people of the Third World.*



DANIDA / J. SCHYTTE

Bent Haakonsen

— Well, I think we would perhaps be a little reluctant to use the word *generous.* But it's correct that Denmark has achieved the 0.7% target of the United Nations, which was set up years ago, and we have even gone further. Our Parliament decided in 1985 to increase our development budget by 0.03% every year, so that we achieve 1% of GNP in 1992. So you are correct in stating that we have an increasing volume, and that means that, together with Norway, Sweden and The Netherlands, Denmark will be one of the four countries which will have achieved a development budget of 1% of GNP in the coming years. The countries I mentioned are small countries with a long democratic tradition, and I think that's the reason why there is a background for this high percentage of development aid. We have tried to achieve more equity within our own society, and I think this plays a role also when we look at the situation of people in a wider perspective. It's also a question of solidarity, which we have achieved to a certain extent in our own society, and of course this solidarity should not be confined within our national borders.

▶ *So it has quite a lot to do with your own traditions of social welfare in the Nordic countries?*

— I think so. And I should add, perhaps, that at the same time our national development aid is granted to the poorest strata of the population in the poorest countries.

▶ *How do you define the poorest countries?*

— Well, that's the level of GNP according to the World Bank statistics. So we grant most of our aid to the low-income countries, and a very big percentage to the poorest group—the least developed, the LLDC countries. Then we have an overall limit which is actually $ 1 150 per capita—that's the highest level we can accept.

▶ *There has been a tradition of goodwill in Denmark towards the Third World. Is this likely to be imperilled to any extent by the recent* *influx of political refugees into the country?*

— As I see it, there is no linkage between development commitment and the influx of refugees from the Third World. It's correct that there is some discussion in Denmark about our refugee policy. But I think it has nothing to do with our development cooperation. We had a debate in our Parliament on 31 May this year on development policy, and the refugee issue was not raised at all.

▸ *Do you find that there are divergences according to which party, or coalition of parties, is in power? Are there wide swings in the amounts being given, or is it really an issue on which there is broad political consensus?*

— There is a very broad political consensus in Denmark on development cooperation. Of course there are some minor points which are discussed from time to time, but on the broad issues there is consensus in our Parliament. For the time being, and since 1982, we have had a government of four Conservative-Liberal parties, and it was during this government that the majority in Parliament voted for a statutory increase in ODA. Only the so-called Progress Party, with nine seats in our Parliament, is against it. So the majority is there—in Parliament, which reflects the opinion of the electorate—the taxpayers. We build very much on the NGOs and on the churches and a lot of other organisations, and they are very interested in this work. It's not really a political issue. There are specific cases where perhaps one part of our Parliament would like to see a programme and another part is more reluctant.

▸ *You are now coming to the end of your six months of Presidency (*). Which have been the particular issues that Denmark has wished to push forward in that time?*

Three causes to advance: women, the environment and evaluation

— We have, from the very beginning, stressed three points: Women in Development; Environment and Development; and Evaluation. We started very early to stress these points—including during the Belgian Presidency which preceded the Danish one. We have tried to really press these issues; we achieved an agreement on all points at the end of the Development Council in November. So we are very satisfied with that. I think it's good for our development cooperation, and I think it's a very good sign that we can achieve something in the European context. I think that has been very much welcomed also in Denmark.

▸ *What were you pushing for in terms of evaluation, that there be more, simply?*

— Yes. We are doing fairly well on evaluation now. Years ago, we were criticised for not doing enough. So we made an effort to make progress, and we set up an evaluation group, so that today we have a staff which is highly qualified. That was the reason why we wanted to make an effort also in the wider, European context.

Our idea was that we should learn from previous results—successes *and* failures. The crucial point, of course, is not to set up a small group of eminent people, but to have it to feed back into the system in order that all people at the operational level are able to learn from mistakes, and successes, in order to do better next time. That was what we discussed in Brussels also. It's partly a question of information policy—that's the internal, more professional part of it. The other part is the question of public opinion. We have our taxpayers, and they are very decisive, and it's up to them to find out if they want to continue granting money for this purpose. It goes for the individual countries in the Community also. We think it's important to have evaluations, and to publish the results. So that people know what happened to their money.

▸ *What is Denmark's position on sanctions on South Africa?*

The total dismantling of the apartheid system in the most peaceful way possible remains the objective of Denmark's policy vis-à-vis South Africa.

The Joint Nordic Programme of Action against Apartheid, as strengthened in 1985, has now resulted in the implementation of a general Nordic trade embargo against South Africa.

The programme includes positive measures aimed at alleviating the negative effects of the apartheid system on individuals as well as on South Africa's neighbouring states. In 1987 all the Nordic countries have increased their support to the Frontline States and to SADCC. Denmark also supports refugees, liberation movements and other victims of the apartheid system on an increasing scale in recent years.

In 1987 something like a third of Denmark's total bilateral assistance will, I believe, be channelled to the region of Southern Africa.

We believe that mandatory sanctions adopted by the Security Council remain the most effective means for exerting pressure on the apartheid regime. Pending such sanctions, Denmark hopes that its own measures will inspire other countries to take similar national steps.

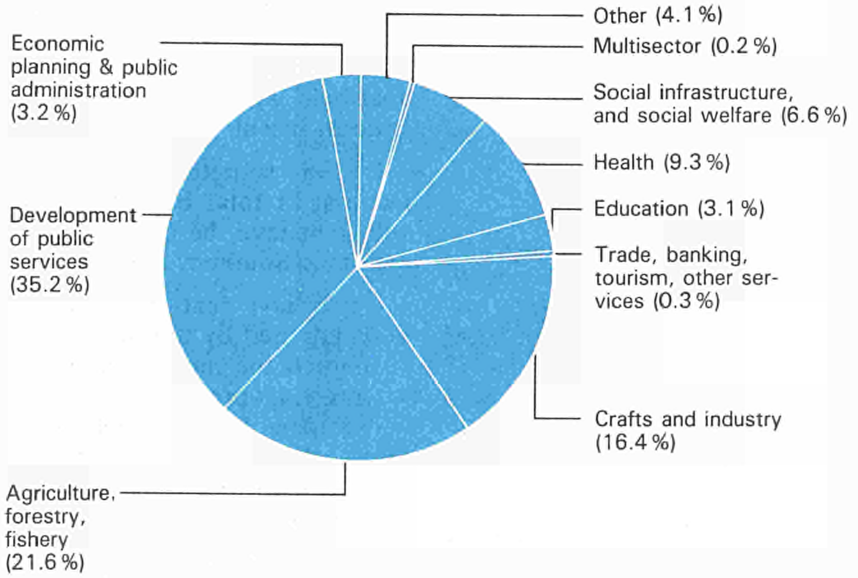
▸ *Your ODA is roughly divided between multilateral aid and bilateral assistance. Is this an accident of fate, or is it a deliberate policy?*

— Let me give you the historical background for that. Years ago, when Denmark—rather late maybe—joined the international cooperation for development, we could not manage more than a very modest start. Having no experience in this field, limited resources and a very small staff, in fact only one person at the very beginning, it was safer and more fair to channel the efforts and the money through the multilateral system. Very soon, however, it was evident that Denmark had to take up a bilateral responsibility. Little by little we learned by doing, and gradually a bilateral programme was built up as well. Today we have a staff of more than 300, we still find that it's too few, but that is normal in a bureaucracy, and our budget is increasing towards the 1% of GNP, so of course we can do much more bilaterally now than before. We have the 25 years of experience and quite naturally we have the

(*) Interview conducted on 13th November 1987.

same wish as other countries to pave the way for our national commercial interests. On the other hand — support for the United Nations is an integral part of Danish foreign policy and we want that support to be more than words, so we do still channel about half of our ODA through the multilateral system. The question was again discussed during the May debate in Parliament, and the distribution between multilateral and bilateral aid was reconfirmed.

Sectoral distribution of bilateral assistance



▶ *Have the sectors into which aid has been channelled changed greatly in the past 20 years?*

Reaching the poorest of the poor

— There have been some changes over the years, but the basic principles are still the same and the basic sectors are the same. Partly because the principle, as I said, is poverty orientation: that means that we have to reach the poorest parts of the population in the poorest countries. That being the overall aim, then of course we can't change very much in the various sectors.

But perhaps I could elaborate a little on it in that over a period we have built on the principle of the Basic Needs strategy. Today, perhaps we have realised that we have to complement it a little bit. We have tried to help in the social sector—to help the farmers—to give assistance in the field of education, and so on. But production in other sectors did not necessarily stem from this cooperation. So today I think we stress the production sector more than we did years ago. First of all, in the rural sector. That, I think, has been the most significant change.

▶ *So perhaps less of what many people associate DANIDA with—hospitals, education, the social sector in general?*

— Yes. But the health sector as a whole is still big and the social sector will still play a most important role. But as a complement, as a supplement, we increasingly stress the need for local production. It's also to keep people in the countryside. So that they do not move to the big cities and aggravate the slum problem.

▶ *In which sectors do you think you have been particularly successful?*

— I think we have good experience in Women and Development. We have special consultants on women's problems amongst our staff. We have now something unique—local women experts in our various missions—in Bangladesh, in India, Kenya, Tanzania and so on—local women who now work as members of our staff. Of course it gives an enormous background for our work, in a Moslem country such as Bangladesh for instance. So as I think here we have an issue which we try also to push in the multilateral organisations, because it's very important.

"We made irrigation projects without thinking that it was the women who had to get the water"

Many of the projects which we and other donors set up in the early years did not take into account the position of women in society. We made irrigation projects without thinking that it was the women who had to get the water, or walk 10 miles to get it, and so on. It has changed now. Another point is environment. Just yesterday we had a meeting with a number of NGOs on environment—how to integrate environment in all our projects; not to make specific environment projects but to incorporate this issue in all projects. We have just hired two experts, highly qualified. One of them will cover agro-forestry projects. We are preparing projects in the Sahel, planting trees—because we have our own experience of that in our country. If we can do it here, why can't we do it in the Sahel area? So that's why we have supplemented our staff with specialists in that field also; because we want to give priority to it, and also to push it in the multilateral organisations.

▶ *You want to stress environmental issues, but do you find that your beneficiaries are receptive to this? Are many of them not faced with more urgent problems?*

— I think that's a question that applies both to women's issues and to the environment... that perhaps there are urgent needs in the countries, first for food... But more and more our partners in development understand that they have to look at the development of their countries in a long-term perspective. So they have to be very much aware of the problems of the environment, and in

DANIDA / J. SCHYTTE

Kenyan women planting rice. Women in development, the environment and evaluation were the three main issues in which Denmark sought to achieve progress during their six-month Presidency of the Community

that context I think that the Brundtland Report (*) was most helpful, because it highlighted the problems, but at the same time it built on the idea of balanced economic growth. It went further than just saying "stop the world".

So those new perspectives will not only be increasingly accepted, but welcomed as part of our policy. I think if you look at the environmental problems in the Third World, and compare them with those of our countries—they are rather different. In our countries, it's a question of waste, whereas in their countries, it's a question of misusing, or over-using the soil, the water, and so on. In some countries, you can never have a new forest if you destroy the one that exists—you just plant new trees—because you fundamentally change the ecology. Of course, we have some practical problems in some parts of Africa. We plant small trees, and then nomads come and their animals eat them. We just can't change their way of life, but together with the local government we try to find a way out, because they have to have new trees. So of course, it's not that easy. But I think the Brundtland Report highlighted the problems in a very constructive way—for the donors also.

▶ *Finally, what would you see as the single greatest barrier to development?*

— In my there is not one single barrier to development but several. Take, for instance, Kenya. If the donors, by joining efforts, do succeed in increasing the GNP, by 2% or 3%, well it's quite an achievement. But at the same time the population growth is over 4% p.a. So of course population growth is an important problem, but it's also a very difficult one to deal with.

That's one problem; another problem is the debt problem, and I would like very much to come back to the decision of the Development Council in Brussels, where we decided, under the so-called ECU 100 m programme, on a special programme for the indebted countries in Africa south of the Sahara. It's a concrete decision to give an answer to an imminent problem.

Today I'm rather sure that, together with the recipient countries, we can do a good job. We have gained experience and they are better able to define their problems. In a dialogue, a policy dialogue between the donors and the recipient countries, we have a tool for the development cooperation in the coming years. ○

Interview by
MYFANWY VAN DE VELDE

(*) "Our Common Future", the report drawn up by the World Commission on Environment and Development, chaired by the Norwegian Prime Minister Gro Harlem Brundtland. An interview with Mrs Brundtland will feature in the next issue of The Courier.

JOSÉ M. DURÃO BARROSO

Portugal's Secretary of State for Foreign Affairs

The Courier

"Portugal is neither one of the largest nor one of the richest Member States of the Community" explained José Manuel Durão Barroso, Portugal's Secretary of State for Foreign Affairs and Cooperation. Its importance in relations with ACP countries, however, and also with Latin America, far outweighs its economic clout. How and why should this be so? Mr Barroso (32) a dynamic lawyer with a degree in political science, and completely fluent in English and French (as well as his native Portuguese), a member of Portugal's Social Democratic Party, gave an interview to The Courier on the highly original contribution that his country can make to the development of EEC-ACP cooperation and North-South relations.

"The quality of cooperation depends on the degree of human contact"

▶ *How important to Portugal is belonging to Lomé and being involved in cooperation between the Community and the ACP States?*

— As far as we Portuguese are concerned, belonging to this system of cooperation between the EEC and ACP States is first and foremost being able to use our experience in the developing countries, and Africa especially, to help this cooperation in the Community framework. Portugal feels it can play an important part here. As you know, we already have close ties with those African countries whose working language is Portuguese. Our relations with countries in this and even other continents go a long way back into history and our experience there is not just part of the historical process, but something which has left its mark on all our relations with these countries today. This is why we think one of the most interesting aspects of our joining the Community is the opportunity to cooperate with the countries of Africa, the Caribbean and the Pacific under the Lomé Convention.

▶ *This cooperation involves you in a new dimension, doesn't it? How are you going to situate your relations with the Portuguese-speaking nations in what is, for you, this new dimension of the ACP Group?*

— We see no contradiction between this and the development of the close relations that already exist between Portugal and the Portuguese-speaking nations of Africa—one manifestation of which, at the very moment we are talking (*), is the Lisbon visit of Eduardo Dos Santos, the President of Angola. Our experience with these countries can, I think, be of considerable help in the general framework of European cooperation. Portugal of course thinks that it has responsibilities *vis-à-vis* these countries, but they want to act themselves, as a group within the ACP framework, which is what they did at the OAU where they also asked to appear as a group. One of the consequences of this is their desire for all communications between them and the Community to be made in Portuguese. So it would be a good idea for the Portuguese-speaking countries to be recognised as a special case, since this is what they very much want.

(*) This interview took place in Lisbon in late September — Ed.

"The multilateral framework is an excellent one"

▶ *This is an important question because there is always a risk of the Member States of the Community tending to favour bilateral relations, and thereby perhaps not giving Community cooperation all the attention it deserves, for considerations of national policy and international relations. What do you think?*

— My feeling is that, as far as Portugal is concerned, we cannot cut our cooperation down to a bilateral level. As you know, Portugal, in view of its experience, has considerable potential in terms of cooperation, but we also have what are probably greater financial constraints than other European countries, so we think the multilateral framework is an excellent one to which Portugal can make an efficient job of harnessing its development cooperation drive.

▶ *You also have a lot of responsibility in Latin America because the biggest Portuguese-speaking nation isn't Portugal, but Brazil, and you no doubt have extremely important relations with this country. How can you reconcile your contractual Community cooperation commitments in the ACPs with those in Latin America?*

— We do, indeed, have close relations with Latin America and Brazil especially, as you say. But these countries are not in the ACP Group and I do not currently see any possibility of establishing or running the same type of cooperation with them—in particular because of our accession to the Community and Lomé. The Community does have trade relations with Latin America and we are already applying them. We want the Community to go on with cooperation with these countries, and indeed, it would be no bad thing for this cooperation with Latin American countries to be improved.

▶ *Nevertheless, for purely economic reasons, you might well want to trade more and invest more in countries where there would be immediate and bigger returns on your money...*

— The difficult choice you are referring to is not, I think, going to have to be made, in the near future at least, because our present concern is in fact to concentrate on Africa first and foremost. The Latin American country with which we have very special historical ties and very intense relations is Brazil. And Brazil, which is huge, may have to fit into larger cooperation systems at any time. The problem you mention has not arisen—as yet, at least.

▶ *What do you think about Portugal's accession to the Lomé Sugar Protocol?*

— We understand the ACP position very well and we are currently defending, if you like, the idea of the European Community being open to imported sugar from the ACP countries. As you know, Angola and Mozambique are potentially large sugar producers, which is one more reason for backing a more generous Community line on ACP sugar imports.

▶ *Do you mean that you will be reviewing the agreement whereby Portugal may only import 75 000 tonnes of ACP cane sugar p.a. instead of the 300 000 tonnes it was before?*

— We haven't taken a decision on this yet. You know, this really is one of the hardest problems and we don't want to take up a position that is not acceptable to the Community. I cannot say any more at this stage.

▶ *How do you balance your sugar industry's requirements of 300 000 tonnes p.a. (a figure that dates back to before you joined) with the 75 000 tonnes you are allowed to import from the ACP countries today?*

— For the moment we are importing from other sources.

▶ *One last question on sugar, a very important subject for the ACPs. Are you planning to refine beet sugar in the fairly near future?*

— We might. Financing is indeed planned for beet sugar refining, but it will be some time before we can turn out beet sugar for domestic consumption.

"We can make true North-South dialogue easier"

▶ *What part can your country play in the North-South dialogue, given your geographical position and the historic links you mentioned just now?*

— We can perhaps, from certain angles at least, make the dialogue easier because, having historical ties with some of the big ACP countries, we can, we think, show a greater understanding of their problems. More practically, when it comes to North-South cooperation, we have a lot of people who are highly qualified, both technically and psychologically, in most areas of cooperation, particularly with countries in the tropics. They adapt well to the African environment and they have the knowledge, a true heritage when it comes to such things as tropical medicine and agriculture and geology, and my personal intention in the Government is to do as much as possible to develop this cooperation, because it is in the interests of all the countries on the receiving end, of course, and in the practical interest of Portugal and Europe who are anxious to make a greater contribution to this movement of development cooperation.

▶ *Can you give us a brief idea of the financial and other means your Government intends channelling into its bilateral cooperation policy?*

— The 1988 budget is being drawn up at this very moment. It is a difficult process of negotiation in all our countries, affecting the distribution of resources in the light of our major financial constraints. What I can say is that, strange as it may seem, Portugal has not really had a cooperation budget as such so far because we ran our cooperation without specifying the amounts in the different Ministries. The Health Ministry, for example, has hospitals where we treat nationals from the Portuguese-speaking countries but none of that Ministry's statistics has any specific budget division saying that "this is what we spend on them". It's all the same budget. As we haven't used the system of forecasts so far, I cannot really tell you how much our cooperation has cost.

Scepticism about some statistics

Two organisations depend directly on the Foreign Ministry and have amounts earmarked for cooperation, but their outlay is minimal compared to what all the State bodies, the Ministries of Education and Health, for example, spend. One of my first jobs in this Ministry—we have just formed a new Government—is to try and get a very precise idea of how much Portugal spends on cooperation... although comparisons are difficult. I am very sceptical about some countries' development statistics, because if one of our doctors goes out to Africa and earns five times less than a doctor from another European country, it could appear in the statistics as five times less the aid, although in fact this doctor does the same job, maybe even a better one, than his colleague from another European country. This is why I am very critical of some types of development aid records which the international organisations produce, as they are just statistical summaries and fail to reflect any of the quality of cooperation. I may appear immodest here, but I have to say that Portuguese cooperation, in terms of quality, is one of the best when it comes to the degree of human contact involved, to the extent at which our fieldworkers settle in the environment in which they run their schemes. This subject alone would make a good debate.

▶ *You have just brought up a serious problem there. The ACPs level a lot of criticism at the high cost of paying technical assistants, far more than their national colleagues in the countries they work in, and it seems that this may adversely affect the quality of coo-*

peration. Might Portugal suggest improvements one day to make for better integration of technical assistants in the host countries, do you think?

— Yes, I do. This is one of the problems I have raised, because the level of salaries in Portugal is far lower than the average in the rest of Europe—which means that statistics understate our cooperation effort sometimes. But unfortunately, I don't know whether yours is the right answer. It's also a question of the market, after all. I think the ACPs want quality cooperation and the problem is whether you get quality technical assistants if the money is poor. In all these problems, I think, you have to find balanced solutions. You have to avoid hiring mercenaries as your technical assistants, because that is exactly the opposite of what staff should be. But on the other hand, these people shouldn't be second- or third-class workers so that the only technicians in Africa are the ones Europe doesn't want. I am in favour of a balanced solution—which is maybe one of the reasons why our Portuguese technical assistants are in a good position, because we are at what you might call an intermediate level. We do not have the wages of the richest countries of Europe, for we are not one of these rich countries, but we do manage to recruit what are generally high-standard technical assistants.

▶ *In what precise fields do you intend running programmes?*

— We attach a great deal of importance, outside economic cooperation in the broadest meaning of the term, to education and vocational training, and to health, because those are the sectors where needs are felt in what can be a dramatic manner. We have already run some successful programmes, the malaria control campaign, for example, with Community backing in the shape of Portuguese medical teams. It was doctors specialised in tropical diseases from the Institute of Tropical Hygiene and Medicine, considered to be one of the best centres in the world for this sort of thing, who found that health problems in some African countries are getting worse not better. So this is a priority, because the life and future of these people is at stake. Education and vocational training in general are also a concern, because, as our old saying goes, it's better to teach someone to fish than to give him a herring. We think we can play a positive part in vocational training too. We have technicians who are right for an intermediate level of technological achievement and they are often closer than other people to the needs of the developing countries today.

The Courier

"Portuguese technical assistants are in a good position" in the countries in which they serve

▶ *Is the Government planning to develop Portuguese language teaching in other countries of Africa?*

— For the moment, we are making a positive response to requests, particularly from countries where Portuguese is a working language. These countries are short of teachers. Schemes are being run elsewhere, but there are very few of them and our priority is first and foremost the Portuguese-speaking countries.

▶ *There is another aspect of cooperation too—culture. Do you have a Government plan to save cultural works in the Portuguese-speaking ACPs?*

— We are working on this. We see, with great satisfaction, that Lomé III has a section on culture as an area of cooperation. At the moment we are looking into the possibility of acting to restore the cultural heritage of Guinea Bissau. Cacheu was apparently the first European-style town of Africa. It is part of the cultural heritage of mankind, a magnificent practical example of that exchange of cultures and civilisations that the Portuguese navigators had with the countries they visited. We are also working on a plan, with the help of the São Tomé authorities, to restore historic works in São Tomé and Principe. We have completed similar work on the Museum of the Armed Forces in Luanda. A lot more could be done. The prospects are very good and I think that some schemes along these lines would fit in very well with the Lomé idea.

▶ *Many Portuguese live in South Africa. Yet we know that Portugal is one of the countries of Europe whose colonial experience was not based on racial discrimination and separation. Where does your Government stand on apartheid, the main cause of trouble in South Africa, and its consequences in southern Africa?*

— My Government's position on apartheid and the situation in southern Africa is absolutely clear and unambiguous. We have always said so.

And we said so again at the ACP-EEC Joint Assembly here in Lisbon, where, on behalf of the Portuguese Government, I expressed our official position: total, unequivocal condemnation of apartheid. We even said that the principal source of instability was the existence of the South African régime. We also said that, unlike the African leaders of the region, who daily display realism and constructively seek solutions, South Africa is continuing its drive to destabilise, either directly or through groups which are objectively furthering the interests of the racist régime, and Angola and Mozambique are the first to suffer. So there is no ambiguity about the Portuguese position. We condemn apartheid and we support the UN's Resolution 435 on Namibian independence.

MAPEZ

Young Portuguese dancers in Lisbon — A great cultural interaction between Portugal and Africa

▶ *Although everyone in Europe condemns apartheid, they don't agree on the solutions. The ACP States are calling for economic sanctions against South Africa, but in some parts of the Community they say that the people to suffer most would be the Blacks in South Africa. What do you think?*

— Our feeling, as expressed on many occasions in the Community, is that the most important thing is to see that the SADCC countries are not economically dependent on South Africa as they still are from many points of view at the moment. This is why we are against South Africa destroying infrastructure that is fundamental to these countries' development, as it means it can delay the proper economic independence of these countries.

"Sanctions are not an answer in themselves, but we can't think of anything better"

As to the sanctions, we think prudence is called for. We know that sanctions are not an answer in themselves, but we can't think of anything better. The general position of the Portuguese Government is to do all it can to facilitate the dialogue between the various parties and make for a constructive solution whereby apartheid can be brought to a peaceful end. Détente in the region, I think, is in everybody's interest, and ours especially, because, as you said, there is a large Portuguese community in South Africa and it should not be at risk because no doubt well-intentioned solutions actually might increase the danger and worsen the situation in the region.

▶ *There is one sanction—it was suggested and voted on at the Joint Assembly—which would not, the Danish MP who presented the resolution in question maintains, harm the Blacks, and that is to suspend European airline flights to South Africa and ban South African aircraft from European capitals. What do you say to this?*

— This is a proposal on a very practical problem and I think my Government is bound to study it and see, with our partners in the Community, what response should be made.

▶ *Do you think it's feasible?*

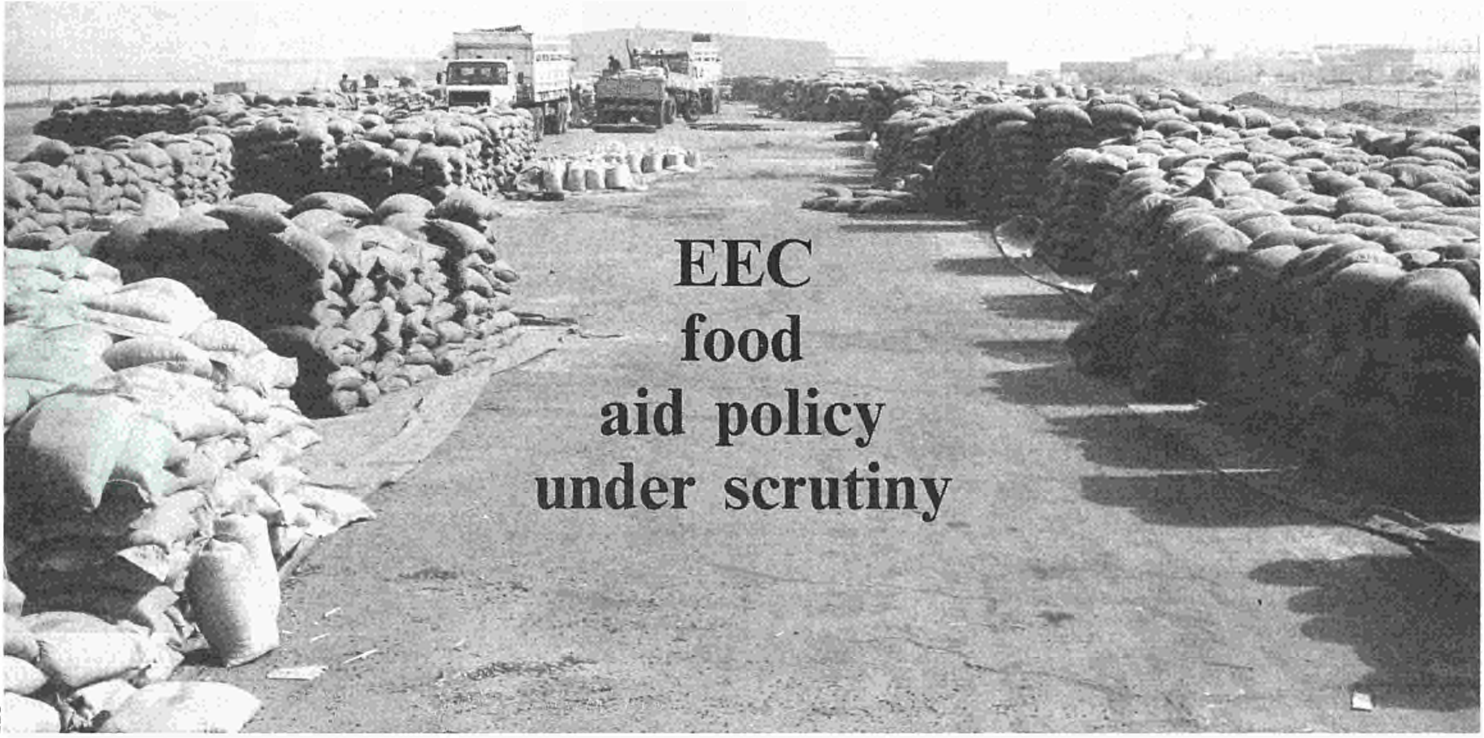
— I can't say more because we have to consult with our partners. But I can tell you that my personal opinion is that specific, clearly determined measures are more likely to show South Africa the Europeans' unambiguous political will to terminate the apartheid régime. The South Africans must be in no doubt about Europe's political will. But at the same time, we have to find solutions that will not rule out the possibility of dialogue or a constructive search for peace.

▶ *One last question... apartheid is often presented from a partisan point of view—an end to apartheid and Communism at the end of the line or apartheid and no Communism. You know Africa well—is this right?*

— I can tell you that we in Portugal think that it is entirely wrong always to see the problems of the African countries in terms of confrontation of East and West. There is the specific dimension we usually call North-South and the attendant problems cannot be reduced to another dimension which is also real and important. Portugal has not abandoned its positions in the framework of western security or the Community. There is no ambiguity about our position. But we think that the specific problems of development and the relations between Europe and Africa cannot be reduced to this simplistic vision of a general confrontation between East and West. Obviously I cannot tell you for the moment whether an end to apartheid would bring a Communist government in its wake or not. But to my mind, the attitude to apartheid, condemnation of it, is a question of principle. Apartheid is a system which is unacceptable to the very principles of European civilisation and decent European tradition. The problem of the system that replaces the present South African one, which we reject, is of secondary importance compared to the seriousness of apartheid itself. o

Interview by
LUCIEN PAGNI

EEC food aid policy under scrutiny



EEC

Community food aid at Khartoum airport

The European Community food aid policy came under scrutiny in Rome last October (1) at the 24th session of the Committee on Food Aid (CFA), the international body responsible for reviewing the experience in food aid of donors and recipients alike. At the centre of discussion was a report compiled by the Secretariat of the World Food Programme (WFP) which analysed every aspect of Community policy, from the planning and decision-making process to the flow, direction and uses of Community food aid as well as factors it believed could influence, in the future, its level, composition and direction.

Present in Rome to clarify and debate with the Committee some of the issues raised in the Report, were representatives of the Commission led by the Director-General for Development, Mr Dieter Frisch.

The document makes, among other things, the following points.

Second biggest source of food aid

— The European Community and its Member States account for 15% of global food aid, the second biggest source in the world. Representing about 25% of the total value of all EEC official development assistance (ODA), all the food aid is in the form of grants. These facts notwithstanding, Community food aid constitutes just a small proportion of its production, exports and stocks and "proportionately less in those terms than other major donors". A significant and noteworthy fact is the reduction in recent years in the supply of dairy products from an average of 150 000 tons of dried skim milk (DSM) and 45 000 tons of butter-oil between 1978 and 1982 to 133 000 tons of DSM and 30 000 tons of butter-oil in 1986. The share of dairy products given directly as food aid has correspondingly diminished from an average of about two-thirds to less than half. A larger proportion is now channelled indirectly through such organisations as WFP, the United Nation's High Commission for Refugees (UNHCR), the International Committee of the Red Cross (ICRC), the League of Red Cross Societies (LRCS) and other non-governmental organisations (NGOs). About three quarters of Community food aid is given in cereals directly to beneficiary countries. Where the Community gives dairy products directly it is aimed at assisting the recipient country to develop its own dairy industry.

The World Food Programme is the largest single recipient of Community indirect food aid (about 24%) and the Community and Member States are its biggest donors with pledges over a decade amounting by 1986 to US $ 1 366 million. The Community, furthermore, contributes, on an annual basis, to WFP's international emergency food reserve.

In terms of regional distribution, Africa, the report says, "has emerged as the largest beneficiary of direct EEC cereal food aid after having overtaken Asia in the late 1970s. Bangladesh and Egypt received between them 40% in 1986".

Attuned to the needs of development

— Claiming that tension had existed between the use of food aid as a conduit for Community surplus production and its use as a significant part of development assistance, the document notes that since the beginning of the 1980s, "a series of regulations and policy resolutions have been adopted that stressed the developmental use of food aid as a flexible resource, and the need to devolve responsibility for its programming and mobilisation to those directly concerned with development assistance in the EEC Commission". Although the decline in the use of dairy products was a result of two factors: criticisms and the general realisation that they are a difficult resource to use effective-

(1) 19-30 October 1987.

ly, there is "growing consensus within the EEC regarding the use of food aid as a resource genuinely attuned to the needs of development rather than as a conduit for surplus disposal" of Community food production.

— EEC food aid is given in two ways: sales for budgetary and balance-of-payment support or free distribution to target groups such as schools or food-for-work projects. "The sales modality has accounted for the bulk of direct EEC food aid in most of the recipient countries. Of the 40 country food aid programme allocations approved for 1986, a total of 33 involved sales".

The Lomé III Convention

— EEC assistance has traditionally been directed mainly to agriculture and rural development in both ACP and non-ACP countries. This policy has been given a boost, with the vast majority of ACP States choosing to concentrate on rural development in their national indicative programmes under Lomé III Convention. The EEC Commission is engaged in dialogue with each ACP state on joint measures to achieve desired objectives and is coordinating with other aid donors to ensure maximum impact of food aid on the ground.

The document goes on to examine the various facets of EEC food aid. First, the *food strategies* which is a concept through which "policy and investment focus is given to the agricultural sector" with development assistance planned on sectoral programmes rather than on an individual project. The Report gives the results of the pilot strategies carried out in four African countries (Mali, Kenya, Rwanda and Zambia) since 1983 when they were launched—strategies in which food aid from the Community and other donors played a major part. "In Mali food aid from a group of 11 donors, including the EEC, has provided assistance to a food strategy that includes the goals of achieving food security, price stabilisation and the restructing of cereal marketing. A common fund of local currency has been established from food aid sales for investment in various elements of the food strategy. In Kenya and Rwanda, food aid has been channelled to the main marketing boards to strengthen their operations. In Zambia, counterpart funds generated from EEC food aid sales cover part of the local costs of rural development projects funded by the European Development Fund". The stage is now set under Lomé III Convention for a wider application of this strategy.

Second, the *triangular transactions,* the system whereby the EEC purchases food in a developing country with a surplus for use in another developing country which has a deficit. This provision, says the Document, "has enhanced the development objective of EEC food aid as well as its flexibility, delinking supplies from EEC surplus stocks". Over 280 000 tons of coarse grain and 45 000 tons of other products have been bought directly by the Commission at a total cost of about ECU 98 million since the system began in 1983.

Thirdly, the *alternative operations* about which the report notes that the Community is the only donor practising them — substituting food aid with financial assistance where it is felt food aid would be counterproductive, like disrupting food markets and output. The system has proved particularly useful for "countries with marked fluctuations in food production as in sub-Saharan Africa during and after the recent food crisis". In the limited number of countries where the operations have been applied since they began, the finance provided has served mainly to buy fertilisers and local foodstuffs to build up security stocks and to improve storage facilities.

EEC

"A significant and noteworthy fact is the reduction in recent years in the supply of dairy products... about three quarters of Community food aid is given in cereals directly to beneficiary countries"

Fourthly, the *emergency food aid,* under which the "EEC and Member States made a significant contribution in 1985 to combat the famine which affected various parts of Africa". The report recalls, in this regard, the meeting of Community Heads of State and Government in Dublin in December 1984 when food aid commitments of 1.2 million tons of grain or equivalent were fixed for 1985 and the Commission embarked on accelerated procedures for delivering them. EEC emergency food aid, it should be noted, has been provided mainly in cereals in recent years, "although dried skim milk and butteroil have also been supplied, as well as small amounts of beans, high protein biscuits and sugar".

Recommendations

Looking to the future the document recommends among other things:
— the strengthening of the Food Aid Specialised Service at the Commission, given the size and complexity of Community's food aid undertakings;
— the strengthening of the Community Delegations in the recipient country "in order to implement the strong development focus" of Community food aid policy; — a greater coordination not only of the Community and national actions in food aid, but also between EEC overall actions and "food aid programmes of other donors and organisations"; — increase in the Community food aid programme to "a level commensurate with its economic status, its share of world food trade and size of its food stock";
— the putting into place of "a programme of multiannual commitments on a forward, rolling basis within an annual budget system" which would provide a guaranteed flow of food aid for specific development objectives, and would support recipient governments in their endeavours to implement policy reforms, and facilitate the full integration of food aid into the multiannual assistance programmes

that the Community is providing under Lomé III as well as in non-ACP countries, and... make food aid a more effective resource for the implementation of food security and food strategy programmes".

The Report criticises the EEC's food aid's "short time horizon" which "emphasises annual programming through a cumbersome process of implementing regulations", a system which results, in some cases, in "unpredictable delays, the practical outcome of which is that food aid is in effect provided on a haphazardly multiannual basis"; recommends the systematic pursuit of more efficient planning, management and use of counterpart funds to ensure their impact on the development of the recipient countries; and stresses the need for a greater attention to the programming and operations of the triangular transactions and alternative operations. The Report underlines the desirability of the "adoption of a common code of conduct among donors in the same country, on a pragmatic basis, under the responsibility of the beneficiary country".

Clarifying issues

Addressing the CFA in Rome, the Director-General for Development, Mr Dieter Frisch, said that food aid was a difficult resource to manage. He, however, pointed out the often contradictory nature of the criticisms levelled at Community food aid policy in recent years. On the one hand, he said, critics talk of how shameful it is to have food mountains in the industrialised countries while millions of people suffer hunger and malnutrition in the developing countries. But as soon as regular food aid is supplied, the Community is accused of creating dependence on aid and disrupting local markets. "We are being asked on the one hand to make greater efforts to assist populations in distress but, on the other, to reduce, if not stop entirely, food aid (except in the case of disaster) in favour of more effective development instruments". The very long time that food aid sometimes takes to arrive in the famine areas is another source of criticisms — criticisms which do not take into consideration the difficulties involved in implementing emergency aid like the absence of logistic support and lack of security. Mr Frisch, however, noted that, notwithstanding these difficulties, the Community was able to carry out its emergency operations with speed during the African crisis.

EEC

EEC emergency aid in Uganda

Criticisms of delays in delivery of Community aid "do not take into consideration the difficulties involved in implementing emergency aid like the absence of logistic support and lack of security"

About 80% of all assistance to development is geared towards rural development and food security. For any food strategy to be effective it must be pursued on a regional rather than national level. "One can, in effect, ask if it is possible for neighbouring countries with porous borders to have price policies that are different", said Mr Frisch. With the triangular operations the Community, he felt, has made a small contribution towards the regional approach. Not only do they enable the deficit countries to be supplied with products adapted to their nutritional habits, they contribute to the development of South-South commercial relations and to a system of regional food security.

On the counterpart funds about which the Report advocates more effective planning, management and use, Mr Frisch said the Community was examining its procedures on the constitution of such funds and that it would draw on the experience of other donors and the WFP in this area. "As to the use of the funds themselves, we advocate use in agricultural production programmes, marketing of produce or in development projects in the agricultural and rural sectors or better still — and this is particularly important at this moment — their use in cereal market management".

The Community's integrated approach and current reforms of policy and management of food aid are aimed at ensuring that the Commission is in complete control of the whole aid operations, from mobilisation to delivery, as against previous practice where responsibilities were dispersed among different organisations whose priorities were different from those of the Commission. "The reforms provide for the management of each operation by professionals mandated by the Commission to ensure that supplies are followed up, that difficulties that can crop up on the way are avoided and that quality and quantity are controlled", said Mr Frisch.

General satisfaction

In the debate that followed, the Committee congratulated the Community in its efforts at integrating food aid into development and for its pioneering, if not revolutionary, initiatives in the form of the triangular and alternative operations. Most members, however, again urged the Community to increase the volume of its food aid to a level commensurate with its stocks. To this, Mr Frisch reiterated that the provision of food aid was not linked to the Community's agricultural surpluses. Although food aid originated from surpluses, the Community has tried to establish a policy that is independent of them and one that has been integrated into its overall development policy. Establishing a link between the volume of stocks and quantity of food aid would be backward-looking, not progress. o

Augustine OYOWE

Congress of African Scientists in Brazzaville

The worldwide image presented by Africa today is that of poverty and disunity, shot through with elements of disaster — drought, starvation and economic decay. Yet, as Professor Edem Kodjo explained to the Congress of African Scientists in Brazzaville last June, that is not the whole story, but the effect of the 'marginalisation of Africa's own efforts'. Science, he pointed out, was one of them. African scientists were without doubt of the same capacity as their opposite numbers from other continents — they had produced new motors and new machinery in prototype; they had made strides in the fields of plant and animal genetics; they had opened promising new fields in medicine and agronomy; and had put a biochemical analysis tool into the hands of researchers (the Nigerian plasma analysis and protein-dissolving SOWEAM machine). But poor management, under-funding and inefficient use of qualified staff had meant that African scientists were forced to choose between the fulfilment of their potential in the scientific establishments of the developed countries, or the likelihood of stagnation in administrative posts at home. The OAU had initiated this week-long congress in Brazzaville from 25-30 June in order to bring about some changes and, more specifically, to 'mobilise the African scientific community for the development of Africa' — the central theme of the Congress.

Although observers from all continents — notably, Professor Abdus Salam, the Pakistani Nobel Prizewinner and director of the International Institute of Physics — were in attendance, the Congress, with over 400 participants, was an African one through and through. The chairman of the preparatory committee was Professor Christophe Bouramoué, Congo's Minister of Scientific Research, and keynote speakers during the week included, not unnaturally, President Denis Sassou Nguesso, Congo's Head of State and the then OAU chairman, Pierre Claver Damiba, African regional director of the UNDP, Professor Abdus Salam, Idé Oumarou, OAU Secretary General and Ahmadou Mahtar M'bow, Director General (at the time) of UNESCO.

Official opening ceremony of the Congress. From left to right, Idé Oumarou, Secretary General of the OAU; Ahmadou Mahtar M'bow, then Director- General of UNESCO; President Denis Sassuo Nguesso, President of the Republic of the Congo and then Chairman of the OAU; Christophe Bouramoué, Congo's Minister for Scientific Research and the Environment; and Pierre Claver Damiba, UNDP Regional Director for Africa

The Pan-African Union of Science and Technology

This non-governmental organisation will act as a network and as a federal body for African scientific and technological institutes working for the all-round development of Africa. It will be open to individual members as well. Its governing committee is composed as follows:

Chairman:
Edward S. Ayensu (Ghana)
1st Vice-Chairman:
Edem Kodjo (Togo)
2nd Vice-Chairman:
Lydia Makhubu (Swaziland)
3nd Vice-Chairman:
Ben-Jamar (Tunisia)
Secretary-General:
Levy Makany (Congo)

It was the latter who, in the closing stages of the Congress, decorated President Sassou Nguesso with UNESCO's prestigious Albert Einstein Medal.

As befitted the head of an organisation whose mandate embraced education and culture as well as science, Mr M'bow's speech was a comprehensive one, beginning with a quantitative analysis that was disheartening. "Up to now, the role of Africa's scientific community has been insufficient" he stated. He used figures to back up this point. In industrial societies, the number of specialists working in research and development was 1 in 500 of the population: in Africa the figure was 1 in 10 000. The back-up was feeble, too. The norm for technicians-to-researchers ratio was 2:1 but in Africa it was much lower. Expenditure on research and development was over 2% of GNP in wealthy countries but less than 0.5% in most African ones. But Mr M'bow's exhortation to improve on these figures did not mean a call to reject African culture, "that secret code, the experience which he (the African) has accumulated, his spiritual, moral and aesthetic reference points, which define his being and the basis of his collective existence".

President Sassou Nguesso also mentioned the low starting-point from which Africans were beginning their "great adventure in science". "In our continent" he said "we are only at the first letter of the alphabet". But this great adventure, he warned, was also in grave danger of perversion—and not by Africans. Half the world's scientific and technological research was spent on defence matters, "a euphemism for warlike research". Moreover, scientific man, in endeavouring at all costs to "master and possess nature", in elevating to supreme power only quantitative arguments, had created the danger of a "mutilated humanity" and an unbridled and irrational exploitation of the planet's wealth. And in calling for the mobilisation of Africa's scientists, he added a call for a moral and cultural approach. "The work of the scientist is not neutral" he said. "It rests on a cultural basis and brings to fruition those programmes and projects which are the translation into scientific terms of the aspirations of vast groups of men with a common destiny". He made no excuse for bringing a moral theme to a scientific congress — "science without a conscience is the ruin of the spirit" he said, and he ended his speech by adroitly explaining that his call for the participants to speak with one voice did not mean that they should not respect those differences which stemmed from their different views or disciplines.

Brazzaville Declaration on Science and Technology

1. We, African scientists, brought together at the initiative of the General Secretariat of the Organisation of African Unity, in our first Congress at Brazzaville (Peoples' Republic of the Congo) from 25 to 30 June 1987,

***Mindful** that in the past Africa was the cradle of Science;*

***Convinced** that Science and Technology have a major role to play in the social and economic development of the African Continent;*

***Aware** that Africa's enormous natural and human resources could lead to its scientific renaissance;*

***Convinced** that in a continent so balkanised, it is only by cooperation, and a regional, continental or global strategy that our countries could overcome all the problems posed by science and technology;*

***Resolved** to add our assistance to ensure the success of the Lagos Plan of Action for African Economic Development (April 1980) and the African Priority Plan for Economic Rehabilitation 1986-90, adopted in June 1986 by the Special Session of the UN General Assembly;*

***Adopt** the following declaration entitled 'The Brazzaville Declaration on Science and Technology in Africa':*

2. We, in our capacity as African scientists, recognising that our basic contribution is the provision of scientific and technical information, have decided to set up the infrastructure necessary to enable us to communicate with each other. To this end, we declare this Congress to be the Constituent Assembly of the non-governmental Pan-African Union of Science and Technology, designed to act as a network and a federation of African Scientific and Technological Associations and Institutions working for the development of Africa, to which African scientists may belong in an individual capacity.

3. Africans scientists assembled at their first Congress at Brazzaville are also fully aware of the urgent need for long-term planning, for devising and implementing African science and technology policies at the national level. To this end, we resolve to take the initiative and to make proposals which our governments may then take into account when drawing up national development plans.

4. As far as the utilisation of human resources is concerned it is vital to ensure the teaching of science and technology in those areas which the national plans and policies on science and technology indicate as priority areas. It is our duty to assist governments in drawing up the necessary plans to respond to these needs.

5. We accept that the objective of our researches for development must be the satisfaction of our countries' needs. We pledge ourselves to the establishment of close links with governments and with various undertakings in order to pursue and intensify our research activities for development.

Idé Oumarou was pragmatic, pointing delegates to the most neglected fields of research, where a major effort would bear major fruit — medical research into low-cost pharmaceuticals; energy research into renewable, especially solar, energy; research into food storage and processing; vegetable and animal breeding to produce new and better strains. "The important thing is to construct something useful and not necessarily something beautiful", he said. And, on AIDS research, Idé Oumarou was stung into passion by the ignorance and bigotry of 'scientists' in other continents who had claimed for Africa the dubious distinction of being the birthplace of AIDS. He refuted this, "as if it were possible that diseases were like men, sectarian, regionalist and racist".

Apart from the speeches in plenary, there was much work in the various working parties into which the Congress divided, and numerous other attractions. Stands of scientific interest caught the eye, showing the inventiveness and technical mastery of African companies which offered biscuits and generators, cosmetics and medicine from all over the continent. And the host country provided entertainment of its own, from dancing teams to Negro Spiritual Singers, which were much appreciated by the participants.

In the end, the Congress achieved three major objectives. Firstly, it brought together for the first time, the African scientific community which is scattered over the whole world. Secondly, it gave this community a chance to exchange ideas and methods, and, more especially, to ponder the adaptation of some of those ideas and methods to cater for the purely African context. And, most impressive of all, it has created the Pan-African Union of Science and Technology, a non-governmental organisation with its own headquarters in Brazzaville and a start-up fund of CFAF 50 m from the Congolese government and the goal, enshrined in the Brazzaville Declaration made at the end of the Congress, of "pursuing and intensifying our research activities for development". Not bad for a week's work; and a most fitting reason for the investiture of President Sassou Nguesso with the Albert Einstein Medal. For African science, he had engineered a meeting between the men and the moment. The week in Brazzaville may have seen the birth of a genuinely African scientific movement. ○

Tom GLASER

CAPE VERDE

The Courier

A very poor country strives to improve its lot

Cape Verde had a good rainy season this year and it is really worthy of its name at last, here in October. The ochre, the usual colour of this volcanic archipelago, is now splashed with green. There has been a lot of rain on Santiago, the main island, where Praia, the capital, is situated, and in the southern Sotavento islands—or Leewards as they are sometimes called. But above all, the rains have been properly spread in time. The famous October rains even came—miraculously—and gave the crops the extra boost they needed. Maize stands proudly everywhere, intercropped with beans—they always go together on Cape Verde because they are planted in the same hole and put into the same cooking pots to make *cachoupa*, the meal porridge that is the nation's staple food. The harvests will be good in the San Domingos valley and on the highlands of Curra Linhos and at the foot of the Fogo volano which last erupted in 1951. And encouraged by the rain, the peasants are planting more—20% more land has come under crop on Santiago, 50% on Maïo, the neighbouring island, and 10% on Fogo. All marginally agricultural land has thus been seeded.

In the northern islands of Barlavento (the Windwards), the equally plentiful rains arrived several weeks late. And one or two showers were still needed to save the harvests. On Santo Antão, irrigated sugar cane in the wonderful Paúl valley, a veritable oasis set in desert rock, is high, but the maize that grows right up to the peaks above Ribeira Grande is still stunted. And the islands will soon be getting the cold, damp north-easterly winds, bringing down the temperature by several degrees and stopping the growth of the crops.

The country had not had a really good rainy season since 1968—almost 20 years ago. Last year, of course, there was more rain than before, but it was nothing compared to what fell in 1987, a year people have no hesitation in calling exceptional. Planning and Cooperation Minister José Brito is wary, however. "We must be careful not to say the drought is over. We are dealing with a cycle that is longer than a lifetime. Desertification in the Sahel is such a far-reaching phenomenon that the probability is one good rain every 10 years. That's the way you have to take it. Next year things may be different".

EMPA—insurance against famine

Cape Verde knows all about drought and has done for some time—ever since the Portuguese discovered the islands in 1460 and European colonials and their slaves started to live there. Its history is scattered with cycles of drought lasting five to 10 years or more and famine infallibly corresponding with sudden drops in the population. It happened in 1748-50 and 1773-75 and again in 1831-33. In 1866, a particularly harsh famine killed more than 30 000 people. And nearer our own time, the 20th century has had its deaths too, as 83 000 have starved here since the early 1900s.

Hungry Cape Verdeans soon learned to go in search of other, more hospitable climes, creating the country's solid tradition of emigration, one that still thrives today. But there is no famine now. The prime concern of the leaders after independence, following the spring revolution in Portugal in 1975, was to procure for the country enough regular supplies of staple foods at a price it could afford. A public firm, EMPA (the Public Supply Company) was put in charge of this and in less than 10 years has become something of an empire, with a turnover of 3.5 billion escudos. It has spread its many arms to the nine inhabited islands of the archipelago, meeting the demand for maize, rice, beans, oil, milk and sugar... and iron, timber and cement. And more. And of course, avoiding the speculation that would inevitably arise if goods were short. EMPA, which has 1 060 full-time staff and a thousand or so seasonal workers, is the nation's second largest employer, after the civil service. "It is a national necessity", said Orlando José Mascarenhas, its Director-General, "given our lack of natural resources, and it has put an end to the speculation of the colonial era and the differences in prices in Praia and Santo Antão and Brava, for example".

EMPA has stores (capacity—70 000 t) throughout the islands. "The average loss on imported products is less than 1%", Mr Mascarenhas said proudly. This is the result of a drive to offer incentives and motivate the workers via wage guarantees, special bonuses, supervision and permanent monitoring. The Company is prosperous, there is no doubt about that. Just look at its ultra-modern headquarters or its delegates' housing on the islands. And it has just bought a 10 000 ha property, good land, equal to about a third of all the arable land in Cape Verde, along the boundary between... Brazil and Paraguay. Mr Barbosa, who is in charge of running this plantation, has apparently been given *carte blanche* to instal modern equipment—provided he makes a profit. For this is one of the investments Cape Verde is counting on to finance its future development.

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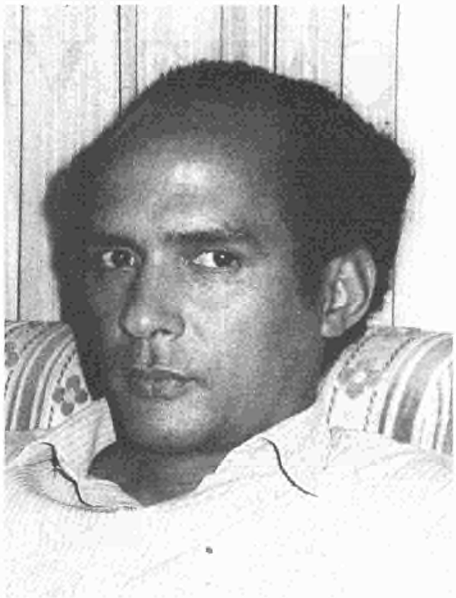
Orlando José Mascarenhas, Director-General of EMPA



José Brito, Planning and Cooperation Minister

The Courier

Osvaldo Lopes Da Silva, Minister for Trade, Transport and Tourism

João Pereira Silva, Rural Development and Fisheries Minister

Food aid that works

EMPA also channels the food aid that has been so valuable to Cape Verde since independence. There are multiannual delivery agreements with some of the developed countries, including the EEC, signed recently, although, says Mr Brito, "we have the guarantee of multiannual aid, we can count on it to make up our food shortfall—which is structural. There is a certain predictability about our aid and all we have to do is be a little clearer about the delivery dates of our products".

In Cape Verde, food aid is not distributed free to the needy—apart from one or two specific groups that are particularly vulnerable, the aged, the infirm and women who are heads of family. These distributions are run by the World Food Programme in conjunction with the Department of Social Affairs. There are no food for work operations except for a recent trial on the island of Fogo, whereby certain kinds of work of common interest are paid in kind, either. "I have always been against food for work", Transport, Trade and Tourism Minister Osvaldo Lopes Da Silva told me briskly, "as you cannot prevent corruption when the food is being distributed. Anyone doing the distributing is bound to be tempted to use some of the goods for his own ends. What we prefer to do is distribute income and let the people buy what they need".

And it works. Food aid goes onto the normal commercial circuits via EMPA, which immediately pays the counterpart in national currency into the National Development Fund (FDN). Since the amounts in question can more or less be forecast, EMPA can take them into account in its import programme. The FDN in fact works just like a supplier and it is paid as soon as the deliveries have been made. In only five years, the Fund has seen its income go from 300 million escudos (1982) to the 900 million of today. This money is redistributed as wages in the disaster areas where priority goes to labour-intensive work—paving roads (incredibly, this, bar one or two rare examples, especially at Mindelo on São Vincente, is the only type of road surface in Cape Verde. There are plenty of stones and the Cape Verdeans are good at shaping them, although the work is very hard), preserving the land by building dry stone dykes and low walls and planting trees, all of which helps combat desertification, save water and control erosion. This method of selling food aid works well in Cape Verde where the economy is highly monetarised by the many transfers the emigrant populations send to the families back home. It is by no means clear it would work anywhere else. The donors, at all events, are satisfied. It really is possible to check that the counterpart funds are paid into the FDN. The one drawback is that they cannot know which particular projects are actually implemented, since the FDN finances its programmes from a central fund.

Three million trees

But these projects really are implemented, be it with FDN financing or bilateral or multilateral aid, particularly in the reafforestation sector. And in Cape Verde it is obvious. The task in this rocky land where the rain, concentrated over two months, gets lost in the sea, taking the scant earth still covering the hills with it, is a gigantic one. Yet on each of the islands, man has taken a stand against this seemingly inexorable phenomenon. He has tirelessly crossed the land with dykes to retain water and force it to filter through and feed the water table. His hand has built terraces, erected crescent walls and planted a tree behind every shelter thus created. About 33 000 ha have been planted to date, compared to the 2 957 ha of the pre-independence era. "Our reafforestation programme", João Pereira Silva, the Rural Development and Fisheries Minister stressed, "is aimed at three million trees p.a. and they are planted and maintained with an 80-90% success rate. In the low-lying arid zones, nearly at sea-level, 80% of the trees planted are *prosopis*, a kind of acacia that is highly drought-resistant and has buds that appeal to animals. It grows fast, giving good quality firewood. We are counting on the plantations to ensure our self-sufficiency in firewood come the year 2000".

The rate of planting could be stepped up if at the end of the present process of reflection, the Government decided to subsidise the price of locally-produced firewood and charcoal, as it does for imported gas. In this way, the peasants would be encouraged to devote a lot of the marginal land which is unfit for maize to acacias that produce buds and seeds that can be used in herding and for firewood.

Five centuries of intermarriage

Talk to people and you will often hear them say that Cape Verde is a country in a class of its own. And indeed it does have many features that stand out in West Africa, whose regional organisations it belongs to in spite of the hundreds of miles of ocean between them. It is poor in natural resources and has no mineral wealth at all, but, over the centuries, it has been a melting pot open to influences from elsewhere. And it has the special distinction of having been a colony separate from the rest of the Portuguese lands. The Cape Verdeans, Creoles in the main, the result of five centuries of intermarriage between the Portuguese colonials and their black slaves and their descendants, were Portuguese citizens and, such, had access to Portugal's system of education—which produced an élite often employed in the country's top administration. Transport, Trade and Tourism Minister Osvaldo Lopes Da Silva, himself a former top civil servant in Angola, said that "Cape Verdeans have always been the dominant part of the population, because, as the islands were very poor, only the poorest Portuguese came out to them. Hence the feeling of superiority we have always had towards the Portuguese". The Cape Verdeans, in fact, have always been to Portugal the auxiliaries that the West Indians or the people from the four Senegalese communes of Gorée, Dakar, Rufisque and St Louis were to the French colonies, with blood ties and citizenship toning down the rigours of the colonial system. Yet it was the Cape Verdeans, led by Amilcar Cabral, born in Guinea Bissau of a Cape Verdean father, who led the struggle for the independence of the two Portuguese colonies of West Africa, under the banner of the PAIGC, the African Party for the Independence of Guinea Bissau and Cape Verde. When Amilcar Cabral was assassinated in Conakry, Aristides Pereira carried on and, when independence came in 1975, he became President of Cape Verde while Luis Cabral, Amilcar's brother, took over in Guinea Bissau. But the two

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Maize intercropped with beans. In Cape Verde the average rainfall is not suitable for the growing of cereals countries continued to be inspired by the same party, the PAIGC, right up to 1980 when, after a *coup d'état* in Guinea Bissau, the ties between the two slackened. Cape Verde then created its own party, the PAICV, the Party for the Independence of Cape Verde, which put an end to the move towards unity and left Cape Verde facing its destiny alone.

Agricultural production covers only 10% of needs...

The 10 islands, nine of them inhabited, cover a total area of 4 033 km^2 and have a total population of about 300 000. And they are on the edge of the Sahel. But the relief doubles or trebles the rainfall in some parts, creating micro-climates that are good for rainfed agriculture. Arable land is limited, however, to a total of 35 000 ha, and almost half of it is on Santiago. During the brief rains, maize and beans are grown and there are tubers such as potatoes and manioc, too. The Minister of Rural Development and Fisheries is categorical about this. "When it comes to cereals", he said, "we shall never achieve more than 10% of requirements—unless there is a genetic revolution, for our average rainfall is not right for cereal crops". However, the outlook for beans is better. João Pereira Silva thinks that they could cover 80% of the national requirements and do the same for vegetables and meat (poultry and goats). The aim with tubers, fruit and fish is nothing short of self-sufficiency. All of which makes the Minister say "Cape Verde can achieve a reasonable food balance with what it produces itself if it goes in for some protein substitution. The only problem will be milk".

These do not seem unreasonable aims, for in 1967, just before the long cycle of drought, national production covered 70% of the country's food requirements... although it has covered barely 10% since.

But there is something puzzling here. In this country, with its structural food deficit, more than half the 1 800 ha of irrigated land is used for sugar cane, the juice of which is distilled to make a very popular alcohol, *aguardente.* Mr Pereira Silva told us that sugar cane stands up well to poor water management and the yields are very low, but as *aguardente* is very expensive to buy and easy to keep, it brings in plenty of money, even when irrigation rates vary wildly. This is quite unlike, say, market gardening... "and if we grew maize with the pumped water, the cost of production could be prohibitive".

This is why the lovely Paúl valley, the greenest in the land, is given over entirely to sugar cane between September and June. It has always made the "grog" (the popular name for *aguardente*) manufacturers of Santo Antão, whose liquor is particularly good, rich, and their fine, Portuguese-style houses stand proudly in the streets of Ribeira Grande and Paúl, irrefutable proof of their status.

The Government is trying to put a stop to this anomaly, but it is not easy. It is trying to launch the idea of a liquor made from imported molasses

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In Cape Verde the struggle against desertification is not a mere slogan. Everywhere, man has tirelessly scored the land with dykes to retain water and land, built terraces for agriculture and planted trees

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The Cape Verdeans, mainly Creoles, are the result of five centuries of intermarriage between the Portuguese colonials, their black slaves and their descendants

that could be exported to countries where there are large numbers of Cape Verdean emigrants. This would free land for vegetable crops and bananas—which are already grown on irrigated land. However, there would be transport problems to solve. Cape Verde's bananas are exported direct from Santiago to Portugal, the traditional market, on board non-specialised vessels. Santo Antão bananas cannot be exported because the ships will only stop there if there is a large enough consignment of fruit. And Cape Verde only has a limited quota on the Portuguese market. It could seek other markets further afield, but this would mean producing more or at least being associated with other banana producers, the closest of which is Côte-d'Ivoire—the squaring of the circle.

... but agriculture still dominates

One over-riding question in agriculture over the past few years has been agrarian reform. Many of Cape Verde's peasants are landless, often to the point where they cannot grow enough to live on. But here the agrarian reform has its special features, aimed, the Agriculture and Fisheries Minister said, at doing away with the indirect method of owner-occupied farms, which are a constraint, especially sharecropping contracts of the most retrograde kind such as those providing for production to be shared in two equal parts. He admits that the schemes they run are not spectacular, but this is because the State has always favoured purchases with its own, necessarily limited, funds for expropriation. "However, a large number of peasants, between 5 000 and 10 000, are in a position where they can use land the State has bought, although they haven't yet got the deeds", he assured me.

Over and above the agrarian reform, the work of the Department of Agriculture is to preserve the land by mechanical (the construction of terraces, dykes etc.) and biological means (planting trees). This makes both a direct and indirect contribution to improving production, as do the free prices of local products, which are fixed in the light of supply and demand, and the fact that there are guaranteed prices for certain things such as potatoes, onions and Congo beans, a maize substitute grown on slopes where it is a particularly efficient means of combating erosion. And agricultural credit facilities are beginning to be made available by the Cape Verdean Bank. The African Development Bank is providing a line of credit too.

It might come as a surprise that agriculture gets so much attention in a country where the climate is so fickle, but as João Pereira Silva sees it, it is perfectly natural because "agriculture will go on being the dominant sector of the economy for some time to come, not just because it provides work for a large part of the population but also because the added value it creates and the number of jobs per unit of investment are greater than in industry and fishing".

Capitalising on the geo-economy

But Cape Verde's destiny is perhaps not in agriculture. José Brito, the Planning Minister, feels that the nation's structural problems are "connected with the narrowness of the domestic market and that its future will depend on how far it can win other markets and sell services based at home". PM Pedro Pires added that "we have a geographical position, between Africa, Europe and America, that we are trying to capitalise on, modelling ourselves on the Canaries, which have managed to develop their tourist sector and play an important part in international trade... and we, too, have tourist potential... and we think we can play a part in international trade".

Cape Verde has already made use of its geographical position. In the 16th and 17th centuries it played a key part in trade with Europe and America and in the 18th and 19th centuries, its sailors, who regularly went aboard the American whalers, made a fine reputation for themselves in this highly specialised type of fishing. And in the last century, right up to the turn of the present one, Mindelo was a stopping-off point for ships filling up with coal on their way round the Horn—1707 of them in 1912, for example. But the emergence of diesel vessels and competition from Las Palmas in the Canary Islands and Dakar (Senegal) put an end to this very lucrative traffic.

The two big projects the country has had since independence were in fact aimed at putting Cape Verde back on the service market map by developing, as its leaders put it, "its geo-economic position". Sal airport was already the main stopover for South African Airways' flights to Europe and the USA during the Portuguese colonial period and there is the shipyard at Mindelo on São Vicente. These investments, very large ones for a country of Cape Verde's size ($ 14 million for the former and $ 38 million for the latter), went wrong. At Sal airport, SAA flights dropped from 38 to 6 a month because of American sanctions against the country of apartheid and South African flights to the USA were stopped. Silvino Da Luz, the Foreign Affairs Minister, said that stopping these flights had been "an enormous blow. We have lost as much as $ 6 million in revenue, not to mention the fact that our many emigrants in the USA used to use these direct flights. Most of them are factory workers, people with


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Silvino Da Luz, Minister for Foreign Affairs

a fairly modest standard of living and they have to have alternative means of transport, which is why we have introduced a flight to the USA in conjunction with Mozambique Airlines".

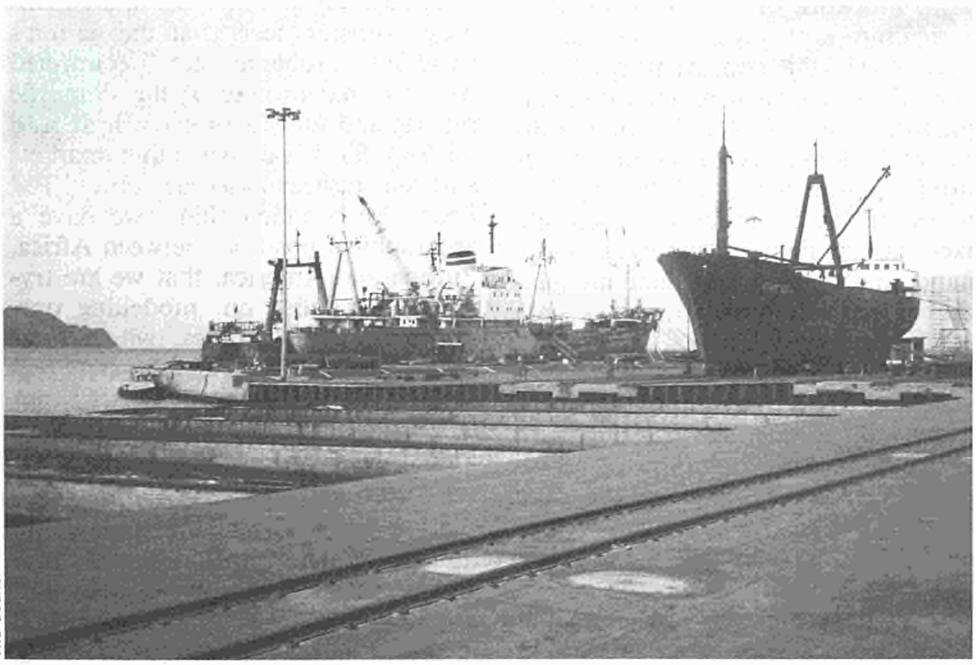
But Cape Verde, which the OAU classed as a Frontline State in 1979 because of its economic dependence on South African royalties, has always known that the position of Sal airport was tied to trends in the southern African situation. For the day South Africa has normal relations with its neighbours and the rest of the world, there is no doubt that its aircraft will use less complicated routes. But maybe what they knew was an unavoidable loss of traffic came too early... Probably.

The authorities are trying to fill the gap by attracting other airlines to Sal—in addition to the Angolans, Mozambicans and Portuguese who already have flights there. Talks are under way with Zambia Airways and Botswana Airways for potential stopovers on their US flights. And discussions are also being held with Alitalia, which is interested in the ultra-modern airport equipment whereby planes can land in the worst weather conditions and which, it is said, is beginning to find refuelling stops in Dakar increasingly expensive.

The Cape Verdean Government recently signed a contract with the Belgian firm Belgavia to set up a catering service and run two restaurants at Sal, all of which increases the attraction of the airport—which should also be a springboard for the development of the tourist trade, only just emerging. The aim, said Osvaldo Lopes Da Silva, the Transport, Trade and Tourism Minister, is to concentrate on Sal, "which has a big airport, a beautiful beach and two good hotels".

Shipyards—an encouraging prospect

The country's other big installation, the CABNAVE shipyard in Mindelo, started up in 1983 at the height of the ship repair and construction crisis. After three very difficult years, it is beginning to make itself known and, the day I visited it, it was working to capacity, as the six berths were full, with ships from Bulgaria, the USSR, Belgium, Denmark, Côte-d'Ivoire and Cape Verde itself. And the order-book, full since August, is packed until December, although the target of 500 full-time workers is far from being reached. Both repairs and actual ship-building can be undertaken—it has, for example, turned out and sold in Cape Verde various small experimental 14 m fishing smacks. Its equipment performs well, its locally-trained staff is young and motivated and has gradually replaced almost all the Portuguese experts who were there when the yard opened. The 70 who were there at the beginning have dwindled to six in four years.


The Courier

The CABNAVE shipyard in Mindelo. Encouraging prospects after three difficult years

So the prospects are encouraging, although the shipyard will not yet be returning Mindelo to the former prosperity of the songs, which, Herculano Vierra, Deputy Minister to the PM and responsible for running São Vicente and Santo Antão, said, told of families so rich they fed their cats on meat and gave away whole boxes of money.

But the port and its refrigeration facilities can also make a vital contribution to the development of the fishing industry. Little in fact is known about Cape Verde's fish potential, although evaluations have been run—with, said the Minister of Rural Development and Fisheries ironically, different results according to the nationality of the vessels that carried them out, giving an estimated annual potential of 30 000 t, 50 000 t and may be even 100 000 t. "The one thing that is certain", he said, "is that we are far from exploiting this wealth, because our annual catch is around 10 000 t, about half the minimum potential". It will not be easier to do better, however. Artisanal fishing is being modernised, of course, but the means of fishing large quantities are limited and the national industrial sector only has an old fleet and none of the capital or experience that are called for. What needs to be done is to conclude fishing agreements with foreign shipowners. They exist already with Spain and Portugal, but since these countries joined the Community, the Commission has been in charge of negotiating—and the negotiations are very difficult, as Planning Minister José Brito told me. "As our knowledge now stands, we feel that we should pay attention to the stocks and avoid overfishing and we are automatically inclined not to try to negotiate large quantities... but at the same time this is not very profitable for foreign fleets which want greater access to our stocks. The external contribution needed to exploit these resources is a problem because it isn't much to our potential partners".

Emigration, a chance for Cape Verde

The capital and ability of Cape Verdean emigrants should perhaps be mentioned here. This is a formula that has already been tried—with success—by Morabeza, the mixed clothing company set up in 1977 with 23% of the shares held by the State and 77% by Cape Verdeans, most of them emigrants. Morabeza, which normally has 143 people on its payroll, had had 400 working for it since February and this has enabled it to meet an Angolan order for US $ 2.3 million-worth of army uniforms (eight different models and 273 000 pieces in all). Back in 1985, the company executed a first Angolan order worth $ 1.5 milllion, a real boost for Morabeza which, Director Hedgard Sousa Rodrigues said, only spends 30% of its capital on meeting the demands of the local market. Output is being diversified at the moment with the creation of a line of T-shirts and sweat shirts and the company has also made one or two attempts at the American, Norwegian and Netherlands markets. These are only try-outs, but Guinea Bissau and various other countries in West Africa could offer it genuine outlets in the future. The firm has always had a stand at the trade fairs in Dakar and Abidjan. None of this would have been possible without the help of the emigrés.

Ultimately, emigration is the country's big chance. These little bits of Cape Verde in Europe and Africa and the USA, as Minister Osvaldo Lopes Da Silva put it, which have inspired the saddest *mornas*, those nostalgic songs with guitar and violin accompaniment, are the subject of increasing solicitousness. Foreign exchange bank accounts have been opened for them and they now have the opportunity to have remunerative savings accounts with the Bank of Cape Verde. The State organises visits home for second, third and fourth generation emigrants so they can get to know the land of their forefathers. An Institute of Emigration has just been opened to collect data about the emigrés and assess their financial and technical potential, for, apart from its contribution to the Cape Verdean economy, which is worth roughly $ 30 million, "we have only a vague idea of the profile of emigration", emphasised Georgina de Melho, Adviser to the PM. Some information is available, nevertheless. Cape Verdean migration is known to have started in the early 18th century, for example, when the people got jobs as sailors on American whalers and often settled in the USA when the fishing season was over. Later on, when the USA restricted immigration, the Cape Verdeans went to the western coast of Africa, particularly Guinea and around Dakar. The move towards Europe is more recent, dating from the '50s when many emigrants settled there, especially in the Netherlands. The movement speeded up in the '60s and '70s, with Portugal, where the Cape Verdeans replaced the Portuguese workers who had gone to richer northern Europe, and Italy, which mainly attracted women from Sao Nicolau for domestic work, being the main destinations.

And then there is the forced emigration, deportation or allocation to other Portuguese possessions, that happened during the colonial era in times of

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Morabeza clothing factory, here completing a part of an Angolan uniform order

Pine plantation on the heights of Santo Antão, a unique phenomenon in the Sahel

Paving roads, a technique the Cape Verdeans are perfectly accustomed to

famine or, quite simply, when the authorities needed the labour. Thousands of Cape Verdeans now live in Angola (15 000) and Mozambique and Sao Tomé and Principe (3 000 of the 5 000 inhabitants of Principe are said to be Cape Verdeans). And in the USA, particularly in the Boston area where the Cape Verdean population is up around the 300 000 mark, in Portugal (50 000), the Netherlands (10 000), Italy and France, to name but a few. Many of them regularly send postal orders to their families at home and invest in the islands. Cape Verde, Osvaldo Lopes Da Silva said, currently imports about 60 000 tonnes of cement every year, which is about 200 kg per head, the highest in Africa, all because people abroad want to have their home here. "We encourage them, because anyone who builds a house will come home once he has enough savings or a pension and is no longer a problem for the employment market."

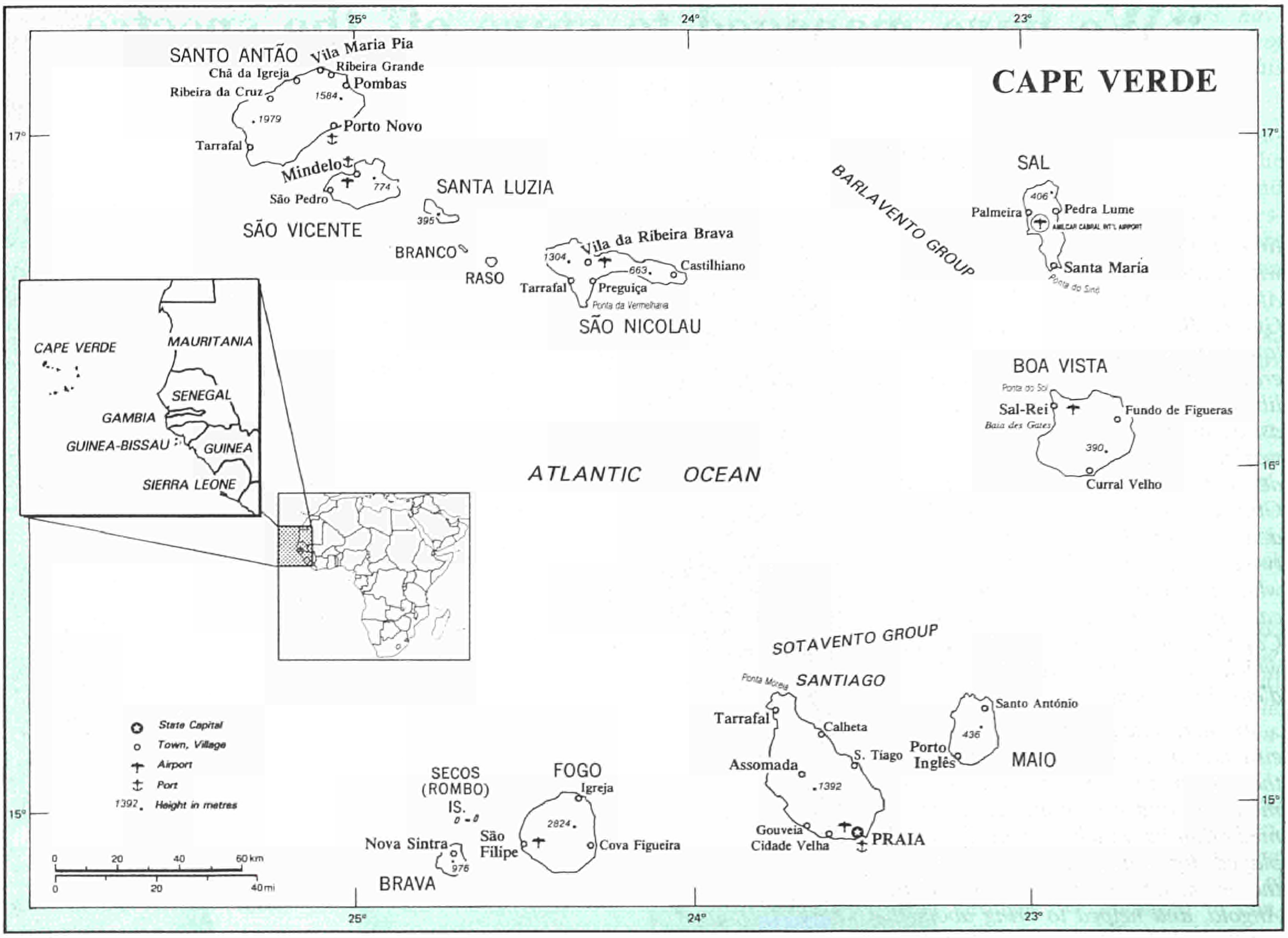
And it is also to keep up the flow of people who bring money with them that the country imports so many non-essentials. The Transport, Trade and Tourism Minister's Mozambican friends have complained about his country importing different makes of whisky, but he said "We did it to even out our balance of payments—which may seem paradoxical, but Cape Verde has a lot of people abroad. Cape Verdeans who live in France and cannot find the things they are used to when they come here, or have to queue up to buy 1 kg of rice, don't come back".

Containing demographic growth

But over the past few years, the amount the emigrants send home has tended to stagnate and even drop. Various reasons have been put forward, including the decline of the dollar and the high rate of unemployment among the expatriate Cape Verdean community, but the most recent information suggests this may not be the case. Georgina de Melho says that provisional data from the Finance Ministry puts the increase at 12.5% up on the previous year's figure.

Georgina de Melho, Adviser to the P.M.

But, in future, a substantial decline in emigration is to be expected. Restrictions are being introduced all over the world. But unemployment in Cape Verde is considerable, about a quarter of the population is affected and 40% are under-employed on top of this. People flock to the two big cities, Mindelo and above all Praia (which is growing at 6% p.a.), in search of work. The capital is already short of water and electricity and it is developing anarchically, so, with the agreement of the Community, they have decided to make Praia the Lomé III focal sector. The 6th EDF will be running a vast water prospection programme to cope with a crucial problem in a country which has to desalinate the seawater on three of its islands, and help it make a better job of planning its urban projects. All this is urgent, as the country is expected to have a population of 500 000 (as against the present 300 000) by the year 2000 and a fifth of them will live in Praia. This is why one of the aims of the second development plan (1986-90) is to promote a vigorous birth control policy to get the fertility rate down from 6.3 children per woman to 4.7 by the year 2000. Abortions have just been made legal, too, and they are free—a courageous decision for a very Catholic country.



Profile

Area: 4033 sq km

Population: 300 000 inhabitants

Density: 74.3 inhabitants/sq km

Main islands: Brava, Fogo, Santiago, Maio, Santo Antão, São Vicente, São Nicolau, Sal, Boa Vista

Capital: Praia

Languages: Creole, Portuguese

Currency: Cape Verdean Escudo (KEsc); 1 Ecu = 83.68 KEsc = 350.9 CFAF

Adult literacy rate: 37%

Primary school enrolment: 83%

GNP per capita: US $ 47 (1985)

Main exports: banana, fish products, salt

Main imports: food, beverages, petroleum products textiles, construction material, vehicles

Trade balance: US $ 61 million (1983)

There could be a way out from the other officially Portuguese-speaking countries, especially Angola and Mozambique when peace has come to them once more and active cooperation is beginning between the five countries, something Foreign Affairs Minister Silvino Da Luz is pleased about. "We have an annual conference of Heads of State and we have met in various sub-committees to discuss the whole life of our States with specific projects in the field of transport, finance and education".

However, the future of this cooperation is inextricably linked to peace in southern Africa. Meanwhile, Cape Verde, PM Pedro Pires says, has to use "every resource, big and small, material and human, for its development" and it has to manage them with care. The country obviously has nothing to learn in the field of public administration, as can be seen from the realistic monetary policy (see interview with the PM) based on floating exchange rates, which has so far avoided any black market in foreign exchange. Even the World Bank is satisfied, having said in its report that "public finances have by and large been carefully managed". Cape Verde has no sumptuous projects either—apart from the National Assembly's brand new building, a donation from China. And there is even a drive to make more of the building by using it as a conference centre.

So, when EMPA Head Orlando Mascarenhas says "ours is a very poor country with many problems but it is trying to improve things, especially for the most under-privileged", it is very tempting, bearing in mind what is happening in many of the developing countries of the world, to agree with him. ○ A.T.

"We have managed to stave off the spectre of famine..."

An interview with President Aristides Pereira

Aristides Maria Pereira, for a long time in the shadow of Amilcar Cabral with whom he founded the PAIGC (the African Party for the Independence of Guinea Bissau and the Cape Verde Islands) in 1956, became Secretary-General of the Party and leader in the liberation movement when Cabral was assassinated in Conakry in 1973. It was he who led Cape Verde to independence in 1975 in political unity with Guinea Bissau. He was elected President of the Republic and reelected twice, the last time in December 1985, while retaining leadership of the African Party for the Independence of Cape Verde, the rump of the PAIGC which split into two after the 1980 coup d'etat in Guinea Bissau.

An alert sexagenarian, Aristides Pereira has made a name for himself in the region and on the continent as a moderate and pragmatic leader whose mediation is much sought after. He played, for example, a leading role in the reconciliation between Senegal and Angola, and helped to bring about direct talks between South Africa and the Luanda government. Last October, at Praia, he answered The Courier's *questions.*

▶ *Now that Cape Verde is embarking on its second development plan, what do you feel the prospects for autonomous development are like?*

— Our prospects of autonomous development are becoming clearer all the time, as in our 12 years of independence we have attained certain objectives which we fixed at the beginning and this has enabled us to get past the stage of just fighting for survival. We have managed to stave off the spectre of hunger which haunted our people for centuries. And we have also built up the institutions of a sovereign State and got them to work properly. And assessed all our economic possibilities.

▶ *You have to admit that Cape Verde has not been greatly blessed by nature...*

— Not at all. Our only resources are human ones — but, as we see it, this is the biggest resource a country can have, which is why we are investing a great deal in this sector. For we have nothing in the ground and we have no rain. And it was only last year that we saw the end of a cycle of almost 20 years of drought. This year we have had our best rainfall since independence. So I have to say that, after all these years, we not only have a certain amount of experience, but success with some of our short-term targets and this means we can contemplate the future with a little more assurance and confidence in the sectors where we think we have trump cards that really will enable us to make a go of development.

▶ *With more Cape Verdeans abroad than at home, isn't the country predestined for regional integration, in spite of the fact that the projected union with Guinea Bissau has been dropped for the time being?*

— I don't know whether we should be talking of predestination or not. But Cape Verde is a full member of a regional organisation, ECOWAS, which is aimed at regional integration. We support this big African unit. Obviously we are the only ones to be isolated and physically separated from the other countries on the mainland, but we think this integration is in the interests of a country such as ours with its particular characteristics.

▶ *The Portuguese-speaking ACPs met in Praia in April to discuss the implementation of Lomé III. Would you like to see a Portuguese-speaking Community along the lines of the*

Commonwealth or the French-speaking countries one day?

— We think we have our own way of cooperation and relations, bearing in mind the realities we lived through in the past, under colonial domination of the Portuguese brand, and the very particular relations between our countries — which fought a common fight, Africa's only coordinated liberation fight against the same coloniser. And we also have to find our own way, because the Commonwealth and the French-speaking zone have emerged from histories that are different from ours.

▶ *But don't the officially Portuguese-speaking countries already meet periodically?*

— We try to make the most of the links that were forged during the liberation fighting and to convert this political will into a will to cooperate in all sectors, in the light of everything we have in common, especially language and one or two other cultural aspects. But we are also aware of the present problems, particularly the war situation in southern Africa in the two potentially most important countries there.

▶ *Emigration, which has long been a safety valve for demographic pressure, will probably go on declining because of the restrictions introduced in the host countries, won't it? How will this affect Cape Verdean society and your birth control policy?*

— We are monitoring these things closely, of course, but we think that, like it or not, we shall go on being a country given to emigration for some time to come. We shall just be forced to take the restrictions, and the regression of emigration of a certain type — of the unqualified — into account. But there are plenty of openings for people with qualifications, especially in some countries.

▶ *Where are you thinking of?*

— Canada and Australia. We already have contacts and we think it is on the cards.

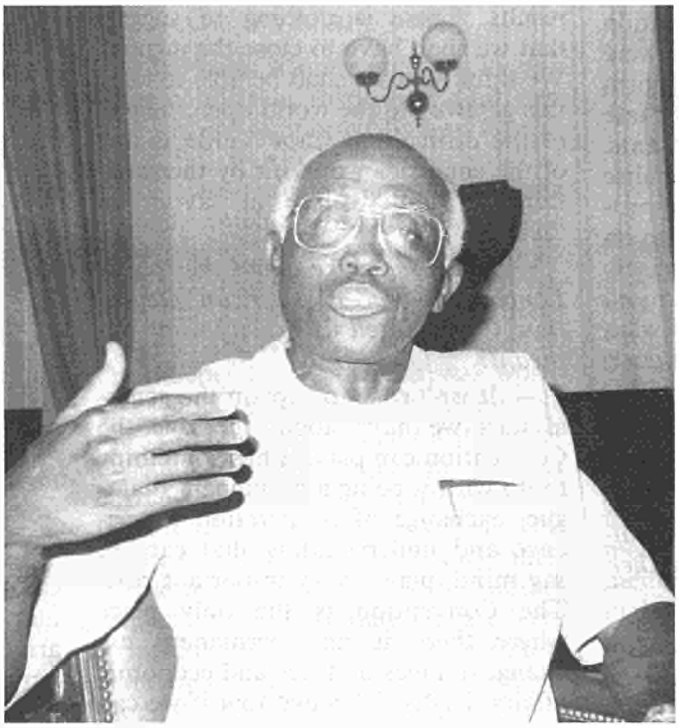
▶ *Would that be organised on a State-to-State basis rather than left to the individual?*

— Of course. We think that if we get organised, we will be able to go on counting on emigration as a major component of our drive to regulate the economy.

▶ *What relations does your Government have with the Cape Verdean emigrés? What part can they play in the development of the islands?*

— Since our independence is only recent, I have to say that we haven't yet done all we ought to do for our communities abroad. Just recently we started an embryonic organisation, the Emigration Support Institute, which has taken its first steps. But there is a long way to go and there is everything to be gained from finding out what other countries of emigration have done, Portugal for example, and Algeria and Yugoslavia, which have plenty of experience. We think that, on the basis of this experience, we can do work that will bear fruit. For the moment, we are putting our backs into support and liaison with these external communities. But there is a lot more to do.

The Courier



"We shall go on being a country given to emigration for some time to come"

▶ *The money orders the emigrés send their families have been increasing over the past few years, haven't they, and affecting your balance of payments? What do you think this means?*

— I think it reflects the present international economic situation. The Third World is piling up debts and there is a more or less obvious depression in the developed countries where most of our emigré communities live.

▶ *Doesn't that mean that the links between them and their country are weakening?*

— No it doesn't. What is happening, as far as we know, is that large numbers of Cape Verdeans are unemployed now, especially in Europe. And many of them have been expelled and are already back home.

▶ *Cape Verde has always been threatened by famine, hasn't it, so it puts top priority on food security for its people. How does it intend to guarantee this?*

— This has been the great concern ever since independence. We have made a huge effort. During the years of drought, we managed to convince some of our partners, donors, the OECD especially, to guarantee us certain quantities of grain on a multi-annual basis so we could plan our stocks. And, with the help of some of the international organisations and specialised UN agencies, we have created a whole network of silos and stores on our various islands so there is something to fall back on and there will be no break in supply. That is what we are doing. Today, we think, the situation is stable and all we have to do is maintain it.

▶ *But that doesn't depend on you and your own capacity...*

— We do receive food from certain donors, of course, and we forecast what the Government needs to import.

▶ *The agrarian reform is one of the solutions you put forward to develop your agricultural output, but it is not getting on very well. Why not?*

— For the very reason that in our country, agrarian reform takes a very specific form. We called it an agrarian reform because there wasn't any alternative, but it is nothing like the agrarian reforms other countries, with big landholdings, have. That wasn't a problem as far as we were concerned because the country is so small that it is hard to think in terms of big estates. Even though the biggest island, Santiago, used to have big landowners, they had disappeared by the time independence came because, with the drought, these people had to mortgage their land to the bank to maintain the standard of living they were used to. So, on independence, what you might have called the big estates were all State property. But they were neglected. Which is also one of the reasons why erosion and desertification gained so much ground. What we were aiming at with this agrarian reform was first of all to distribute these State properties to the landless peasants. And then we wanted to rationalise agriculture, because one cause of erosion, for example, is growing maize on slopes. It all has to be rationalised. Our agriculture has to be modernised and we have to make the best of what we've got with irrigation. All this costs money and, really, the brake on this reform is simply the cash problem.

▸ *If there are stronger sanctions against South Africa, Cape Verde could see its already diminishing royalties at Sal airport disappear altogether. Are you prepared for this?*

— They have in fact already disappeared, in a way, as the South African airline that used to have 38 flights a week now only has seven. We had seen it coming for a long time, for we have always known that apartheid would go. Ever since independence, we have said that the day apartheid disappeared, that airline would be bound to find other more attractive places to stop and precautions were called for. For some time now we have been trying to get other airlines to use Sal and to create conditions such that the airport is not just a stopover point — because those are the airports that are closing down all over the world. What we have to do is create a certain infrastructure and the right conditions for tourism so as to breathe life into the airport. And I must say that we have, to a certain extent, started to see results. There is nothing to suggest that we shall have to close the airport. We think that we shall be able to keep this gateway to the world open,in spite of the difficulties. Cape Verde is one of the countries worst hit by the sanctions — but we are in favour of them.

The Courier

"We have always felt we should only be thinking in terms of a purely symbolic army"

▸ *You once spoke about the role of Lomé in the process of African integration. Can you tell us exactly what you meant?*

— It isn't easy to explain the general idea we have about the role the Convention can play. It has something to do with it being a permanent dialogue, exchange of cooperation experience and understanding that can, to my mind, play a very important part. The Convention is the only place where there is any permanent exchange of ideas on trade and economic affairs. Lastly, I believe that if we can improve this instrument that is available to the member countries every day, we are bound to move on to better formulae by which a process of integration really will take shape.

"The instability depends primarily on whether we can set up institutions that go beyond individuals... and gain respect"

▸ *I should like to hear your views on power in all our countries, where changes are sudden. Don't you, who have a lot of experience now, think that this is because these countries don't set up enough machinery to ensure that changes take place smoothly and one generation succeeds another properly?*

— First of all, let me say we had the good fortune to experience all the African events of the '60s. We were in the throes of our fight for national liberation, with our headquarters abroad, in Conakry, and we were able to follow the changes closely, particularly in Conakry, and in other countries too. The *coup d'état* made us think about our own future after independence — even before liberation, we were concerned with consolidating our independence. In our opinion, the instability you mention depends primarily on whether we can set up institutions that go beyond individuals, impose themselves on the population and gain respect and, at the same time, satisfy them. Whatever the régime may be, political pluralism or a single party system, what you have to do is see how far the people feel concerned about and responsible for whatever decisions are taken at the top. So, as far as we are concerned, it is absolutely vital to build this State, to make it work and to set up democratic institutions that work and are respected. This is the only way we can do away with the sudden changes that happen all over Africa.

▸ *Shouldn't countries also think about the role of the army, or indeed the need to have one at all, in most cases?*

— Ours is a special case because we are so small and poor. When we became independent, there was a particular military tradition, that of the armed militants from the time of the national freedom fighting. But we have always felt we should only be thinking in terms of a purely symbolic army and we reduced its numbers a lot recently. We only have 711 people in the army at the moment, which is very symbolic, because we think that in our particular case we don't need an army to defend the country. We could never defend the country with our own means, so there is no point in investing much in the sector, especially when you look at our other needs. And our army is an army geared to civic considerations and rebuilding the nation. Obviously there is the problem of sovereignty and defence of the motherland. That, to our way of thinking, is a problem for the nation as a whole. ○

A.T.

Prime Minister Pedro Pires: "We must get to grips with new technologies"

Pedro Pires is Deputy Secretary-General of the PAICV and one of the "Old Guard" of the Guinea Bissau and Cape Verde Liberation movement. From the time of Independence, he and President Aristides Pereira have formed a solid tandem at the helm of government and, having been twice recalled to the Premiership, his experience is of uninterrupted rule. Here, he outlines some of the problems facing Cape Verde.

On unemployment and emigration

"This is a difficult one to solve. Unemployment, particularly among young people, is everybody's problem. Have the big countries of Europe and America found the answer? The people themselves have found an answer by emigrating. But we do not have a policy of emigration in spite of the fact that we are counting on the phenomenon to cut our unemployment figures. The colonials had a policy of emigration and in times of famine they exported workers to Angola and São Tomé. But we have a policy for our emigrants and Cape Verdean consulates are mainly located where they can give protection to Cape Verdean emigrants and keep up some sort of permanent contact. And at the same time we have a credit and banking policy to attract their resources back to the country."

On management of the ever-increasing debt

"We think we can cope with this by working along two lines — by trying to make investments profitable and improving the management of investments and public firms and by ensuring stringent financial management, cutting public spending, boosting resources and making for efficient financial administration. We are setting up a new Finance Ministry to take over the financial management of the nation."

On monetary policy

"Our bank is not supported by any other country or institution. Our currency is not supported by any foreign bank. But we do have the support of the Cape Verdean community living abroad, which invests and deposits a large part of its assets in the country — which makes things a little bit easier. But at the same time, we have always had a realistic exchange policy. On independence, a dollar was worth 25 escudos, but it is worth 72 now. So our currency has gradually lost its value against the dollar and against other currencies such as the German mark, the French franc and the CFAF. Our policy has been one of a floating rather than a fixed rate of exchange. Another important thing is that we are very stringent about the bank's operating standards. The bank does not finance the State. Although there is a principle whereby it should underwrite a certain amount of State spending, it is not one we personally adhere to.

Our currency policy is neither artificial nor unrealistic. Our currency is worth what it is worth, in spite of the fact that this leads to less purchasing power for our wage earners".

On the ideology of the régime

"I wouldn't call us revolutionary. Reformist is the word. Revolution, I think, happens at a particular time, when there is a break. After that, progressist or progressive reforms are called for. We have never tried to play the revolutionary party aiming for a complete break. We have always tried to do things gradually, to bring in fairer changes in our social relations little by little. We are a progressist, nationalist party."

On educational reform, one of the Government's three main policies

"Education is a means of development. The sad thing about education in our country — and elsewhere — is that, instead of helping people fit in with their environment, it does exactly the opposite. It makes man a stranger to his own environment. If we go on behaving as we are now, there is no future for us. That is not the way to create the intellectual conditions for the promotion of the nation's development. We cannot maintain here the mentality of the colonial period. To make a success of development you have to have confidence in yourself. Teaching that makes you intellectually dependent is a bad thing. Teaching that reproduces colonial values is of no use. Neither is teaching that produces an inferiority complex.

But at the same time, it is impossible to ignore the problem of technological development. I do not believe that development can be brought about by the ignorant. Things that take others half an hour take us a month, so if we want to keep up with world development, we have to use new technology one way or another. Development is more than the accumulation of material wealth. It is the accumulation of abilities. For if we are competent, there are many problems we can solve. The important thing is brains". ○ A.T.

EEC-Cape Verde cooperation

by Martino MELONI (*)

The Republic of Cape Verde, is a group of 10 islands (only nine of them inhabited) covering a total 4 033 km^2. It is a very poor country as far as natural resources and minerals go and it has had drought for the past 10 years. So, with its per capita GDP of US$ 475 (1985), it is one of the least developed nations of the world.

Cape Verde joined Lomé I in 1977 almost two years after gaining independence.

Since then, cooperation between it and the EEC has aimed to get it through the initial stages of economic, social and cultural development positively, in spite of all the internal and external difficulties dogging its path. In spite of the very real weaknesses—low income, 95% economic dependence on the outside world, high (25%) unemployment and underemployment of the labour force (20%), combined with high demographic growth—the country has some potential:

— a geo-strategic position that makes the development of transport and tourism a possibility;

— a reasonable rate of educational coverage;

— a people with considerable experience of struggling against adversity;

— vast and largely unexploited marine resources;

— the possibility of mobilising considerable external investments.

In its two Development Plans (1981-85 and 1986-90), the Government has gone in for a long-term development strategy (geared to the year 2000) of which the main lines are:

— higher revenue;

— maximalisation of employment;

— social justice;

— less regional inequality;

— protection of independence and involvement in a fairer international order.

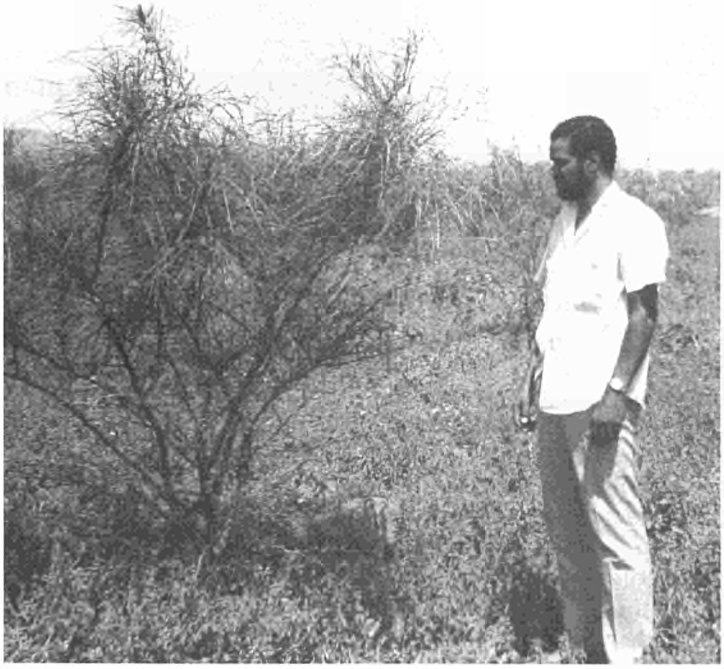
On the foreign trade front, Cape Verde's trade balance shows the considerable weight of food imports—and a gradual increase in fishing products in its export trade, as well as expanding service exports.

The rate of coverage is only 4%, so there is a very strong trade deficit.

In 1986, the Twelve supplied about 53% of the nation's total import bill and absorbed about 6.6% of its exports. The EEC also backs the country's drive to promote trade and dialogue with its potential investors, as part of the cooperation effort.

Lastly, Cape Verde is a member of the OAU, the ECA, ECOWAS, CILSS

The EEC has financed several programmes on soil protection that included the building of small dams...



... and the planting of trees. Mr Manuel Ernesto Delgado Director of the Forestry Service, examining a 4 year-old acacia, the planting of which was financed by the EDF

(*) EEC Delegate in Cape Verde.

and the Group of Five officially Portuguese-speaking nations of Africa.

Development aid

In 11 years with the Community, Cape Verde has obtained financing of about ECU 86 million (±4.5 billion C.V. Esc.), almost a third of it food aid to cover the country's food shortfall.

The aid has gone mainly to:
- improve the living conditions of the people;
- develop agricultural production;
- improve the transport and communications infrastructure;
- boost the national project implementation and management potential.

Lomé I and II

Programme schemes

In establishing the two indicative programmes, the Community and the Government of Cape Verde took account of the priorities which were the major targets of the 1st National Development Plan.

Schemes to improve the standard of living involved building drainage for the water supply to the capital, Praia, working on the network and the sewers in the most underprivileged parts of the town and improving urban waste collection. A microproject programme in Santa Catarina and Ponte d'Agua (Isle of Santiago) was an opportunity to provide health infrastructure, social and administrative centres and road surfacing and to supply water, by means of tanker trucks, to rural areas.

About 85% of the power of the electricity stations of Praia and Mindelo was supplied through Community aid.

A study has been run of a town master plan to control spontaneous housing spread in the capital. It mainly involves identifying new districts which will have basic infrastructure laid on to cope with the accelerated growth of Praia's population—expected to reach something like 50 000 by the end of the century (about 9% p.a.).

With a view to hydro-agricultural development, the Government introduced an agricultural improvement policy in the early days of independence to reduce the structural production deficit of grain and agricultural produce in general.

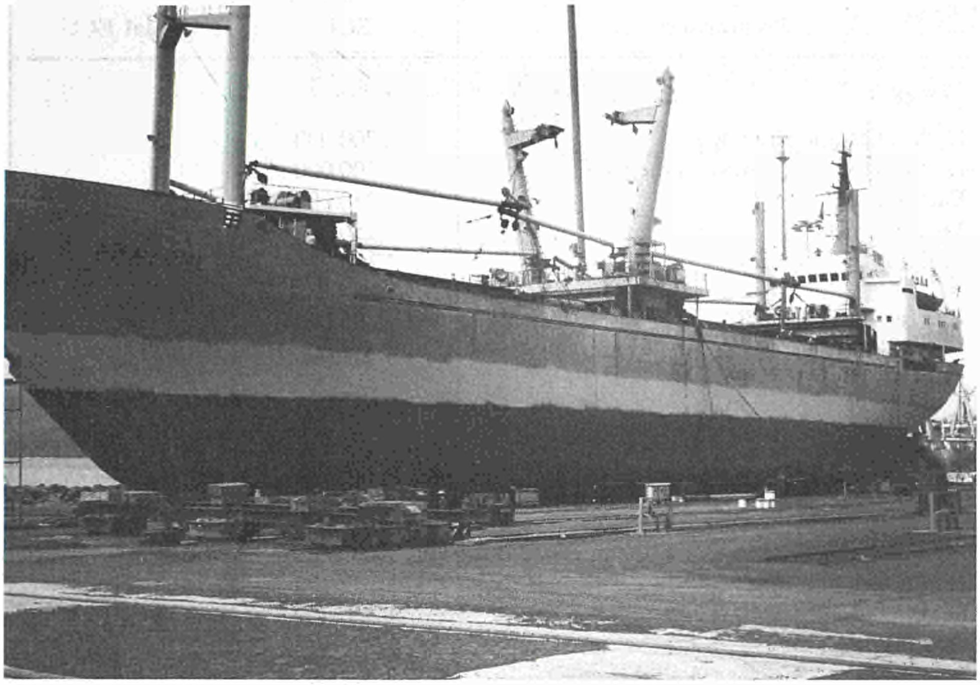
Programmes	ECU	Total ECU
LOMÉ I		
Hydraulics and drainage	2 700 000	
Hydro-agricultural developments	700 000	
Energy	350 000	
Microprojects	150 000	
Training and studies	100 000	4 000 000
STABEX for bananas	778 000	
Emergency aid	2 850 000	
Food aid	11 880 000	
NGO (*)	600 000	16 108 000
EIB (risk capital)	3 850 000	3 850 000
LOMÉ II		
Hydraulics and drainage	4 100 000	
Hydro-agricultural developments	1 400 000	
Communications	6 250 000	
Energy	2 090 000	
Microprojects	250 000	
Study grants	750 000	
Cooperative promotion	310 000	
Studies and technical assistance	850 000	16 000 000
STABEX for bananas	527 000	
Emergency aid	1 200 000	
Food aid	17 720 000	
NGO (*)	325 000	
Recovery and Rehabilitation Plan	1 000 000	
World Hunger Campaign	500 000	21 272 000
EIB	1 745 000	1 745 000
LOMÉ III		
Hydraulics and drainage	10 300 000	
Urban development	5 000 000	
Energy	2 500 000	
Education and drainage	2 200 000	
Miscellaneous	500 000	20 500 000
EIB	2 500 000	2 500 000
Total		85 975 000

(*) Not including food aid.

The main cause of weak agriculture is the water shortage. Rains tend to be torrential but fall in only two months of the year and the geological and morphological nature of the terrain is such that most of it is lost in the sea, precluding any building up of the water table.

The strategy adopted by the Government in agreement with the Community has been to regulate rainwater drainage and encourage it to filter through the earth and to generate a process of intensive afforestation. Between independence and 1986, 30 034 ha of land was afforested with 12 000 000 young plants, an improvement over the 2 957 ha planted before independence.

During the 1986 agricultural year, about 3 million trees were planted—an average of about nine trees per head of the population.



The EIB has cofinanced the shipyards in Mindelo

The counterpart funds of the food aid programmes are used, in particular, to finance road maintenance

EEC-Cape Verde cooperation in this sector is particularly active—this goes for the indicative programme and the non-programme schemes (special hunger campaign under Article 958)—and the Government has channelled a lot of the Community food aid counterpart funds into this sector as well.

The EEC schemes have involved, in particular, a land protection programme in João Varela, for a total of ECU 2 100 000, covering:
— small dams;
— small dykes;
— embankments;
— land preparation and tree planting.

In 1986, EEC cooperation made it possible to fix 257 000 young plants—about 8% of all plantations created over this period.

Transport and communications infrastructure has been improved by an EEC-Italy cofunded project to upgrade Sal airport by carrying out work vital to proper operation if international traffic is to be expanded in the future. The amount of financing involved here is ECU 6.21 million.

The EIB has also financed a ship repair and construction yard (for fishing smacks and small vessels) at Mindelo. This was worth ECU 3.8 million.

In the field of training and technical assistance, the Community has financed a significant number of study grants, the publication of school textbooks and the purchase of teaching materials (ECU 850 000) plus a variety of other technical assistance schemes.

Non-programme schemes

Food aid

The value of food aid amounted to ECU 32 m over 1976-87. There have been annual food operations since 1976, with donations of large quantities of food (cereals, milk, butteroil, beans etc.), most of it sold by the authorities to the people and the resulting funds allocated to public works programmes to combat the effects of erosion, build country roads and set up a food conservation store.

Emergency aid

Various emergency aid schemes, totalling ECU 4.05 million, have been run since 1977, 94% of them to cope with the effects of drought. The rest has gone to locust control and flood victims.

Support for NGOs

The Community has been involved in NGO schemes in Cape Verde since 1976. It provides financial support for various NGO schemes—fisheries development on the Isle of Brava, for example, land conservation and help for the rural populations in the Santa Cruz and Ribeira Brava basins.

Over the 1976-86 decade, the Community cofinanced 30 development schemes totalling ECU 2 384 000 with the NGOs. This represents 1.35% of the Community funds allocated to the NGOs throughout the world.

Stabex

Bananas are Cape Verde's only export product and Portugal is the main importer. Cape Verde had Stabex payments worth ECU 1.42 m in 1977-84. However, persistent drought bringing about a banana production slump and an increase in local consumption have prevented Cape Verde from meeting Stabex conditions since 1984.

Lomé III

The programme

When the programming mission went out in November 1985, it was decided that the cooperation programme would concentrate on developing the territory of Praia and the surrounding region. So ECU 23 m was earmarked for this, ECU 20.5 m as a grant and ECU 2.5 m as risk capital from the EIB.

It was not until May 1987, after adoption of the 2nd National Development Plan (1986-90), that the Government submitted a dossier on all the schemes to be run.

The programme focuses on improving water supplies to Praia and building new drainage facilities and networks to carry water to the city.

A feasibility study of the Barrage de Trinidade—creating a reservoir to supply the capital with water for a period of 30 years—is also planned. This dam would mean that sea water desalination could be put off for 30 years.

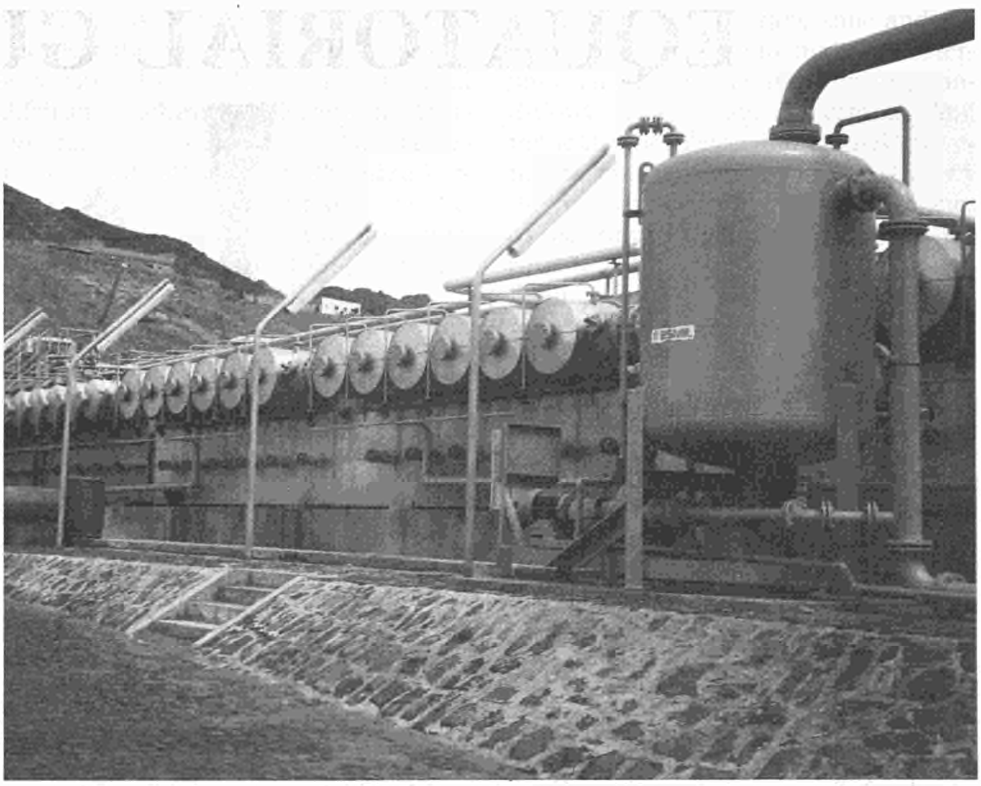
Water supply and drainage projects set up under the 4th and 5th EDFs will be followed up, as will the creation of basic infrastructure in the new parts of Praia (Palmarejo and Sao Filipe)—the subject of a 5th EDF study.

Electricity production and supply in Praia will be increased thanks to two extra generators at the Praia Station.

All this work is to meet the new energy demands attendant on the expanding population and the industrial zone now being set up.

The programme also covers education and health and plans to build a technical school for 500 pupils.

It includes a feasibility (pre-project) study of the Praia regional hospital with a view to replacing the present, obsolete health unit which dates back to the colonial era.



The Courier

Desalination plant in Mindelo

The Lomé III indicative programme seeks to improve water supply in Praia

Food aid

There has been a genuine improvement here, as, in May, for the first time in the history of Community cooperation, the EEC signed a food aid protocol, on a multiannual basis, with an ACP country.

Under the agreement, the Community will supply 9 000 tonnes of cereals, 300 t milkpowder and 200 t vegetable oil each year over the 1987-89 period.

Regional cooperation under Lomé III

The main areas of cooperation on which Community support (regional cooperation in the Sahel) should be focused were decided in Praia in October 1986 when the National Authorising Officers of the Sahel countries met a Commission mission.

They felt that desertification control should be the main field and get about 60% of the resources available for the whole of the region (ECU 210 million).

They decided to put the accent on schemes to:

— improve, preserve and manage the forest heritage;
— control and rationally manage underground and surface water;
— protect and develop the catchment basins of the main rivers;
— make people aware of environmental issues.

The Government pursued this idea by asking the Community for ECU 3 m for financing reafforestation projects on the Isles of Santiago, Santo Antao and S. Nicolau. These projects include replanting about 6 700 ha of land over a period of five years, using the land preparation and plant fixing techniques (calling for about 40 mm rain p.a.) that have been tried out in Cape Verde for some time. Although these projects are not of interest to all the countries of the Sahel, they obviously do reflect a subject common to them all—anti-desertification—which is why the techniques used in these projects could be adapted, once certain modifications had been made, to these countries.

There are also plans for projects to include a demonstration component to communicate methods and techniques by organising visits by experts from other countries. ○ M.M.

EQUATORIAL GUINEA

The Courier

The official guest house in Malabo

What sort of development policy?

Malabo, the capital of Equatorial Guinea, is on Bioko (the former Fernando Poô), the island part of the country opposite Mount Cameroon in the Gulf of Guinea. It is a mere half-hour's flight from Douala, the capital of Cameroon. Mainland Equatorial Guinea, Rio Muni, of which Bata is the capital, forms a kind of enclave between Cameroon and Gabon, and the little island of Annobon, which is off São Tomé and Principé, makes up the third part of the State. So, in spite of its small size (28 051 km^2 of it), this country has one of the biggest maritime economic zones in central Africa.

Bioko, a volcanic island, is every bit as varied from the relief point of view as Rio Muni, dominated by a coastal plain, with the Gabonese Cristal mountains rising to the east. The Benito flows right across mainland Equatorial Guinea, although only the lower reaches are used, like the rest of the rivers in the region, to float timber.

Reviving the country and its economy

Equatorial Guinea started independence, proclaimed on 12 October 1968, badly. In only 1969, the Foreign Affairs Minister of the new State, Mr Ndongo, tried to overthrow the President Francisco Macias Nguema, who was in Bata but still managed to get to Malabo and regain power. But the President lost no time in consolidating his position by creating a vacuum around him and setting up one of the harshest dictatorships in central Africa, with the (continental) Fang over the (Bantu) Bubi of Bioko and Annobon and over anyone else who did not approve of him. One of the first results of this was the departure *en masse* of the Nigerians who were the country's main economic strength in both agriculture and the embryonic industrial sector. So Bioko's production of cocoa, one of the finest in the world, crashed from the 40 000 t p.a. (45 000 ha) of the pre-1968 era to the meagre 4 000 t or so of two years ago.

The gradual collapse of the new State and its economy only one year after independence provoked the army, the only organised force, to take power in Malabo. That was in 1979. The *coup d'etat* which brought Teodoro Obiang Nguema Mbasogo, the former President's nephew, to power, kindled hope of an imminent end to the repressive methods of his predecessor — in spite of the fact that many of the country's intellectuals, primarily amongst the Bubi, were sceptical about the new Nguema régime having

The Courier

F.-P. Obama Asue
Minister of Trade and Industry. "The market economy is almost a leitmotiv"

a democratic outcome. The new President promised an amnesty for exiles and détente in the political life of the nation after a decade of "total immobility". The State had to be improved, he maintained, if the economy was to be revived. But there was the genuine problem of defining a development policy...

Genuine progress

Politically speaking, Equatorial Guinea has had less upheavals since Obiang Nguema Mbasogo came to power. There have been some varyingly serious attempts at overthrowing the régime, certainly — take the abortive *putsch* of Colonel Mba Onana and others, including the national head of BEAC, the Bank of Central African States, most of whom were released on 12 October 1987 when other long sentences were reduced — but there are now few political prisoners in the nation's gaols, it is said in Malabo, and the President is seen as a democrat who has notched up some considerable progress with human rights in his country.

Once the State had regained its credibility, the new President set about reorganising the economy, something which could not be done in the national framework alone, as the country is small and underpopulated (with around 300 000 inhabitants). One of the sequels of anarchic management, was that there was no adequate economic foundation on which to build a viable economy. The Head of State realised this, turned to the region and successfully negotiated his country's accession to UDEAC (the Central African Customs and Economic Union) and the franc zone. The agreements took effect in 1985. Membership of the two biggest regional institutions, which go a long way to determining the economic life of the six member nations, including Equatorial Guinea, means that the new member can expect major political, economic and financial gain. It is the only Spanish-speaking country in the region and it will be broadening its regional and international horizons considerably now it has the weight of the whole UDEAC unit behind it. Economically speaking, membership of the franc zone and the Customs Union could make its international trade easier and improve conditions for private investors. And monetary problems and capital movements are appreciably improved by the free convertibility of the currencies of the zone. So a series of investments, private ones especially, in farming, fishing, forestry and small processing industries were planned.

On the exchange front, membership of UDEAC has really opened up Equatorial Guinea and a large flow of trade between Cameroon and Malabo has now started — which has also generated a big improvement in telecommunications and air and sea transport

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Malabo Cathedral. Along with the official guest house it is one of the capital's main sights

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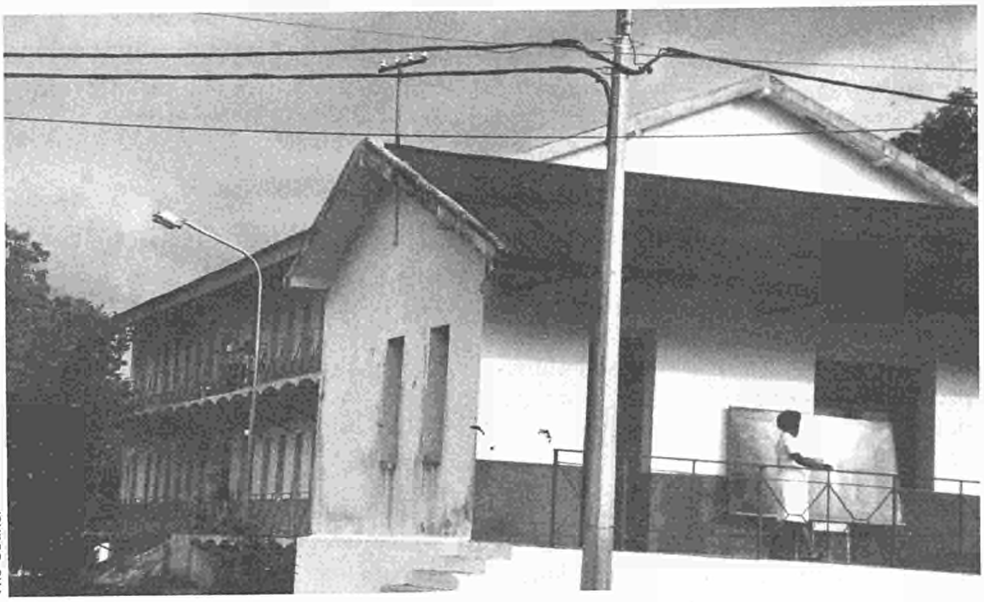
Malabo Maternity Hospital (above) and the capital's principal hospital (right)



The Courier

between the two countries. The telecommunications and transport system has benefitted from international aid. A side effect of this is that Equatorial Guinea and Nigeria — whose national airline, Nigeria Airways, has weekly flights to Malabo — are now closer.

However, these considerable results are tempered by the fact that the very poor performance put up by the administration, which was totally disorganised by the previous régime, has prevented the nation from getting the maximum anticipated benefits from the regional integration drive. Only an estimated CFAF 36 billion came into the country in 1983-86, a relatively low figure bearing in mind the economic potential of Equatorial Guinea which could certainly have attracted more financing than that. Although France, one of UDEAC's principal funders, sent out many technical assistants specialised in administration to the new member and provided financial aid to get the national economy in working order, the situation in the administration is still a serious handicap as far as the country's development is concerned and the IMF had to intervene in 1985 to help. This was very much resented by the civil service — where the IMF had called for staff and salary cuts in line with the financial capacity of the State — with the 40 000 on the payroll being halved and the average monthly wage going down to around CFAF 15 000. At the same time, local market prices rocketed and goods were in short supply when the national currency, the Ecuele, was devalued prior to being replaced by the CFAF. All this, combined with the absence of any interest in public administration, provoked profound discontent — one of the results of which was the attempted *coup d'état* of 1986 and an outbreak of corruption on the part of the State workers who had been used to a standard of living that was out of all proportion to the country's actual revenue. Despite substantial international aid and an IMF intervention at the end of 1987, the signs of precarious economic and social health are still there.

Will salvation come from international cooperation?

The authorities nevertheless set great store by international cooperation when it comes to finding a remedy for the nation's economic difficulties.

Planning Minister Mba Ondo and Trade and Industry Minister F.P.Obama Asue even see it as the developed countries' duty to do more for the development of their nation — both because they feel that Equatorial Guinea has embarked on an open economy which needs the support of the free countries to facilitate private investment (which is encouraged by the fact that the new company code stresses tax incentives for investors) and because the Government hopes that economic progress will enable it to consolidate its power and rekindle the confidence of the Equatorial Guineans — who are apparently very demoralised by their economic and social problems. Spain, which provided 33% of the country's external aid in 1986, is still the main bilateral economic partner, in spite of the more distant relations with Malabo of the past few years. It is followed by the UN (27%), the European Community (5%) and the African Development Bank and China (7% each). Community aid (see the article on EEC-Equatorial Guinea cooperation) under Lomé covers most economic and social sectors, including rural development (22%), education and training (20%) and transport, energy and the timber sector as well.

Medicine is also an area in which major Spanish assistance has been given to help counter dwindling public health care in a country where malaria is rife. International and bilateral cooperation does not seem to have hit the right note here yet. There is a lot of health assistance in Equatorial Guinea, but it has done nothing about the infrastructure. It covers drug distribution and the considerable cost of doc-

The Courier

Equatorial Guinea's cocoa, renowned for its quality. Production has dropped considerably but there is hope that a fresh start can be made with international cooperation

tors who come out as "cooperation officers", claims one of the latter "and paradoxical as it may seem, we cost relatively more than the part of cooperation financing involving infrastructure", he said. The sick have to be treated, obviously, but there would be more point to it all if the disease were wiped out at the same time.

The decline of agriculture

Equatorial Guinea has not been spared here either. Its farming has been on the decline since independence. Why? For the same reasons as anywhere else in Africa. It began by encouraging the administration, which soon became all-pervading. Agriculture was neglected and the Nigerians and other foreigners (Spanish especially) who ran the sector were forced to leave. And the result was a slump in cocoa production, down from 40 000 tonnes p.a. to the 6 000 t of 1987 — an estimate the Planning Minister called clear progress, as for several years the output of this, the nation's most important export crop, ceilinged at around 4 000 t p.a. The other main products — coffee and timber — declined in much the same way.

Food crops waned too, due both to the Government's agricultural policy and to sociological considerations, the Equatorial Guineans not being very keen on working on the land. International food aid also affected the national food crops badly until recently. In spite of a favourable climate and the country having no problem with arable land, as Agricultural Minister Alfredo Abeso Mvono Onguéné put it, on the markets the main staples — plantains, bananas, sweet potato, palm oil and fruit — are becoming rarer. But those that are available are of a calibre and quality that reflect the richness of the nation's land.

The present Government wants to make agriculture a priority, Mr Abeso Mvono Onguéné said. Production cooperatives will be formed and the State will supply technical help to enable the farmers achieve high yields in rural areas and thereby stimulate the development of the countryside. The target is self-sufficiency in food in the long run, says the Agriculture Minister, although the labour shortage and "the insufficient training for farmers" are serious handicaps when it comes to implementing a sound agricultural policy. Here the Government intends opening a National School of Agriculture in Malabo to offer three-year courses to batches of 200 students in four different subjects — agriculture, livestock, fisheries and forestry. But international cooperation has some reservations about this, as it feels that the cost of the investment is too high compared to the country's medium- and long-term need for agricultural technicians. The neighbouring countries already have good schools offering courses in the projected subjects where Equatorial Guinea could send its students if it had international grants, some technical assistants sug-

The Courier

Foodstuffs arrive in Malabo: there is a problem both with the amount and with its transportation gest. It would be cheaper for the Government and give it time to reflect on the problem and create the sort of training institute that reflects both the State's finances and the real needs of the nation's agriculture.

Strategic position

The weakness of the economy and the difficulties of internal organisation have not robbed Equatorial Guinea of its interest on the international relations scene. The two superpowers, the USSR and the USA, have embassies in Malabo (25 000 inhabitants). The Community has an office there, too, a branch of the Commission Delégation in Yaoundé, although the national authorities hope to see Malabo get its own EEC Delegation. Apart from Spain, the former occupying power, among the Member States, France has an embassy there and provides a large percentage of the cooperation officers in the various walks of the country's economic, social and administrative life (see inset). Nigeria and Cameroon also have Ambassadors in the capital of Equatorial Guinea, the strategic position of which became all the more important when the Gulf of Guinea became the world's second oil field and South Africa began trying, through private firms in Malabo and Moka, to get a hold at the very door of two countries, Nigeria and Cameroon, which are particularly strongly opposed to Pretoria's racial policy. "We know, everybody knows, that there is a certain South African presence in this country", said Nigeria's Ambassador to Malabo recently, "and we are waiting to see whether there is any threat to our security as a result". One of Nigeria's biggest oil ports, Calabar is 200 km from Malabo.

As soon as he came to power in 1979, President Teodoro Obiang Nguema Mbasogo undertook to strike a fresh balance in his country's diplomatic relations with the Western world. "The US embassy is enormously important to Equatorial Guinea. It gives the investors confidence", he said, stressing the more liberal trends in the economy — the principle of which is not in doubt but some of its constraints, in a small country especially, may surprise even the State leaders. o

LUCIEN PAGNI

Cooperation policy and international relations

When it became independent in 1968, Equatorial Guinea, like most other African countries, proclaimed its non-alignment. But under the old régime, this was more a question of principle than practice, although the Macias Nguema Government never officially changed its option.

In 1981, the new President of the Republic, Teodoro Obiang Nguema Mbasogo, undertook to redirect the country's foreign policy, seeking a better balance between the major blocs around which most international relations and economic cooperation are organised. Given the demands of a free market economy, Obiang Nguema Mbasogo's Equatorial Guinea decided to strengthen its ties with certain countries of the EEC and with the USA, forging the economic cooperation and cultural links that make the Malabo Government seem "closer to liberal economic countries" today.

In Europe, the closest ties are with France. Paris has helped set up a subsidiary of the International Bank for West Africa (BIAO) in Malabo, with 55% of its capital of roughly CFAF 300 million (1) held by the Bank itself and the rest private and public capital from Equatorial Guinea. This an important part of the financial and technical machinery the Government decided was vital to its memberschip of UDEAC and integration in the franc zone.

The Equatorial Guinea BIAO (BIAOGE) is not the only one involved. The Caisse Centrale de Coopération Economique (CCCE) has financed and cofinanced schemes to set up a national airline and build a 36 MW hydro-electric station at Riaba-Bioko.

One tangible sign of sound France-Equatorial Guinea cooperation is the rapid ground the French language is gaining in the country. It is on its way to becoming a working language. The Head of State is apparently spending 10 hours per week learning it and there are plans to build a cultural centre in Malabo. Equatorial Guinea's partners in the Economic Community of Central African States are francophones.

Diversifying cooperation partners

The development of bilateral cooperation with other European nations is not being done at Spain's expense. But Spanish cooperation seems more selective when it comes to field of intervention and Malabo thus has considerable potential as far as diversifying its partners is concerned. Spain is primarily involved in teaching, social communications and health, together with defence and security.

The Malabo Government thinks highly of Chinese cooperation, too. And in the field of multilateral cooperation, the IMF, the IBRD, the UNDP and ABEDIA are all involved in the country's structural and economic adjustment programme. o

L.P.

(1) CFAF 1 = FF 0.02.

PROFILE

Republic of Equatorial Guinea, a three-part State consisting of the mainland and two islands, Bioko and Anobon.

Independence: 12 October 1968.
Capital: Malabo (25 000 inhabitants), on the Isle of Bioko.

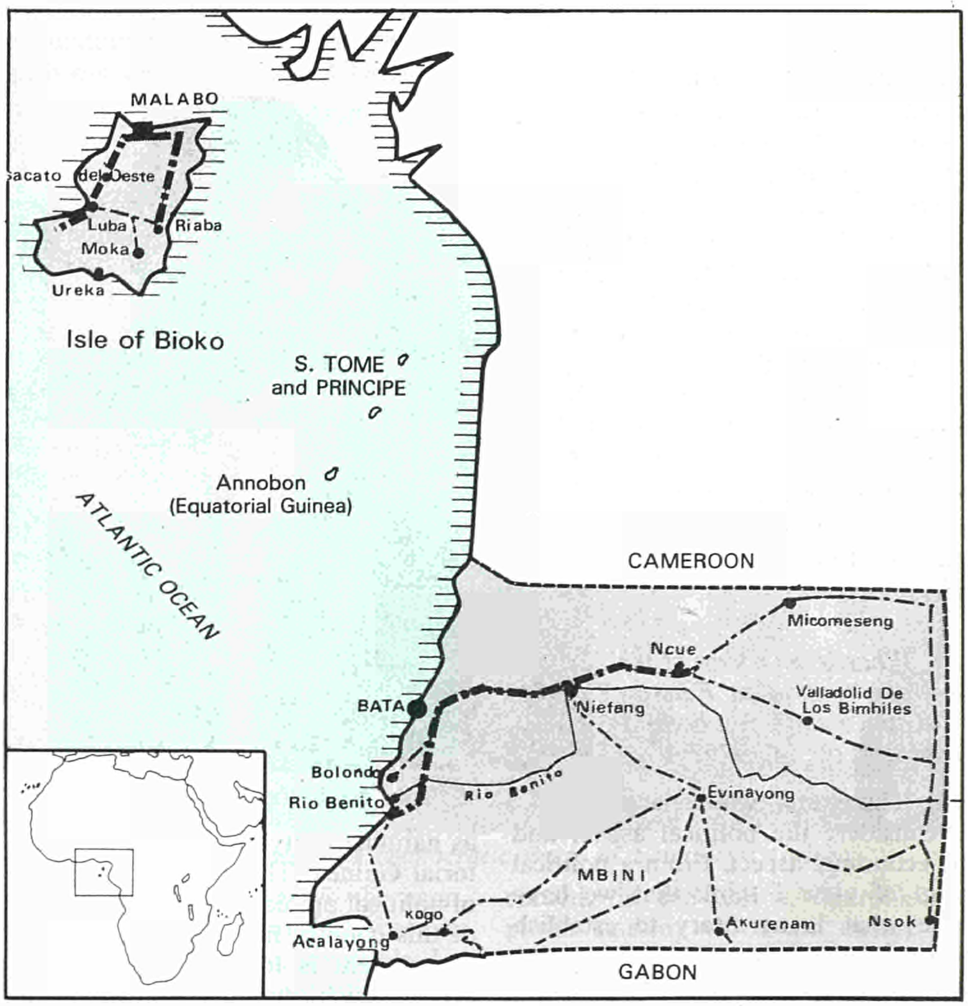
Official language: Spanish. The commonest local language is Fang and it is followed by French and pidgin, a kind of English-based Creole which is also spoken in Cameroon, Nigeria and most of western Africa.

Area: 28 051 km^2, of which about 2000 km^2 is Bioko.

Population: 300 000 inhabitants (1983), 85 000 of them living in towns. The school population is 38 380 at primary level and 5287 at secondary level.

The coconut-lined road leading to the centre of Spanish-Equatorial Guinean cooperation

FMI



Currency: The CFAF (since January 1985). It used to be the Ecuele.

Political party: The Democratic Party of Equatorial Guinea, set up in 1987. There was no political organisation prior to this.

Demographic growth: 1.8%. Infant mortality (1985): 53 per thousand.

Life expectancy: 45 years.
Inhabitants per hospital bed: 355. Number of doctors: 3750.

Per capita GDP: CFAF 100 000 (CFAF 1 = FF 0.02).

Working population: Agriculture: 77%, secondary sector: 2% tertiary sector: 21%.

Official external debt (1986): CFAF 40 billion (around SDR 113 million), Debt servicing in 1985: CFAF 5.5 billion (65% of export earnings).

Exports (1986): CFAF 8.4 billion, including cocoa (CFAF 4.1 billion −47%), timber (CFAF 3.8 billion −45%) and coffee (CFAF 0.5 billion −6%).

Imports: CFAF 7.5 billion

Overall trade balance: positive — CFAF 855 million in 1986. This overall positive trade balance occurred a year after the measures the IMF took in 1985 to put money into the State coffers and reduce imports of some consumer goods. ○

President T. Obiang N'guema Mbasogo
"Peace reigns in our country today"

Equatorial Guinea's Head of State, Teodoro Obiang N'guema Mbasogo, in his replies to *The Courier's* questions, points to the peaceful climate reigning in the country today and underlines the need for a new approach to international cooperation. This approach should do more to develop and less to indebt the countries concerned, a reversal, in other words, of current trends.


The Courier

"Peace reigns in our country today"

▶ *What is your view of the general situation in Equatorial Guinea since you became Head of State in 1979?*

— There are two aspects to consider: the political aspect and the economic aspect. From a political point of view I think that we have done what is necessary to establish peace in the country so that today peace and order reign. We have also created a climate of trust in the country. Various bodies which are really responsible for running the state are now in operation, so I would say that from a political standpoint we have achieved quite a lot and the country is doing well.

The economic sector is where we still have fairly serious problems, because when we took over leadership of the country, it was in chaos. There was no infrastructure, all services had shut down and we have had to make enormous efforts to improve the national economy. Basically, the economy has picked up, but due to the recession and the world crisis, the situation has once more deteriorated and we are finding it difficult to cope with the crisis.

▶ *Before you came to power, there was a serious problem of national unity in this country. What progress has been made in this area?*

— Progress certainly has been made as national unity now reigns in Equatorial Guinea. There is no divergence of political opinion because the people of this country have realised that the government is following a course of action which allows people to get on with their normal activities without discrimination, without incident or political pressure. Consequently I feel that the policy pursued has been fairly successful and that national unity really does exist.

▶ *In 1987 you created the Democratic Party of Equatorial Guinea. What are its main objectives and philosophy?*

— The Democratic Party of Equatorial Guinea is the exponent of exactly what we were discussing in the previous point. It will put the finishing touches to national unity by bringing together the whole population of Equatorial Guinea to work together to improve the country's political situation. For this purpose there are units or small bodies that we call village councils which have done excellent work in the past, enabling us to organise the whole process and set up the democratic institutions. The Party is now going to check up on the people who could stand for election so as to find out who would be the most suitable people to take a democratic part in the country's political transformation. As for the Party's aims, I believe that it will encourage national unity, try to achieve well-being and progress for the country and do its utmost to ensure that Equatorial Guinea attains these objectives.

Exports: "Current prices... don't bring in enough"

▶ *How does the government intend to cope with the drop in commodity prices, particularly cocoa and timber, on which the country mainly depends?*

— Despite all our efforts, it is difficult to face up to the fall in prices of our products and raw materials on international markets precisely because of our economic dependence on consumer countries. At present, farmers and foresters are faced with a rather difficult situation because the current international market price of products such as cocoa, coffee and timber doesn't bring in enough and when the products finally reach the market the price has often fallen further. It is fairly difficult to strike an economic equilibrium in these activities but the government is continuing to encourage production as much as possible. Unfortunately, it is the price situation on the international market which is hampering our economic development at the moment.

▶ *What is your view on diversifying Equatorial Guinea's economy?*

— With regard to diversification of national products, we should not think in terms of international markets, as these are part of an action plan devised by the African governments to cope with the national crises in their respective countries. We are pursuing a plan to diversify agriculture in order to provide the population with consumer goods, that is to say, self-sufficiency in consumer goods so that our people do not feel the effects of hunger or suffer shortages of goods which often cause problems in many countries. Furthermore, if the country managed to achieve total self-sufficiency in these products and produce a surplus, this could be directed towards other national markets, beginning with those of neighbouring countries. At present we are producing some products in considerable quantities, that is to say we cover domestic *malanga* requirements and we have enough to export to Cameroon and Gabon. This is a start to diversification vis-a-vis the international market.

▶ *Your concern to open up your country and cooperate with neighbouring states has led you to join the UDEAC*[1] *and to enter the franc zone. What is your assessment of cooperation and the process of integration in Central Africa today?*

— You will know that the first economic conference to take place in Lagos, held under the auspices of the Organisation of African Unity, recommended that the African countries group together on a regional and subregional basis; the Government of Equatorial Guinea has, indeed, made it its policy to participate jointly with other Central African countries with a view to setting up an economic community of states. Equatorial Guinea has taken an active part in the meetings held and set out its policy objectives, which included membership of the existing regional organisation of UDEAC. We sought to join this organisation so that our economic development efforts could be coordinated with those of neighbouring countries and, thus, in 1982 we presented our application to join UDEAC and the process of integration was completed in 1983; our incorporation in the franc zone—the franc being the workingcurrency adopted by UDEAC—occurred in 1985. As regards such integration, I believe that the prospects are good because we can now cooperate on equal terms, and with the same advantages, with other countries in the region. Our country's population will also benefit at the level of trade transactions since people will be able to make purchases in any of the UDEAC member countries as well as in countries outside UDEAC; in short, the population will derive great benefits from our decision to join UDEAC.

▶ *What benefits, specifically, will be derived from your country becoming part of the franc zone?*

— I believe the benefits are obvious. First, our former currency was the Ecuele, a non-convertible currency, with the result that we in Equatorial Guinea were surrounded by larger and richer countries, like Cameroon, Gabon and Nigeria, and all the Government's efforts to revive the economy were frustrated precisely because our currency was non-convertible. Let me give an example: we might have wanted to import certain goods, but those goods would have been the subject of speculation because many traders, on receiving the goods, would take them to neighbouring countries in search of francs; then, when the supply of national goods ran out, they would go off with those francs to buy products from the neighbouring countries. So, it has produced a rather awkward situation in that no action by the Government made any positive impact. The situation now is that we have eliminated such speculation because goods arriving here in transit to Cameroon or Gabon are treated in the same way as goods which originate in Cameroon or Gabon or Equatorial Guinea, since now we are in a monetary union there is no room for any speculation.

Satisfactory cooperation with the Community

▶ *What is your assessment of cooperation between your country and the European Community?*

— As an ACP country, Equatorial Guinea has an optimistic view of its cooperation with the European Community in which we have being playing an effective part in meetings and we are, of course, pleased with aid we have received from the Community. We remain, on the whole, satisfied with the financing of projects we have presented to the Community.

One of these, involving the electrification of our towns, is a programme which is producing good results. Another major current project, for which financing has recently been accorded, is the Riaba hydroelectric power station, which will ensure the supply of energy to the capital, Malabo; we have received other substantial aid allocations as well, for example, for small-scale projects and others which are pending presentation to the Community. So, we consider that cooperation between Equatorial Guinea and the Community is producing satisfactory results.

The Courier

The seat of the new Democratic Party of Equatorial Guinea

▶ *1988 will see the start of negotiations for a new ACP-EEC Convention. Do you currently have any particular ideas or points which you would wish to see discussed during the negotiations, either for the sake of your country or possibly for the region as a whole?*

— We see the member countries of the European Community as rich and developed countries whereas we, the ACP countries, are developing countries with a great many needs. I believe that the forthcoming Convention should accord more benefits to the ACP countries in various ways, because our economies are currently

(1) Central African Customs and Economic Union.

very weak on account of our permanent state of dependence on those countries in a stronger position; one of the problems is that our raw materials are undervalued on the international markets. We suffer also from a secondary form of dependence, namely in respect of manufactured goods, to the extent that all our requirements have to be obtained from countries with strong economies. Consequently, I think that new plans will be put before the European Community in the next round of Lomé negotiations, plans which will possibly envisage more effective programmes, i.e. programmes based on the assumption that the ACP countries can become able to live by their own means and which will establish an industrial infrastructure that enables us to process our raw materials and thereby avoid the undervaluation which the markets currently place on the unrefined products which we export to countries stronger than ourselves economically, because we are subject to speculative manipulation by those in whose interests it is to undervalue our products so that we remain in a state of dependence.

"There is ignorance among Africans as to what democracy is"

▸ *Africa has its economic problems, but it is also the scene of numerous political conflicts, for example between Chad and Libya, or in southern Africa. What is your analysis of the political situation in Africa and how do you see the future?*

— Africa has only recently gained freedom from the colonial powers and is still struggling with a fair number of political, economic and social problems. It has also to cope with other problems, in some cases tribal, in others regional. Poverty in Africa is a further current problem, to the extent that African peoples have yet to achieve levels of development sufficient for living a normal life. One has to contend equally with the problem of ignorance, because people still lack a clear idea of the objectives which their country is pursuing, so that when one speaks of democracy, there is ignorance among Africans as to what democracy is. War, hunger, inter-state conflicts such as between Libya and Chad, Libya's territorial ambitions to occupy Chad, the problem of the absence of political stability in Burkina Faso, poverty and ignorance of institutional realities—all these problems are undoubtedly a handicap for Africa. As a result, I believe that the authorities must become aware of their responsibility for educating their citizens and the need to create a suitable environment, a peaceful environment and one in which all nations can develop. The alternative of disorder means that our countries will make not the slightest progress in a situation where every change of regime is followed by structural changes, demonstrating how much is still unresolved in Africa. Political leaders must take it upon themselves to prevent such disorder and create the proper conditions to allow for political change in line with modern democratic practice as found in the older-established countries which, also, have had their difficulties. Clearly they have behind them many years of independence and experience of democracy and I think that we also are approaching a time when our countries can achieve such stability; so, I would urge all leaders to encourage a respect for democracy and institutional government and look to ensure a state of national harmony.

▸ *What are your expectations as regards international cooperation, particularly in connection with Africa's external debt?*

— Clearly, all our efforts to develop this country come up against the problem of external debt. We have received concessional aid, in the form of credits, but such credits have not succeeded in accomplishing the real development objectives of our countries. What our leaders do recognise is that Africa's fundamental problem is that it continues to lack the proper structures to underpin a robust economy.

I feel, therefore, that international cooperation among countries with strong economies should involve a search for ways to ensure a consolidation of the economies of the developing countries.

At a time when we are struggling to improve our economies and producing raw materials for the international markets, all this production and all our income is offset by debt payments which we, unlike the countries with stronger economies, have to concern ourselves with. Consequently, it is very hard for our countries currently to envisage a proper pattern of development. For my part, as regards the debt problem, I would urge the countries with strong economies to show understanding and consider writing off our debts, the servicing of which is not achieving the desired purpose. With an improvement in our economic structure, we would be able to speak of healthy international cooperation.

"We seek Spanish aid and we engage in cooperation in all spheres"

▸ *How do you view current relations between Equatorial Guinea and Spain, particularly following Spain's accession to the European Community?*

— I would say that our relations with Spain amount to normal relations between one country and another. There is, naturally, a very strong relationship culturally, because Spain was the country which colonised Equatorial Guinea and we also esteem Spain as our mother country. Because of our ties, we are able to seek Spanish aid and we engage in cooperation in all spheres. Spain has responded to our requests by assisting Equatorial Guinea with economic aid and technical assistance and by providing certain materials required for our development.

However, certain problems inevitably exist as a result of the fact that Equatorial Guinea has diversified its international cooperation. We cooperate with all countries of the world and receive the aid which they give us, and maybe this might cause Spain some concern, to the extent that there are countries which provide us with more aid than she does; nevertheless, I do not believe that this is a real problem.

On the subject of Equatorial Guinea's recent membership of UDEAC, integration is a natural phenomenon for which we have the example of Spain's recent accession to the European Community. So, I do not consider that Equatorial Guinea's participation in UDEAC should be seen as a problem as regards our future cooperation. ○

Interview by
L.P.

Mr Mba Ondo, Minister of Planning
"Three basic ideas" for a strategy

Mr Mba Ondo answers *The Courier's* question about how the economy is going and the contribution the Plan makes to the development of Equatorial Guinea. He reaffirms the importance of Community aid, but expresses some concern at the means of controlling and implementing the Fisheries Agreements with the Twelve.

▶ *Can you tell us about the main lines of your country's economic development?*

— The Planning Ministry is something very new to Equatorial Guinea and we don't have any medium-term planning documents as yet. But an outline system of planning has already been set up, in the light of the general and sectoral policies the Government has selected, and it is being run via a three-year public investment programme.

We are now working towards a long-term Master Plan which will serve as guide for the three-year programming.

And what are the strategies we have chosen to ensure our country's development? Well, the basic idea is to develop the productive sectors, export crops and food crops, and then to develop the infrastructure we need, particularly for production. A third major idea is to ensure proper basic social coverage, particularly in education and health. And lastly, we want to place particular emphasis on the nation's human resources and improving the way the civil service functions.

The State's role in production has been strictly laid down—to create such conditions as are needed to develop intervention by the private sector.

The Courier

The Minister of Plannning and EDF National Authorising Officer

▶ *How do you envisage stopping the decline in output of one of your main export products, cocoa?*

— At the end of the current harvest, production is now peaking at around 6-7 000 t, maybe a bit more, but we hope to see things improve, largely through the cocoa project that the EDF is helping finance. Additionally, tax measures, making the export levies depend on world prices, have been brought in, to maintain decent prices for the producer and a reasonable profit margin for the exporter in spite of falling prices. The same thinking is behind the removal of import taxes on inputs. Lastly, the World Bank is helping us find the best way of getting some of our big plantations working again. But it doesn't all depend on us, and world cocoa prices could well be a fundamental variable in our attempt at getting the cocoa sector off the ground again.

Significant steps have been taken to revive cocoa production

The Courier

▶ *How do you see European Community aid to your country?*

— It is very important to the key sectors of our economy, of course, energy, for example, transport, telecommunications and agriculture—and, under the 6th EDF, forestry too. And there are the Stabex funds and the Fisheries Agreements with the Community in addition to this. But our needs are very great and we hope the EDF will give us more help to get over the difficult hump at the start of the next decade.

"Two things are worrying us"

▶ *What is the economic and financial importance of these Fisheries Agreements you signed with the Community in 1986?*

— This is an exemplary procedure whereby new agreements take over from the previous ones with individual countries and shipowners. Two things are worrying us, however. First of all, the statements about shellfish catches, which suggest that Equatorial Guinea's continental slope and shelf might be overexploited, and then the data supplied by the tuna-vessels fishing round Annobon, which cannot be checked and should be viewed with caution, as they are used to calculate the dues the shipowners have to pay. The EEC has to help in both these fields so we can improve actual surveillance of the fishing in our waters.

▶ *An Equatorial Guinea donors' conference in Geneva is on the cards. What to you expect it to achieve?*

— First of all, it is a very good place to suggest the financing of what re feel to be priority projects. It is also an opportunity to meet and coordinate with the various sources of aid, something which could well make for more effective intervention. Lastly, it enables Equatorial Guinea to put forward the coherent development strategies it has devised, report on progress and get official support from all the funders. ○

Interview by
L.P.

Cooperation with the Community (1)

Equatorial Guinea has had access to Community aid since 1975, but it in fact only started to benefit in 1979 when the old régime collapsed.

Resources provided under the national indicative programmes of Lomé I (ECU 7 million) and Lomé II (ECU 8.5 m) were allocated in the light of the national authorities' own priorities.

A short-term programme was approved under Lomé I by the Commission. It involved aid for:

- health;
- agriculture;
- public works;
- artisanal fishing;
- energy and various other sectors.

The most significant achievements of the programme were:

- the supply and repair of equipment for the two hospitals of Ebebiyin and Mongomo;
- schemes to create and train staff for a public works brigade to maintain roads in Rio Muni;
- repairs to the electricity supply network in Malabo via a series of operations.

The 5th EDF indicative programme signed in February 1981 included projects in the following sectors:

- rural development (ECU 2.328.229) (2);
- general infrastructure (ECU 1 233 226);
- energy (ECU 3 032 896);
- training (ECU 220 122);
- reserve fund (ECU 190 000).

The main projects were in energy and rural development:

— All the funds for the energy sector went into continuing the capital's electricity network extension project aimed at boosting the output of the generating station by obtaining an extra generator and completing the extensions to the network.

— Schemes in the rural development sector were essentially to get cocoa production off the ground again (cofinancing of a World Bank project) and improve food supplies to the town of Bata.

Regional cooperation

Regular sailings betwee São Tomé and Principe, Cameroon, Gabon and Equatorial Guinea began with the launching of a 200-tonne coaster, the *Pague*, and led to the establishment of a regional plan for exploitation of this vessel. It is based on two kinds of intraregional maritime service — regular services and tramping — and the operation has been complemented by a project aimed at modernising the Bata port facilities by dredging and removing wrecks so that ships can moor properly.

The country has also had the benefit of regional funds from the 5th EDF to help start up the Gulf of Guinea regional fishing committee.

Fisheries Agreements

Equatorial Guinea has a three-year Fisheries Agreement with the European Community whereby Community vessels can fish in national waters in exchange for dues from the shipowners and financial compensation from the Community. The first agreement, which dates back to 1983, was renegotiated in 1986.

The present agreement provides for financial compensation of ECU 1 705 000 p.a., a ECU 200 000 contribution to the scientific programme and grants totalling ECU 120 000.

Lomé III

The Lomé III national indicative programme, signed in Malabo on 2 July 1987, provides 12 million ECU-worth of aid, ECU 10.5 million of it in the form of grants and the rest in the form of risk capital managed by the EIB.

Equatorial Guinea could also get extra resources from the Lomé III regional cooperation programme and any contribution likely to make a proper job of achieving the Community-supported priority objectives.

In accordance with national priorities, about 80% of the programme resources will go to support rational exploitation of the nation's forestry resources.

Leaving aside marine resources, forestry can be considered as the only economic activity at the present time that can, given a certain amount of extra investment, generate major additional revenue for the State and thereby help rationalise the nation's finances. o

EEC-Equatorial Guinea Cooperation, 1975-1986 (ECU)

	Lomé I	Lomé II	Lomé III	Total
1. National indicative programmes	7 000 000	8 500 000	12 000 000	27 500 000
General infrastructure	15%	15%	80%	
Rural development	15%	27,5%		
Energy		36%	20%	
Training	63%	18.5%		
Miscellaneous	7%	3.0%		
2. STABEX				1 079 795
3. EIB		2 000 000	2 500 000	4 500 000
4. Emergency aid	300 000			300 000
5. Food aid	360 000	550 000		910 000
6. Schemes cofinanced with NGOs (EEC contribution)		60 000	86 000	146 000
7. Agreement		540 000	5 675 000	6 215 000

(1) From the EEC Delegation in Yaoundé and Malabo.

(2) Among the schemes were: rural development at Bata, ECU 1 350 000, cocoa rehabilitation, ECU 900 000; in infrastructure: technical assistance with the Malabo-Douala radio link ECU 250 000; rebuilding two bridges, ECU 800 000; in the energy field: Malabo electrification ECU 2 200 000.

SENEGAMBIA – regional cooperation at work –

by Pierre DIOUF (*)

The present boundaries of Gambia and Senegal are the result of colonial rivalry between the French and the British—which led, among other things, to a single geographical, cultural and social unit in western Africa being split in a much more anomalous way than anywhere else, and the two countries achieved independence with Gambia as an enclave in Senegalese territory.

This geographical situation and their demographic structure could not but encourage the two to cooperate—as much and as intensely as possible and in what is an exemplary manner.

Neither country has more than limited economic resources or a fairly narrow market. Socially and culturally, their populations are identical, and politically they are both working for African unity. And there is the added stimulus of the political will of their respective Governments, in spite of the particular marks that colonisation left on them.

Regional cooperation so far has been a joint, concerted, deliberate step by two or more States (neighbours, or in the same sub-region at least) towards taking total or partial responsibility for one or more sectors of economic, social or cultural activity. It can also be seen as a sharing of particular tasks or activities for the benefit of all the countries involved or as the harmonisation of their activities. Lastly, it can involve the joint exercise of their sovereignty over one or other of these sectors. Briefly, then, regional cooperation could be called the deliberate involvement of two or more States of the same sub-region in achieving one or more common aims contributing to protecting and developing the interests of each.

This is what cooperation between Gambia and Senegal is all about. These countries are convinced that, as the saying goes, "what one can do, two can do better" and it is with this in mind that the Gambian and Senegalese authorities have set up and regularly run and developed bilateral cooperation schemes ever since they won their international sovereignty.

(*) Mr Diouf is the Executive Secretary of the Permanent Senegambian Secretariat.

Cooperation agreements since 1965

Senegal became independent before its partner and it was on the day of Gambian independence, on 18 February 1965, that the two countries signed two cooperation agreements, on external policy and security and defence, plus a third on the integrated development of the Gambia Basin.

Almost two months later, on 9 April 1965, they signed an agreement on land transport and, on 11 December that same year, a protocol on health.

On 15 February 1966, they signed an agreement on the movement of individuals and, most important, on 19 April 1967, a Treaty of Association marking the positive way their cooperation was developing.

The Treaty set up, in particular, a Senegambian inter-State ministerial committee on which all Ministers sat, under the chairmanship of the two Foreign Ministers, to look at any measures likely to reinforce cooperation and solidarity between the two nations. It met regularly, one year in Banjul and the next year in Dakar, until 1980. It comes under the Conference of Heads of Government and has a permanent Senegambian Secretariat, headed by a top Senegalese civil servant in Banjul. Its job is to monitor the implementation and coordination of all the agreements between the two countries.

1982 — Confederation

It was indeed under the committee's aegis that Gambia and Senegal signed more than 30 agreements between 1965 and Confederation—the Pact for which took effect on 1 February 1982, having been signed in Dakar on 17 December 1981 following the Kaur (Gambia) Declaration of 14 November 1981 whereby the two states expressed their joint desire to increase their cooperation further by embarking on a process of closer integration.

These agreements covered areas ranging from information to sea fishing and tourism, for example, taking in agriculture, youth affairs, culture, sport, public health, new and renewable energy, mutual assistance with customs administration, bush fire control, transport, civil aviation security and rescue operations, the establishment and free movement of individuals and goods, technical assistance with staff, trade, consular assistance, meteorology and hydrology, justice etc.

So cooperation is of many kinds and covers many sectors.

Some sectors—the promotion of women in rural areas and cooperative action—were in fact developed informally outside any legal framework but to the satisfaction of the people concerned. A similar approach was used in the socio-educational associations and movements.

The successful development of this cooperation led to the setting up of the Confederation of Senegambia on 1 February 1982.

Senegambia, the combination of Gambia and Senegal formed following ratification of the constituent Pact reflecting the constitutional norms of each, is based on:

— integration of the armed and security forces of the Republic of Gambia and the Republic of Senegal to defend their sovereignty, territorial integrity and independence;
— development of an economic and monetary union;
— coordination of their foreign policies;
— coordination of their communications policy and all other fields in which the Confederate States agree

jointly to exercise their powers;
— joint institutions.

An implementing protocol (at least) has been produced for each of these sectors, with the exception of the economic and monetary union, where negotiations are well advanced and great hopes warranted.

Senegambia has its own institutions alongside the two sets of national ones. They are:
— the Presidency (the Head of the Senegalese State is the President of the Confederation, and the Head of the Gambian State the Vice-President);
— the Council of (four Gambian and five Senegalese) Ministers;
— the Confederal Assembly, chaired by the President of the Gambian Parliament and comprising 60 MPs (20 Gambian and 40 Senegalese).

The Presidency has a Secretariat-General responsible for implementing the directives and instructions of the President and Vice-President and coordinating the activities of the various ministries. It also checks on the application of Presidential and Vice-Presidential decisions. Gambian and Senegalese staff of all levels work there in harmony as Senegambian citizens and civil servants.

The President exercises the bulk of his powers with the agreement of the Vice-President. This includes settling any differences relating to interpretation or application of the Confederal Pact.

If they disagree on the latter, one or other may bring the matter before the Confederation's court of appeal, an *ad hoc* body presided over by a neutral judge (i.e. from a third country).

The official languages of Senegambia are the African languages chosen for this purpose by the President and Vice-President—in practice this is usually Wolof, the commonest of the languages the countries share—plus English and French.

All the Confederal institutions have been working well since 1982.

Achievements

Implementation of the various protocols and acts of the President with the agreement of the Vice-President, has had, *inter alia*, the following results:

Information and telecommunications

A telephone link has been set up between Bassé, in Gambia, and Vélingara, in Senegal, fully financed by the confederal budget (two thirds Senegal and one third Gambia funded). A Confederal television unit has been formed in the same way. These are two of the most obvious efforts the two parties have made to harmonise and develop their information media and means of communication.

External relations

The two partners are approaching third countries to put the principle of their reciprocal diplomatic and consular representation into practice. They have also agreed to adopt, after consultation, the same attitude to applications from other countries.

Military affairs

The Confederal territory is divided into zones to be occupied, as they are developed, by the armed forces of the Confederation. One battalion has already been formed and, together with a Confederal Police Force, occupies Zone no 1. The armed forces have already formed a Confederal brigade to look after the whole of the territory of the Confederation.

Overland transport

Highways have been delineated over the Confederal territory. They are used, on identical terms, by hauliers from both countries, the Confederal Transport Minister issuing 150 licences for an equal period for each Party.

It is also under this Confederal ministry that feasibility studies for the 27 km Bassé (Gambia)-Vélingara (Senegal) road project have been started with help from the Saudi Development Fund.

Private vehicles registered in either State are at liberty to move and stay on the territory of the other State for a period of 120 days per year—although the period is only 90 days for ECOWAS members, for example.

Lastly, studies are being run on developing and harmonising the various methods of transport in the Confederation.

But what of the plans for economic and monetary union?

These are fields, of course, where the marks of colonialism are strongest and most difficult to erase.

Yet in spite of these considerable handicaps, progress is being made here too, slowly in some cases, but surely.

January 1988, for example, should see the establishment of a free trade area, with its system of compensation, between the two countries, a decisive step towards the customs union which itself precedes economic union.

Monetary union will primarily be based on Gambia's joining the West African Monetary Union, of which Senegal is already a member. The two partners have already agreed on the principle of accession and arrangements for it will be laid down in the coming months.

Sixth anniversary

Today, the Confederation of Senegambia is preparing for its 6th annual celebration on 1 February 1988. As usual, this will be the occasion for public events, both popular and official, in both countries. The most important ones will be in Dakar, presided by Abdou Diouf, President of Senegal and the Confederation, and in Banjul, presided by Alhaji Sir Dawda Kairaba Jawara, President of Gambia and Vice-President of the Confederation and each party will of course be represented at the other party's events.

The preparations and actual festivities are a fine opportunity for communion and celebration between Gambians and Senegalese every year, highlighting the ties that bind them across the frontiers inherited from the colonial era. They are also a opportunity for the leaders to reaffirm their desire to continue what they have started by working hand in hand, in the mutual interest of their countries, convinced that this is one of the best ways of ensuring the happiness and prosperity of their peoples.

This is no doubt why the Gambian Head of State, Alhaji Sir Dawda Kairaba Jawara has said that Senegambia is "not only desirable, but inevitable" and his Senegalese counterpart, Abdou Diouf, that the "process of integration is irreversible". o

P.D.

Ruling the waves — the Gulf of Guinea Fisheries Management Committee

Lomé III recognised both the importance of regional cooperation and the vital part played by fish in the diet of many ACP countries. It is all the more satisfying, therefore, to see fisheries development proceed under the umbrella of a regional organisation, which is what happened in May 1987 at Libreville, Gabon. There, Congo, Gabon, Zaïre, Equatorial Guinea and Sao Tomé and Principe established the Gulf of Guinea Fisheries Management Committee—an appropriate self-financed structure to boost local fisheries, evaluate and monitor fish stocks and to create an ecologically sound and economically viable fisheries policy for the future.

Every year, the five signatory countries consume a great deal of sea fish—in 1986/7 it was over 120 000 tons—and every year, since the beginning of the 1980s, has seen an increase in the part played by imports. In 1984, artisanal fishermen in the five countries provided 22.5% of the catch, local industrial fisheries 19% and imports covered 58.5%. The imports come mostly from the great factory ships of foreign powers, who use the most modern techniques to sweep clean the seas of the Gulf of Guinea and those nearby, freeze the catch, and sell it to the very populations who might, with some help, do that job themselves.

The Courier

Landing the catch in Libreville, Gabon

A question of populations

In any fishery matter, there are no less than three sets of populations to be taken into account when drawing up a policy—the fish population, the fishing population and the consuming population.

In terms of fish, the stock of pelagic species (those living in open water, often close to the shore, like sardines and bongas) is around 300 000 tons in the main areas. In the opinion of fisheries experts, this amount should be enough to supply fish to the whole region and to act in large measure as a substitute for imports. As for demersal, or bottom-living fish, many in deeper waters, one of the Management Committee's tasks is to try to make a better evaluation of the stocks before training and equipping the fishermen to improve their catches.

The fishing population in the area of the Committee's responsibility is around 10 000, divided almost equally between local fishermen and small fishermen from neighbouring states, principally Nigeria and Benin. In Gabon, this division is much less equal. Although the Gabonese coastline is opposite the richest fishing grounds in the area, only 10% of its fishing population is of local origin. Immigrants from Nigeria, Benin, Togo, Ghana and Equatorial Guinea, who have a long tradition of fishing expertise, have thus captured 90% of the work in Gabon and well over half the work in the Congo. One of the Committee's problems will be to ensure that the resident foreigners will not be discriminated against but rather that they will be better integrated and thus able to pass on their skills to locals willing to learn.

The customers for fish in the area number over 8 million. Five million of these are in Lower Zaïre which, though it only has 35 km of coastline, does have, within marketable radius, the city of Kinshasa, with its huge population hungry for proteins. Fish consumption varies here both in nature and intensity. The coastal regions consume between 40 and 60 kg per head per year, while in the interior this drops to around 10 kg. Fresh and frozen fish are sold on the coast and for the most part from the main centres like Bata, Libreville and Pointe Noire, and transport and storage difficulties mean that sales are largely within the area of landing. It is the smoked, salted and dried fish which can be most easily transported inland.

This, then, is the background to the initiative: the local seas teeming with fish, but only few locals—at least in the larger states—able and willing to fish. A certain number of professionals from the region willing to work far from home, but not fully integrated either into the local communities or into the national credit and extension systems. And finally, an underdeveloped semi-industrial and industrial fishery sector, undercut by foreign competition which is now satisfying a large and growing sub-regional market.

The birth of an answer

The EDF-financed research on the stocks of pelagic fish in the Gulf of Guinea in 1981 and 1982. One of the major conclusions of the research was that the resources in the Exclusive Economic Zones of Gabon, Congo, Equatorial Guinea, Sao Tomé and Principe, Zaïre and Cameroon were interdependent, and any solution to the problem would have to be a joint one. As a result, the Fisheries Ministers of all the states involved (with the exception of Cameroon) met in Libreville in November 1983 and set up an *ad hoc* Commission to draw up the rules for a Regional Fisheries Management Committee. The work was carried out swiftly and by May 1984 an agreed text was on the table, and a conference of Ministers with plenipotentiary powers was called, again at Libreville, in June 1984. The Conference approved the texts prepared by the Commission and a Convention was opened for signature by December 1984 by the same five States, with a warm welcome for any other state bordering on the Gulf of Guinea.

At this Conference, experts were designated to draw up two major documents—one on the internal structure, organisation and financing of a Management Committee, and the second on the development of artisanal fisheries projects in each of the five member states, but with a regional bias.

This was new terrain, where even the experts found that the going was difficult, and it was not before March 1987 that the experts' meeting could be convened at Libreville.

The Fisheries Management Committee

The Member States of the Regional Committee endorsed the work of the experts in May 1987 and the result is a model of realism and of progress. The Convention is not unlimited—it is to be renewed after five years—but the institutions it is building have the right size and shape and realistic goals. The Ministers voted an operating budget (minimum) of CFAF 180 120 000 for 1988, which will be provided in agreed proportions by the governments of the signatory States.

Among other things, the Council of Fisheries Ministers—the Committee's highest decision-making body—agreed on preferential fishing rights in each others' zones by Member States; on pursuing and intensifying their contacts with the governments of Cameroon and Angola in the hope of bringing them inside the scope of the Convention; and two measures to be taken by Member States' governments to develop local fisheries and to reduce dependence on imports. These were: the reduction of import duties on fishing gear, outboard motors and diesel imported for the Committee's projects, and the authorisation to acquire the foreign exchange needed by those projects for their start-up and replenishment requirements.

The projects themselves will be financed to more than 25% of their estimated cost (of about ECU 12 m in all) by the Member States, with about 60% coming from the EEC and the rest from Italian and French bilateral aid. The aims are simple: to reduce dependence on imported fish—whose current value is put at $ 70 million annually—and to increase the ability of the coastal population to manage the resources, fish profitably and sell economically. External contributions will go largely to providing technical assistance in the pilot project zones, the main training and research establishments, and at the Committee level—about 35% of the Community's money will be spent thus. A further 20% will go on cooperation and research and some 17% on infrastructure. The rest will go on a revolving fund, on equipment and on a variety of 'extras'.

The Committee's projects

Where a population's skills are limited, and where there has hitherto been little reward or incentive for increasing those skills, the building of institutions is as vital as anything else. Four artisanal fishery support centres are to be set up, at Cogo (Equatorial Guinea), Matombi (Congo), Muanda (Zaïre) and Libreville (Gabon). These centres will be equipped with buildings, facilities, credit and technical assistance with which they hope to achieve a twofold aim. The first will be to act as a leaven on the local fishing population, affording them help with boat design, fishing equipment, storage facilities—and ice-making and smoking or drying installations—and credit. But the second aim is a sociological one. When the pilot communities have been launched onto a higher plane of technical and economic activity, it is hoped that they will act as magnets to fishing populations nearby and that their presence will act as a spur to them. Indeed, while the support centres may technically be situated at a permanent site, the intention is that they will go out and 'evangelise' for several months at a time, settling near to an established community and, by their presence and example, open the doors to new ideas for social and economic organisation.

The projects will be supported by a Central Fishery School, to be set up at Cap Esterias (Gabon). This school will offer 8-10 month courses to fisheries officers from the five countries and the future managers of the fishery support centres and will be home to an experimental fishing unit. The design and manufacture of fishing boats will receive a boost from the reactivation of the Neves shipyard on Sao Tomé while research into both fish resources and human sociology will enable the project leaders to come up with the right answers more of the time than has perhaps been the case in other fisheries development projects. This regional research unit will be housed next to an existing agricultural research centre at Pointe-Noire (Congo) with which it will share some facilities.

Taken overall, the Fisheries Management Committee represents a major technical and institutional step forward. All the solutions to the problems were thrashed out by local experts, and the institutions they have created are regional ones in which resources and costs have been fairly apportioned. The Committee is an open-ended one: hopes are high that Cameroon, currently an observer, will join in more fully, and even the immigrant fishermen from Nigeria, Benin and Togo have been assured of a better deal (and especially access to materials and credit) in the future. It is an approach to inter-State cooperation in an area where the great fishing powers have had their way for a long time. The time is now over when they could waive the rules: the time has come for the Gulf of Guinea Fisheries Management Committee to start to rule the waves. o

T.G.

Eurostat's "Reports on ACP countries": towards a more open information policy (*)

The purpose of Eurostat's "Reports on ACP countries" (new series) is to give the general public ready access to a series of statistics on the ACP countries as individual countries and as partners of the Community under the Lomé Convention. Published in English and French, they are a "Europeanised" version of the reports drawn up by the Federal Statistical Office of the Federal Republic of Germany and published in the series "Statistik des Auslandes" (1).

First report on Zaïre

As an illustration of Eurostat's "Reports on ACP countries" (new series), the forthcoming one on Zaïre will be arranged as follows: it will give a general picture of the country (identity, political system and administrative structure), followed by a brief presentation of basic data, with figures compared over two years (the year for which the most recent statistics are available and the reference year). The data will illustrate Zaïre's level of development in relation to a representative list of developing countries, and the nature and extent of its trade with partner countries. From the more detailed figures which follow in the body of the report, the following characteristics emerge:

In area (2 344 885 km^2), Zaïre is the third largest country in Africa and has 50% of the continent's rain forests (covering 75% of the country).

Its population (35.1 million, with an average density of 15 inhabitants/km^2 — 8.4 inhabitants/km^2 in certain areas) increased by 2.3% per annum between 1970 and 1984 (+122% in the towns and +22% in rural areas) and a UN estimate suggests a 3.2% increase for the period 1980/2000. As in all African countries, there is a great diversity of ethnic groups (250 groups and subgroups).

The lack of medical facilities (one doctor for 15 000 inhabitants in 1979) aggravated by internal political disturbances and the increasing population, means that traditional medicine (supported by the public authorities) and foreign aid play a major role.

Eighty per cent of education is provided by religious communities. In 1985, 39% of persons over 15 years of age—and 55% of women—were illiterate.

Employment: 75% of the 13 million people capable of earning their living (41% of the population aged 10 years and over) work in agriculture. The unemployment rate, which is difficult to evaluate on a national scale (gaps in the censuses; size and diversity of the country), is estimated in some towns to be 40% of the active population.

Agriculture provides 21% of GDP and employs 80% of wage and salary earners (1980). Under-development in this sector (lack of infrastructure, low population density in rural areas) prevents Zaïre from fully exploiting its enormous potential and becoming self-sufficient in food (massive imports of basic foodstuffs — 270 000 tonnes of cereals in 1984).

The backbone of Zaïrean industry (36% of GDP) is mining (25% of GDP; 80% of exports, despite outdated equipment; 26% growth between 1970 and 1984) and the processing industries (6% of GDP; working at 50% capacity). Most petroleum is imported, but Zaïre makes good use of its considerable hydroelectric capacity.

Exports are limited and depend very much on world rates for raw materials (copper, cobalt, diamonds etc.). Imports (mainly mechanical engineering products and manufactures) come chiefly from Belgium followed by Brazil, France, the USA and the Federal Republic of Germany.

Transport and tourism both suffer from a chronic lack of infrastructure.

The shortage of basic goods and foodstuffs leads to a permanent economic crisis in the country, with a variable but persistently high inflation rate (77% between 1982 and 1983) which it is difficult to evaluate on a national scale (varying transport costs; diversity of the country and survey gaps). Prices of imported products (particularly energy) have increased considerably, as in all developing countries (diesel: +223% in 1982).

Purchasing power is constantly declining, even though total wages and incomes increased in terms of current value by 183% between 1981 and 1985.

Ninety per cent of budget revenue comes from taxes (taxes on income and profit: +674% between 1981 and 1985; taxes on external trade: +822%). Interest on the public debt alone, which grew by 20% between 1981 and 1985, accounts for 43% of overall expenditure (1985). There was a constant balance of payments deficit between 1981 and 1986.

In its development plan (1983-1985), the government's priorities were mines (24% of the overall budget), transport (20%), energy saving (16%), agriculture (14%) and the social sector (4% — education: 3%; health: 1%). The accent was on maintaining and improving existing installations, completing projects which had already been started and stimulating growth in the private sector.

As can be seen from this brief overview of the report on Zaïre, the statistics in Eurostat's "Reports on ACP countries" (new series), and the kind of analyses which accompany them, make these reports a vital reference for anyone—expert or lay person—wishing to acquire and maintain a thorough knowledge of these countries and of their links with the Member States of the Community. *Courier* readers might also like to know that the next reports to be published, after the one on Zaïre, will be on Tanzania and Niger.

These reports will be published monthly, and will cost Bfr 200 for each volume of approximately 100 pages.

The first number will be available during January 1988 and interested readers are asked to write to:

The Office for Official Publications
of the European Communities
L-2985 LUXEMBOURG

(*) Article provided by the Statistical Office of the European Communities.

(1) The original editions of these reports (in German) are obtainable from the Federal Statistical Office in Wiesbaden or from the publishers, Kohlammer, in Mainz.

THE FUTURE OF EUROPE

1992: a European area without frontiers

In this global race against the clock, with the countries of Europe fighting for their survival, it was essential to seek and find a common objective which would enable us to surmount our everyday problems, concentrate our strengths and combine our energies: an economic area based on genuine common foundations and solidarity to be set up by 1992.

Jacques Delors
President of the Commission of the European Communities

Europe is your concern

The Courier has always tried to make information on ACP-EEC relations and trends in the ACP countries its priority. But it has also tried to keep track of the main stages in the construction of Europe. Issue number 48 (March-April 1978), for example, looked at "The European Community today". That was 10 years ago, only yesterday, but what a lot of water has flowed under the bridge since! Almost every issue of The Courier has a Europe column describing what is happening and No 106 (November-December 1987) looked at "the mutation and international role of the Community" in an interview with former Commission Secretary-General Emile Noël. However, in view of the interest which so many of our readers—from the ACP, Asia, North Africa, Latin America ... and even Europe—have shown, we are one more going to describe the "European partner", the Member States that make it up, its history and, the most important thing, its prospects. The fashionable thing in speeches and Community circles is of course to announce periodically that the Community is at a "vital turning point". But all these vital turning points could well make the ill-intentioned think that Europe has gone full circle and is back where it started — which would be not be doing it justice. As the Noël interview clearly showed, we have "another Community" just 30 years on from the signing of the Treaty of Rome which set it up.

So Europe really is at an important turning point in its career. The Single Act, which we outlined in No. 106 (p. 42), took effect six months ago, forming the institutional and legal basis for the change. But what exactly are the Community's targets and what are the implications, both for it and everyone else? What is the large internal market that is supposed to be achieved by 1992? Isn't the present "common market" only embryonic compared to what the "founding fathers" hoped for? Can we and should we go any further when Europe may well not really have overcome the political and economic upheavals—most recently the stock exchange crisis of the last quarter of 1987—of the past few years?

These are the questions our Dossier attempts to answer. It starts by looking at what Europe's future, seen through achievement of the large internal market, should be. By accepting the Single Act, say the official Commission documents, "the Member States have drawn new boundaries for the construction of Europe. This is a qualitative step forward, the vital nature of which has to be emphasised, giving [the European] economies the means of taking up the external challenges and once more finding the paths to economic growth of a stronger and more employment-generating kind".

The aims go far beyond economic considerations alone because, as Article I of the Single Act says, "the aim of the European Communities and European political cooperation is to make a practical contribution to European Union". This broad interpretation of the Community's ambitions is corroborated by the fact that, although the Single Act makes a vast frontier-free area central to the construction of Europe, it also defines the accompanying policies involving social cohesion, environmental protection, scientific and technological development and monetary integration.

But what will be the consequences of this trend for the Community's partners, and the developing countries more particularly, in international relations? One thing is certain. Development of the European partner cannot be neutral as far as the ACP States are concerned. This goes for trade, and it goes for cooperation in general. A stronger Europe, logically, cannot but be a better partner for the ACPs — both directly, as it could be more generous in ACP-EEC cooperation, e.g., reach the objective of 0.7% of GNP for development aid, boost cooperation between firms, be more imaginative in social cooperation and more flexible in technological cooperation, etc., and indirectly, as, by being one of the foremost actors on the world stage, it could have more influence over the financial organisations in wider international circles and get them to grant softer credit, reschedule public and private debts, alter trends in the international division of labour and affect multilateral trade negotiations, for example. Lastly, and more generally, as Commission President Jacques Delors said at the EEC's 30th birthday celebrations in April 1987:

"Is a united Europe in a better position to contribute to peace than a Europe that is torn and in conflict with itself? In other words, can a sound European Community be a solid anchor in a world of tension? Is it in the Third World's interest to see this European "actor" assert itself on the European scene so it is no longer a place of rivalry and dispute for the two superpowers?... Europe has to succeed for the good of the Europeans. But failure would also mean the failure of something more — the attempt to contribute to another way of organising the world, one that is based on better balanced relations between groups of countries which have themselves won the wager of cooperation."

But is the Community's present situation such that it really can hope to see the considerable progress that the Single Act heralds? Everyone must decide for himself.Our Dossier helps by putting things in perspective. A look at the way things have developed often helps return to their right proportions what are seen to be intolerable problems that never emerged with such clarity. There is no shortage of crises in the (relatively) short history of the European Community, yet it has progressed. It has progressed, it is true, at the pace of the Echternach pilgrims in Luxembourg who take two steps forward and one step back, but the result is positive, to the point where there are always applicants at the Community's door waiting to come in. So think about this history. For the sceptics it is charging blindly ahead, but for the others it is a deliberate step, and a big one, in the right direction.

Lastly, as many readers—especially since the questionnaire in No. 100—have requested, the Dossier ends with a brief description of the Member States of the Community, giving their main characteristics. It will be too short for some and pointless for others, but those who find it pointless can skip it and those who want to know more can ask Member States' Ambassadors to their countries. This part of the Dossier, however, does serve to show that, when you build a community, you lose neither your soul, your national roots, your language nor your culture. ○ *M.-H.B.*

From the Common Market to an area without frontiers (*)

Undeniable successes — need for new stimulus

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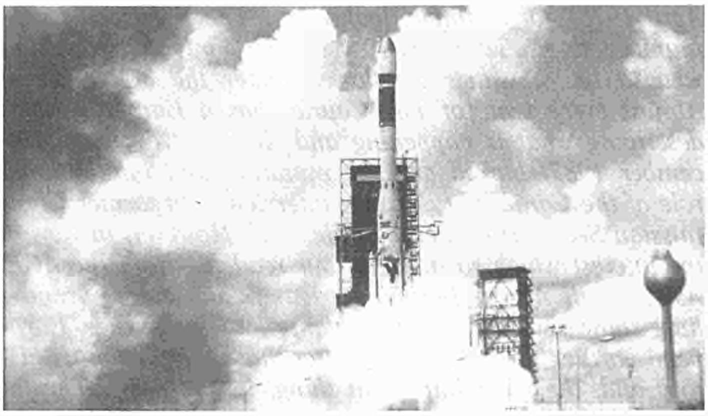

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"The Airbus and Ariane projects show just what Europeans can do when they decide to pool their skills and resources"

The logic behind the Common Market: the proven effectiveness of joint action

The European economic landscape has changed beyond recognition since the Treaty of Rome was signed. With the setting up of the Common Market the objective was to stimulate economic activity and increase prosperity through the expansion of trade. The stimulus provided by the Common Market is undeniable.

— In 30 years, per capita GDP—and thus the standard of living of Europeans—has virtually doubled; the increase in the United States over the same period was only 70%. The productivity of European industry has tripled; that of the United States has barely doubled.

— The European industrial fabric has gradually become stronger and more closely woven. The Airbus and Ariane projects show just what Europeans can do when they decide to pool their skills and resources. Fiat, Renault, Volkswagen, Peugeot and British Leyland have teamed up to develop a common engine, gearboxes, automatic transmissions or other components as the case may be. European cooperation is also being pursued in other sectors, affecting citizens' everyday lives without them even noticing. Trade between Community countries has increased sevenfold in 30 years and their economies are now firmly interwoven.

— The Common Agricultural Policy has been the driving force behind the modernisation of European agriculture. Substantial technological progress has stimulated production. In recent years world consumption has failed to keep pace and this has resulted in excessive surpluses of some products; these must now be regulated firmly but sensibly. In this sector, as elsewhere, a deficit situation like the one which existed before the introduction of the Common Agricultural Policy is a weakness when it comes to worldwide strategic confrontation: a powerful European agriculture is an asset which it would be stupid to squander.

— The effectiveness of joint action has been demonstrated in many other sectors as well.

• In the fisheries sector, it has enabled the Community to preserve its relatively slender resources, to establish common rules and to negotiate fishing rights with other countries from a position of increased strength.

• In the energy sector, the buffer stocks equivalent to 90 days' consumption built up at the Commission's instigation in 1968 helped the Member States to cushion the initial effects of the oil crisis five years later. The subsequent energy-saving measures and the development of new energy sources encouraged by the Community enabled them to reduce their dependence on imported oil from 62% to 31% in 10 years.

• In other sectors too tedious to enumerate, Europe is clearly better equipped to negotiate effectively and put across its views on the world stage when it speaks with one voice instead of 12.

• In the textiles sector, with its industry on the brink of disaster as a result of competition from the countries of South-East Asia, Europe has been able to argue its case without closing its doors on them or engaging in suicidal confrontation.

• More recently, in the semiconductors sector, Europe united behind the Commission to react against the United States' plan to take unilateral action to introduce new protectionist rules on industrial property.

• The same cannot be said of the motor vehicle sector where the conflicting positions of the various European countries have allowed Japan to pursue a vigorous penetration strategy which pays even more dividends since at the same time its own market is carefully protected against European imports.

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The European Community is not inward-looking: in the past 30 years its trade with the rest of the world has trebled. Mindful of its history, Europe knows better than anyone else the conflicts generated by isolation and protectionism. The accusation of protectionism sometimes levelled at it by its main rivals on the world scene cannot be taken seriously when we consider the scale of the subsidies granted to American agriculture or the volume of public aid channelled into American research into advanced technologies, or the ingeniousness displayed by Japan in adeptly avoiding the effects of competition in sectors in which it is not

(*) Taken from the document "Europe, our future", published by the Directorate-General for Information, Communication and Culture of the Commission of the European Communities.

the world leader. The Commission is coolly but calmly determined not to allow the countries of Europe to turn the other cheek to the attacks, overt or covert, courteous or insidious, which threaten their legitimate interests and are in breach of the law.

The European economic area: a vital thrust forward in a changing world

When it took up its duties in 1985, the new Commission headed by Jacques Delors drew a number of conclusions from a lucid and detailed analysis of the situation and came up with a major new objective which it put to Parliament and the European Council—the achievement of a genuine European economic area without internal frontiers by 1992.

Community integration, after progressing faster than expected in the first 10 years, had run out of steam. Severely hit by the oil crisis and its repercussions, the Member States had been tempted by an isolationism which offered relief in the short term but was a hindrance when it came to facing up to the future from a position of strength. Although they did not question the achievements of the Common Market, there was a tendency to interpret its rules restrictively and arrest its development.

This period was also marked by the accession of new Member States, a complex and necessarily gradual process which requires a period of adjustment before the enlarged Community of Twelve can resume its onward march. With 320 million inhabitants and a balance between the cultures and resources of North and South, the Community was in the best position to embody Europe.

But the main priority for the European Community was to define its economic, technological, cultural and defence role in a changing world in the knowledge that its competitors would not wait for the countries of Europe to settle their parochial disputes before pressing home their advantage.

The citizens of Europe, along with business managers, trade union officials and other actors on the socio-economic stage were becoming increasingly aware of what was at stake and of the need for joint action: none of Europe's countries was large enough or strong enough to face up to major world powers like the United States, the USSR and Japan. The Europeans, acting in concert, with centuries of common history, culture and values behind them and with their interests now inextricably intertwined, had no reason for envy now that the time had come to take the future into their own hands.

So it was not only possible, it was also essential and a matter of urgency to provide fresh impetus for the Community by exploiting to the full, even exceeding, the limits of the Treaty of Rome.

The countries of Europe were obviously not being asked to become unified in a single State, an idealistic dream which is not current among the Europeans of today. Aware of the inevitable need for a united Europe, heirs to a common cultural legacy and open to trade with one another, the citizens of the Community still see their diversity as an asset and would not want to be forced into a standardisation which for them would be synonymous with impoverishment.

But in the attempt to formulate strategy it was necessary to look at all the areas where the European approach had to be consolidated, whether or not they were already covered by the Treaty of Rome, to be considered more as a point of departure than an end result.

It was also necessary to look at the links between these different areas: for example, economic development, monetary policy, technological research and defence are not mutually independent; similary, technology and culture are now linked in this age of satellite broadcasting and television.

And lastly, as part of the tactical plan to revive Europe, it was necessary to select an area where the need for cooperation appeared most urgent, which would most readily obtain the approval of the Member States but which would also trigger the gradual development of a European policy in the other areas.

The Treaty of Rome grants the Commission sole right of initiative. Using this, Mr Delors proposed the objective of the single European market to the Member States, an objective which involved expanding and amplifying the Treaty.

The European Council, meeting in June 1985 in Milan, favourably received a White Paper on the completion of the internal market; this paper sets out the measures to be taken to eliminate all physical, technical and tax barriers between the Member States by 1992

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Addressing the European Parliament in March 1985, Jacques Delors spelled out the plan: "Unifying this market presupposes agreement by the Member States on the abolition of barriers of all kinds, harmonisation of rules, approximation of legislation and tax structures, strengthening of monetary cooperation and the necessary ancillary measures to encourage European firms to work together.

The goal is well within our reach if we are prepared to learn from the setbacks and delays of the past. The Commission will be asking the European Council to pledge itself to completion of a fully unified internal market by 1992 and to approve the necessary programme together with a realistic, binding timetable."

On 14 June 1985 the Commission sent the European Council, meeting in Milan on 28 and 29 June, a White Paper on completing the internal market (drawn up by Lord Cockfield, one of its Vice-Presidents). This paper, which was well received, sets out the measures to be taken to eliminate all physical, technical and tax barriers between the Member States by 1992.

Removal of frontiers

300 technical barriers — 300 political decisions

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The freedom of movement of goods, persons—even carrying a European passport—services and capital, one of the main principles laid down in the Treaty of Rome, is far from a reality and is therefore one of the prime objectives for Europe in 1992

The Treaty of Rome provided for the customs union; it also laid down the principle of freedom of movement for goods, persons, services and capital.

Customs duties and quotas on trade between the Member States were gradually removed between 1958 and 1968. There is also a common customs tariff for goods from non-Community countries, incidentally, one of the lowest in the world.

Be that as it may, 30 years on from the signing of the Treaty of Rome, the free movement of goods is far from a reality. The remaining physical, technical, fiscal, administrative and regulatory barriers have only been partly breached; some of them have even been insidiously strengthened.

These barriers prevent European firms from taking advantage of economies of scale and what is in effect a continental market and are a handicap in competition with the United States and Japan, which benefit from a unified internal market. To quote Mr Delors, European firms have to run the 100 metres hurdles while the others run the 100 metres sprint.

Removal of internal frontiers

Everyone remembers the strikes by the European road hauliers in 1983 in protest against the hours they had to wait at the Community's internal frontiers and against the sometimes arbitrary nature of these delays. The inconvenience of frontier delays can be imagined; the cost is not such common knowledge:

— a major French cellulose manufacturer has estimated that the abolition of frontier formalities and associated insurance costs alone would save it almost 1% of its turnover, i.e. more than its current profits;
— a survey of 320 small businesses in Germany shows that costs arising from frontier formalities correspond to 1.3% of turnovers, a figure roughly equivalent to profits.

By 1992, the date set by Mr Delors and now enshrined in the Treaty of Rome, as amended by the Single European Act, the frontiers between Member States will be eliminated.

The customs signs will have been taken down by next year. The 70 different forms now in use will be replaced by a single customs document which, from 1992, will simply be drawn up at the point of departure since the frontier customs posts will no longer exist.

The tax, health and security controls which now take place at frontiers are still justified, but they will take a different form and will be carried out inside the Member States concerned (controls at the point of departure, as already exists for some goods, instead of at the frontier, mutual recognition of controls, tests and certificates).

For Europeans travelling privately or on business within the Community, this represents the logical outcome of the simplification measures which have been adopted from the outset: for many years they have no longer been required to fill in a declaration of particulars. The systematic controls still in force on trains and at airports will be replaced by spot checks, as with motor vehicles. After this transitional period, the absence of controls at frontiers within the

Community will be compensated for by a tightening of controls at the external frontiers.

From 1992 Europeans will cross the Community's internal frontiers in exactly the same way as provincial boundaries in their own country without having to worry about the number of cigarettes or bottles of perfume they are carrying.

Harmonisation of rates for VAT and other indirect taxes

Despite the absence of customs duties in intra-Community trade, frontiers and customs officials still exist.

This is because goods are subject to VAT, the rates of which vary from one country to the next and controls are needed to prevent fraud.

The differences in taxation are sometimes considerable: a person buying a car like a Ford Escort pays 25% in Belgium, 33% in France and 173% in taxes in Denmark.

Admittedly this is probably an extreme example in a sector where the taxes levied by some Member States have always been particularly high. However, looking at the situation in more general terms, we see that the number of different VAT rates in force in the various Member States ranges from one to five; moreover, these rates are not identical in the different countries; and lastly the proportion of VAT as a percentage of GDP may be twice as high in some countries as in others.

It has to be admitted that no progress has been achieved in the Common Market on this front, except for the introduction and generalisation of VAT, which has simplified the tax system by replacing a number of indirect taxes which used to vary from one Member State to another. Community membership is now conditional on the adoption of VAT and the abolition of previous systems of taxation.

The aim now is to simplify the tax system even further and to harmonise VAT rates throughout the Community.

The Commission does not administer simply for fun. It is pragmatic and is determined to exert first the leverage needed to unblock rigid situations through joint action without any extra touches which would be justified only by the aesthetic pleasure gained from an ideal but impratical intellectual construction.

Provided they are small, differences in rates of taxation from one country to another do not in fact cause major difficulties. Would anyone really drive 100 miles to the nearest city in the country next door in the hope of saving a pound or so on the price of a television, which then has to be transported home? The cost of such an operation would be higher than the saving made, not to mention the time wasted.

The Commission intends to propose that two reference rates be introduced: a reduced rate and a normal rate, around which certain variations would be allowed. The VAT rates currently in force for many products in most Member States fall within this bracket.

The Member States will therefore have to make the necessary adjustments to their VAT systems by 1992; they have already promised to do so.

Excise duty, the special tax which Member States levy on tobacco, alcohol and petroleum products, will also be harmonised.

The Commission does not underestimate the practical difficulties involved or the potential reluctance on the part of national administrations: it is always more difficult to change things than leave them as they are. However, the removal of physical frontiers in 1992 means that tax frontiers also have to be eliminated; any Member States which are not prepared will be particularly hit.

A new approach to standards: mutual recognition

The existence of different national regulations and standards for products represents a substantial barrier for European industry.

They prevent firms from benefiting from the economy of scale offered by the European market by forcing them to manufacture 12 different versions of the same product and subjecting them to 12 testing and type approval procedures. As a result production costs are higher, stocks increase, business initiative and cooperation are stifled, competitiveness on world markets declines and ultimately it is the consumer who foots the bill.

Instead of disappearing, these barriers have tended to increase in recent years:

— firstly, as a result of an insidious protectionism which has assumed new forms since customs barriers have been eliminated;

— secondly, because of intense technological development: national institutes have introduced new standards as new products appear on the market.

Standards are needed both in the interests of rationalisation and to protect the consumer against products which do not measure up in terms of quality or safety. The problem is not that they exist but that there are discrepancies from one country to another.

Through the elimination of customs duties, the Common Market offers the consumer a wider choice of products at lower prices. The Community also offers protection through the introduction of common rules. The information on sell-by dates or on ingredients in foodstuffs and the ban on certain additives, hormones and colouring agents are the outcome of European legislation, as is the ban on the sale of children's pyjamas containing inflammable or carcinogenic fibres.

However, the method of imposing harmonised technical standards and regulations from above, which has been employed by the Community for 25 years, has now been pushed to its limits and its shortcomings are now evident. Defining a single European standard from positions determined by competing national interests demands months, if not years, not only because of the actual technical difficulties but because it is not in everybody's interests in the short term. That is why it took 10 years to reach agreement on the height of the rear lights on tractors!

Thousands of standards had to be drawn up and the number was increasing every year. At the same time, Europe's competitors were not standing still.

A European group which manufactures lifts has estimated that the costs generated as a result of the differences in technical standards from one country to another account for almost 10% of manufacturing costs. In another sector, that of telephone exchanges, the absence of European standards means that costs here are 8% higher than in the United States, simply because of the large number of cumbersome procedures for testing and type approval; are European firms to be forced to struggle to sell products sometimes better than those of their competitors?

It was therefore high time to take action and adopt a new strategy: the strategy of mutual recognition. What this boils down to is the application of a principle of reciprocal trust, which is fundamental to any community.

It means that a product legally manufactured and marketed in one Member State may automatically be sold freely in any other Member State even if the standards in force are different.

This does not mean that the Community is abandoning the objective of common European standards. It will continue to set binding basic requirements notably for health and safety. But in other sectors, the Community considers it more realistic and less time-consuming to put European producers in a position where they can no longer shelter behind national standards and will be forced to stop arguing and come up with compromises. The transition from these to common standards will then be simpler and more efficient.

The effectiveness of this new policy is boosted by provisions which permit prevention and guarantee transparency.

All national proposals for technical standards have to be notified to the Commission and the other Member States for comment. In the light of the different reactions the Commission can then propose corrective steps or take legal action. In each case it has six months in which to act.

Opening-up of public procurement

Public procurement in every European country is highly protected and virtually reserved for national suppliers.

The contracts involved represent almost 10% of Community GDP for purchases financed from state budgets; when we include public undertakings the figure is almost 20%.

A large proportion of these contracts relate to advanced technology equipment and services, which play a decisive role in the development of a common technological and industrial policy. The main sectors are aerospace, telecommunications, data processing and energy, all crucial for Europe's future, all fields in which European firms most need a continental market to outwit their competitors, and all areas in which it is vital to lay down European standards at the research stage to avoid technological dependence on the United States or Japan.

The basic principle of the Treaty of Rome—freedom of movement for goods and services—applies fully to public procurement. However, contracts for water, energy, transport, telecommunications and military equipment are still protected.

Even in the case of contracts which are not protected, the rules are complied with in only one case in four and, in practice, less than 2% of public contracts are awarded to firms in other Member States.

The Commission has recently taken decisions to achieve two objectives:
— the gradual opening-up of sectors not covered at present to be completed by 1992; this has already begun in the telecommunications sector; all the proposals will be made in 1988;
— more stringent application of Community rules in every sector, and in particular increased use of the Commission's powers of intervention, which extend to the suspension of a contentious tendering procedure.

The Commission is therefore taking steps to bring within the orbit of the single European market those sectors which, through their nature and size, are crucial for the future of Europe.

Common market in services

Freedom of movement for services is based on the same principles as freedom of movement for goods. But it has met specific obstacles:
— in the finance sector, exchange controls, credit containment and the specific characteristics of financial products very closely linked with State intervention (banking and insurance);
— in the transport sector, which accounts for 7% of Community GDP, a rigid, over-regulated structure heavily marked by national protectionism: rules such as those on axle weight or on driving hours for road hauliers are not always harmonised in Europe; transport quotas still exist; the difficult situation of the merchant marine makes it more problematical to open up the market for services without accompanying measures; the domination of certain rail or air companies tends to perpetuate practices imcompatible with free competition;
— in the new services which are developing in the wake of modern technologies (in particular audio-visual and data-processing services) the weight of the structures is considerable even though the sectors involved are in constant evolution and new rules have to be laid down.

Here, as elsewhere, the Commission is formulating measures designed to ensure freedom of movement for capital and financial services, freedom of establishment for banks and insurance companies, the liberalisation of transport services and the development of new services in a large market without barriers by 1992.

The aim then is that, by 1992, Europeans should be able to raise a loan at a favourable rate anywhere in Europe, buy insurance from the European company of their choice, use their magnetic payment cards to obtain cash from automatic dispensers throughout the Community, benefit from the advantages of competition to travel from one European city to another and pick up television programmes from other European countries as well as their own without any restraints.

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The Community is working towards achievement of the large market day in and day out. The Commission has produced 300 draft measures to that end. In the space of one year, almost a quarter of these have been adopted.

The progress made is obvious but the hardest part is still to come. Experience has shown that national protectionism is hard to kill off. References to the 1992 deadline, now fortunately beginning to sink in, must be more than just an alibi for putting off until tomorrow the bold measures which are needed today.

The Commission headed by Jacques Delors has got things moving, obtained agreements; it will now ensure that commitments are respected.

Two basic conditions

Economic stimulation — technological impetus

The world is at a technological watershed. In some sectors, we are in the throes of a real revolution.

No single Community country has all the research workers, in all fields of science, nor all the financial resources necessary. But together Europe has all it needs to put it in the forefront in most fields if it puts its mind to it.

But it is lagging behind in some sectors and will have to mobilise all its forces if it is to catch up. Of every 10 personal computers sold in Europe eight come from the United States; of every 10 video-recorders nine come from Japan.

And yet in some sectors, such as aerospace and certain telecommunications technologies, Europe leads the field and here it must maintain and consolidate its position.

That is where the key to prosperity and employment in tomorrow's world lies. It is vital for the success of the large internal market and essential if Europe is to be master of its destiny.

The values which Europe embodies as the cradle of technology will not continue to gain recognition unless it can play a fully integrated role in this change.

The rapidly gathering pace of technological advance now forces Europe to take decisive action and to take it together. Is it logical for the six European computer manufacturers to have six different operating and interrogating systems when we know the share of the world market held by the leading American manufacturer?

Is it reasonable that the Europeans apply for only half as many patents as the Americans per head of population and only one third as many as the Japanese when, too often, they make the basic discoveries?

The Commission has had to make a choice; it has laid down a principle and adopted a method.

— The choice: to concentrate efforts in the sectors which are most sensitive and most crucial for the future.

— The principle: not to duplicate national programmes or company schemes but to seek to complement them in order to reach the critical point at which research becomes profitable.

The Community is devoting itself primarily to the research stage well upstream of marketing where it can lay down common standards from the outset to avoid the absurdity of suicidal confrontations from which only Europe's competitors benefit.

— The method: to involve all the people directly concerned by encouraging cooperation rather than imposing bureaucratic management: there are four times fewer European civil servants administering technological research budgets than there are national administrators for equivalent programmes.

Information technology, telecommunications, energy, new materials and biotechnology are all covered by Community programmes which have already achieved impressive results. In 1982 only 17% of Community projects were in these sectors; today the figure is 80%.

Information technology

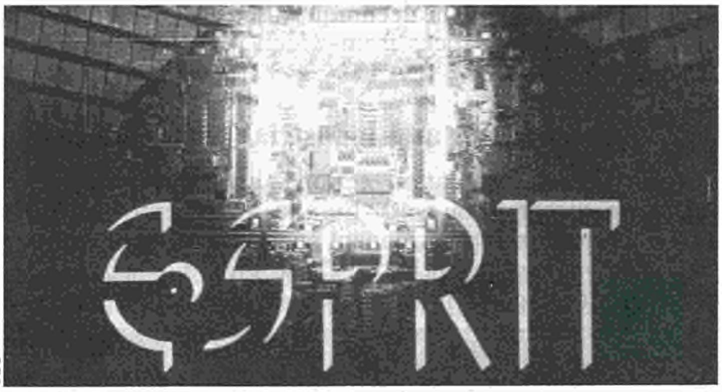
The 220 Esprit projects selected from more than a thousand valid proposals presented to the Commission have already chalked up considerable successes in less than three years:

— in microelectronics, development of new gallium arsenide components to be used in the next generation of supercomputers and a novel methed for designing complex and more reliable chips for compact-disc players; selection of a European microchip for the American Cray supercomputer project;

— development of digital devices and circuits for a future optical computer by eight laboratories in five Member States (Britain, Germany, France, Belgium and Italy);— in software the PCTE project has come up with an answer to the major problem of incompatibility affecting software tools by providing a kind of "universal joint" for software engineers;

— in office automation, a new standard for the mixed voice-text-image electronic document of the future has been developed under the Herode project; it is being used as the starting point for ISO standards adopted by the 12 major European data-processing companies and imposed world-wide;

— in expert systems, where the United States enjoyed a near monopoly until recently, development of two high-performance systems under the Omega project; for the first time artificial intelligence software has been exported to the United States and Japan.



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In a world which is at a technological watershed, the 220 ESPRIT projects have already chalked up considerable successes

Telecommunications

The Race programme, organised more recently on the same lines as the Esprit programme, forms part of a strategy designed to help Europe maintain its lead in the telecommunications field, defining the structure of the future European broadband network, which will be the main artery of the new communications media within the large market.

One of the keys to the competitiveness of the European economy in the decades ahead and to its ability to create jobs will clearly be the possibility of communicating faster and more cheaply: videoconferencing, videophones, high-speed, colour facsimile transmission, videotex services, the decentralisation of computer-assisted design, all these will vastly speed up information circulation and as a result reactions and decision-making in the business world.

The infrastructure needed here is the integrated broadband digital communications network.

Telecommunications also means television—currently in a state of complete flux with the growth of satellite broadcasting and cable networks. This is a field in which international specifications and standards will have a tremendous impact; witness the deplorable spin-off of the conflict between PAL and SECAM when colour television came in. It is also a field where technological dependence could imperil our cultural identity.

The Commission is currently prompting intensive consultations between representatives of national administrations, industry, programme producers and television broadcasting companies in order to evolve a common standard for a high-definition television and to prevent the Japanese with American support from imposing their technical standards. A major step has already been taken with the adoption of a common European standard for direct satellite broadcasting (MAC/packet).

Energy

Europe's JET is the largest fusion reactor in the world. None of the Member States could have designed or built its equivalent.

In the latest experiments temperatures in excess of 100 million degrees Centigrade have been reached, representing a further step towards demonstrating the scientific feasibility of fusion.

In the field of geometry, tests are going on in Cornwall to exploit hot dry rocks under the non-nuclear energy R & D programme. The technique used involves injecting cold water into the rocks from which it emerges at a high temperature.

New materials and industrial technologies

Under the "stimulation action" and the Euram new materials programme, 40 European laboratories have linked up to develop permanent supermagnets based on an iron-neodymium-boron alloy. These supermagnets will replace electromagnets in numerous applications.

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"Concerted action, cooperation, complementarity and cohesion are the four pillars on which European technological advance rests"

Under the Brite programme, the aim of which is to promote the use of the new technologies in the traditional industries as well, four industrial laboratories belonging to leading automobile and aerospace manufacturers in Britain, France, Germany and Italy have combined to develop lasers for sheet welding.

Biotechnology

Under the biotechnology research programme, research workers from three laboratories in Ghent, Leyden and Cologne have achieved a world first in transferring foreign genetic information to a class of plants that includes cereals (monocotyledones).

The Commission is also involved in projects to promote communication and the exchange of information in the European scientific community; three recent ones were in the field of biology.

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Concerted action, cooperation, complementarity and cohesion are the four pillars on which European technological advance rests. There are 500 teams, comprising over 2 000 research workers in all, involved in Esprit, while 1 400 national teams are collaborating in the Community coordination programme on medical research. All 12 Member States are involved, large and small alike: Ireland and Greece played an active part in 25 of the first 100 Brite projects. Certain projects even involve companies and laboratories in European countries which are not members of the Community. Instead of closing itself off or jealously concentrating on its own programmes, the Community lends its support to projects that complement its own, even when it was not in at the start, as in the case of Eureka, launched on the initiative of a Member State (France) in 1985.

All the activities will be developed with an eye on 1992. The Single European Act does in fact provide for implementation of a framework programme for research and technological development designed to "strengthen the scientific and technological basis of European industry and to encourage it to become more competitive at European level".

To enable Europe to treble the effectiveness of its efforts, the European Community marshals its forces, provides the stimulus and looks and thinks ahead.

Logical consequence and essential objective: financial progress towards monetary Europe

The creation of a large internal market inevitably implies a financial dimension. Freedom of movement must apply equally to capital and to financial services, for companies and individuals alike. Here again technological advance is an inexorable force in the drive towards the opening up to frontiers and the abolition of barriers: nowadays, with the advance of data processing and telecommunications, financial arbitrage can be conducted at the touch of a button, from one side of the world to the other.

But there is one essential prerequisite for the smooth running of a decompartmentalised internal market: stability of exchange as part of the move towards a harmonised European monetary policy.

For the last 10 years, in a world unsettled by the uncontrolled fluctuations of the dollar, the European Monetary

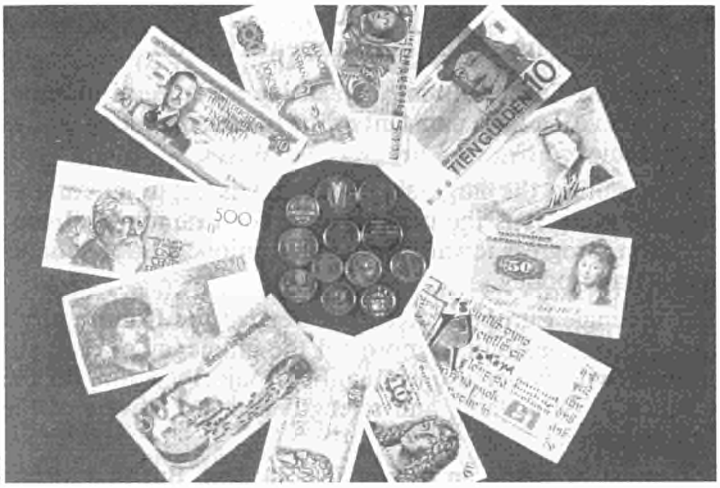
System has been the sole stabilising influence and force for balance.

Its consolidation is not just an essential preliminary; it is also an absolute must if convergence of economic policies in Europe is to be secured.

This is clearly an area where caution and national sensitivity prevail: currency lies at the heart of sovereignty.

The Ecu has spontaneously developed into the third currency for the flotation of international loans. Europe must now go further and gradually make it into a fact of life, a factor in its independence, a symbol of its will to unite:

— A fact of life for companies and individuals alike. When the Commission relaunched this aspect of integration in 1986, the interest aroused exceeded all expectations. President Delors himself concluded that currency was clearly part of the European dream for the man in the street.
— A factor in Europe's independence. Europe has nothing to fear from economic and monetary union, far from it. Europeans save twice as much money as Americans. So let it serve Europe's own development;
— A symbol for Europe. Just as the national currencies are and will remain the symbol of the individual Member States within the framework of a common policy.



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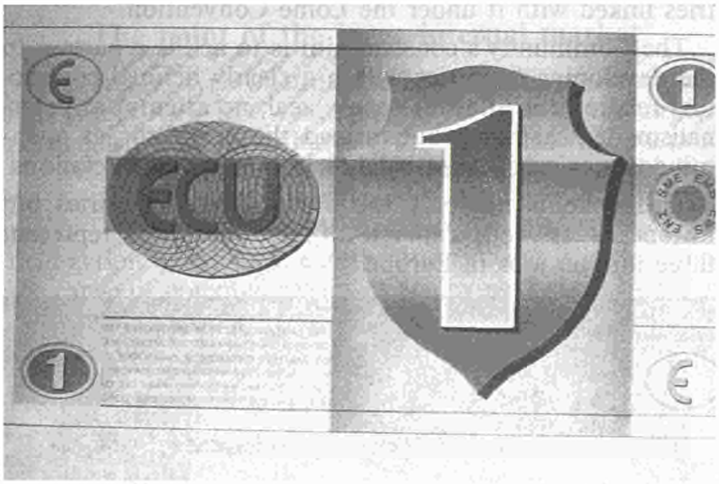

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The peoples of the Community have dozens of different banknotes and coins... The Ecu (the one shown is only a drawing) has already spontaneously developed into the third currency for the flotation of international loans and the intention is "to gradually make it into a fact of life, a factor in Europe's independence and a symbol of its will to unite"

A European area without frontiers

A means to an end — a people's Europe

The economic area without frontiers, the technological thrust, the common currency are all essential objectives. But they must be made to serve the citizens of Europe, i.e. to respect their individual identity and values.

Living as Europeans means a balanced environment in which to live, by solidarity, and freedom of establishment and freedom of movement.

A balanced environment in which to live

European agriculture has become highly efficient. And this has been achieved without any alteration to the nature of rural life and the countryside. An agricultural structure based on the continuation of family farming has been preserved in a more efficient form. Eleven million farmers have stayed on the land, local life goes on, tourism has developed in the countryside and other activities have taken root there. Europe's landscape has not turned into vast expanses of corn deserted by man.

The preservation of the environment also involves a whole series of practical measures which can be meaningful and fully effective only if applied at Community level. The Community has adopted over a hundred pieces of legislation on water pollution and coastline protection, air pollution and noise, waste management, wildlife protection, research into ecological problems and public information.

Solidarity

The principle of equal rights for men and women is embodied in the Treaty of Rome. The Member States have been obliged to bring their legislation into line with a number of Community directives. Equal rights are now guaranteed in the case of pay, employment, vocational training, working conditions and social security.

Rules for the protection of workers are also laid down in Community directives, especially as regards health and safety: the use of asbestos, lead and benzene is controlled; noise levels at the place of work are subject to limits.

Every year the Community, through the European Social Fund, provides support for vocational training for two million people, most of them young. Training is vital for Europe's future and allows individuals more choice in deciding their own futures.

And last but not least, solidarity means firmly established relations with the Third World. The Community is the Third World's closest and most important partner in terms of trade and development aid.

The percentage of GNP devoted to this aid by the Community of Twelve is twice that of the United States. Cooperation extends to areas such as energy, trade promotion and training. While placing increasing emphasis on aid to rural development and the encouragement of self-sufficiency in food, the Community also supplies countries in difficulty with food aid in the form of cereals (1 400 000 tonnes in 1985), milk powder (nearly 109 000 tonnes) and other products.

When crisis, disaster or famine strikes, the Community—with its emergency aid teams on stand-by day and night, weekdays and weekends—is the first to come to the assistance of the victims.

At a time when the purse-strings of public spending are being tied ever tighter, the Community has increased by 60% its aid to the 66 African, Caribbean and Pacific countries linked with it under the Lomé Convention.

The Community's constant aim is to act as a partner to the developing countries within a clearly defined contractual relationship: no missionary zeal, no attempt at paternalism or hegemony, but instead the desire to act openmindedly as a centre of balance in North-South relations.

This benefits not only the Third World countries but Europeans as well; exports to these countries represent three million jobs in Europe.


CEC

"Solidarity means firmly established relations with the Third World. The Community is the Third World's closest and most important partner in terms of trade and development aid"

Freedom of establishment and freedom of movement

Essentially the Community is not just a centre for trade; more than that, it is a place where people can move and meet freely; not merely a market without barriers, but a Europe without frontiers in every respect.

Freedom of movement, in the highest sense, means freedom for people and for ideas. This implies the right for businesses, professional people, workers, and individuals to establish themselves anywhere in the Community.

This is already a reality.

It is a reality for workers: no-one can be refused a job on the grounds of nationality anywhere in the Community. Of course, this does not apply to civil service posts, since the Member States retain their national sovereignty in this area. But there is no valid reason for refusing to allow nationals of other Member States access to jobs, say, on the railways or in certain areas of education.

It is also a reality for some of the independent professions, particularly in the health field. And it is due to be extended to all of them through the introduction of a general system for the mutual recognition of diplomas.

The Community also encourages and promotes meetings and exchanges, with practical programmes designed to ensure that the right to move freely applies not merely in theory but in everyday practice too.

Under the Erasmus, Comett and YES programmes, young people are able to spend part of their university course studying in another Community country, to undergo training in industry at the end of their studies, and to strengthen their links with their Community neighbours.

EuroTecnet provides links between those responsible for vocational training in Europe, while technological programmes are speeding up the forging of further links.

The road to European Union

Living as Europeans means sharing a common identity. But it also calls for a constant effort to consolidate what has been achieved.

Completing the large single market is essential for Europe's future. It is the motive force for technological cooperation, progress towards monetary union, greater solidarity, a trade policy.

The Single European Act has extended the Community's areas of responsibility, improved the efficiency of its institutions (with wider use of qualified majority voting in the Council of Ministers), and strengthened the powers of the Commission.

It must be made an irreversible success. But this means that the Commission must have the resources, especially the budgetary resources, to implement its policies. These resources must be geared to the task in hand. Above all, they must be sufficient to enable the Commission to programme its work on a five-year basis. This is one of the objectives of what Mr Delors has called the "grand rendez-vous" between the Community and its Member States.

Looking beyond that, it is clear that there can be no strong European Union without common foreign and defence policies and institutional reform.

The Community plays a far from insignificant role on the international stage, apart from anything else because it is now the world's leading trading power, with a share of world trade that is greater than that of the United States and twice that of Japan. Its approach to development has attracted interest and is catching on in other parts of the world. And since 1969 the Community countries have cooperated with one another in the foreign policy field.

The Single European Act formally brings this foreign policy cooperation into the Community sphere; consultation is now compulsory "on any foreign policy matters of general interest".

This is a step in the right direction.

Another innovation is that the Single Act also brings cooperation on questions of security—in plain terms, military matters—into the Community domain, though only hesitantly and with great caution.

This is an area where there are obvious links with the single market, for instance as regards cooperation on arms manufacture. But it has far wider implications.

Europe must not remain silent while the United States and the Soviet Union prepare to negotiate over its head. It cannot afford to allow others sole control of the keys to its existence and its future. ○

The Single European Act and ACP-EEC relations

So far, the Community has not brought out a special document on the external (outside the EEC) effects of the Single Act, but the problem is beginning to be brought up in various places. The last ACP Council of Ministers in November alluded to it, for example. But, alas, it is impossible to got an overall idea of the questions that are coming up now and will come up later, given the variety and complexity of the topics — which will have to be worked on by many specialists in a whole range of subjects — and this article only gives some of the most obvious lines of thought that will have to be followed.

The Single European Act, says the Commission in the introduction to its document "The Single Act: a new frontier", improves the institutional system and sets the Community new objectives, in particular, completion of the internal market by the end of 1992 and greater economic and social cohesion. Will these two types of provisions — on institutional improvements and new objectives — affect the Community's relations with the ACPs?

Institutional changes

When it comes to the consequences of institutional change and the greater part to be played by the European Parliament first and foremost, the answer can only be yes. Some of the provisions in the Single Act indeed replace "after consulting the Assembly" with "in cooperation with the European Parliament". So now — and this goes for *internal* Community procedure — the European Parliament's assent will be required for ratification of the ACP-EEC Convention that follows Lomé III. This clearly means that Parliament has to be kept properly informed, by its Development Committee, of the Commission's intentions as to the guidelines it will be proposing for the new Convention (Parliament will have to give an opinion on this at a plenary session in April or May 1988) and of the way negotiations are going, via frequent exchanges with the Commission. Parliament, which had already started working on Lomé IV last December (the rapporteur on this being the present co-president of the ACP-EEC Joint Assembly, Giovanni Bersani), can thus make its ideas known and try to get them written into the texts. It must be stressed that this change, which only affects the internal procedures of the Community, is perfectly compatible, legally speaking, with the present text of the Lomé Convention and that the consequences as far as the ACPs are concerned will therefore occur in another area—politics. Where the European Parliament is in favour of a particular ACP idea, it will be able to exert pressure to help it along and, conversely, if it is against another ACP position, it will try to get the European negotiators to beat it down. Hence the importance of the links the ACPs have with the European Parliament, in particular through those EuroMPs who attend the ACP-EEC Joint Assembly.

A second area of internal Community procedure is what the EEC jargon calls 'committeology' — countless committees are involved in the life of the Community, as we know, and the problem is to define the responsibility and respective roles of the Commission and the Council in relation to all this committee activity. There again, the innovations of the Single Act are not incompatible with the provisions of Lomé although they influence the way the Community applies its provisions.

The point of the large internal market

The second type of stipulations in the Single Act which may affect ACP-EEC relations has to do with the targets, particularly that of achieving the large internal market. Here matters become somewhat complex, because the Single Act, like most political statements of intent, sets up a target — the internal market — without defining the practical action by which it can be attained. But it is clear that the range of potential means of achieving a political end is often wide — and certainly so in the case of the large internal market. Until we know exactly what practical measures have been adopted, it will be very difficult to make a proper job of gauging the effects in the ACPs. In all probability, a pragmatic approach will be called for, whereby, as practical measures are prepared, people check on their compatibility with the *letter* of Lomé and, above all, with the *spirit* of the Convention. Take just one example. If some customs measure (suppression of national quotas previously authorised for a Member State, common organisation of market for products not so far thus covered, etc) or tax arrangements (harmonisation of VAT (1) leading to changes in the prices of imported products) is planned, we should ask whether it will be neutral as far as ACP exports to Europe are concerned or whether it will encourage or harm them. The answer, in the latter case, should be compared to the relevant Lomé target.

Here there is a vital provision which the ACPs should use — the Community's obligatory consultation of the ACPs before taking any measure likely to affect their interests as enshrined in the Lomé III objectives (something which the ACPs have sometimes criticised but which has no equivalent anywhere else on the international scene). Given the enormous importance that such consultations could have in respect of the repercussions of the large internal market on the ACP economies, both parties should start a very frank debate on the matter so as to handle any rancour or reproach (see The Courier No 104, July-August 1987, News Round-up, p. VIII).

It is true that there have been cases of the Community being late with the requisite consultation. Not through lack of good will, maybe, but because it was not immediately apparent on the European side that such a step, initially envisaged *because of the Community's own problems,* could affect ACP interests. So it was concluded that greater vigilance was called for — and it is a conclusion that must now be applied in the large internal market case. The ACPs have to be extremely careful to see that consultations are held as soon as anything goes wrong. And it is bound to, especially in the case of some products (rum and bananas, for example) that are very sensitive as far as the ACPs are concerned. This brings us to the next stage in our reasoning

(1) Value-added tax.

Extracts from official EEC texts

1. From the Single Act

Article 9

The second paragraph of Article 238 of the EEC Treaty(1) *shall be replaced by the following provision:*

"These agreements shall be concluded by the Council, acting unanimously and after receiving the assent of the European Parliament, which shall act by an absolute majority of its component members."

Article 30

European Cooperation in the sphere of foreign policy shall be governed by the following provisions:

... 7. (a) In international institutions and at international conferences which they attend, the High Contracting Parties shall endeavour to adopt common positions on the subjects covered by this Title.

2. From the Commission document on: "The Single Act: a new frontier"

The conditions for success are:

"And our efforts will never be crowned with success unless we also have a common, strong and coherent external policy".

What is to be reformed?

The Community economy is very largerly integrated in the international environment. This goes for all sectors and agriculture is no exception. The Community is the world's biggest importer and second biggest exporter of agricultural products. And it only concerted action with our partners that will enable the Community to do away with the problems of erratic fluctuations in world market prices — which are accentuated by monetary phenomena completely divorced from the agricultural sector and cannot therefore be controlled by agricultural policy measures alone.

So the Community has to be energetic in its exercising of its right to pursue and develop an agricultural policy that responds to the demands for economic efficiency. It can also have more coherent behaviour towards its trading partners. But it is equally essential to avoid protectionist temptations. The rate of growth of the Community economy very much depends on the way world markets develop.

By opening to itself by expanding its internal market, Europe is opening its doors wider to the world.

The Community is more open to trade than any other unit in the world. Although, as the Commission says, it has to go further towards the developing countries, it has to repulse attacks from elsewhere — the elsewhere of protectionism, be it disguised or explicit.

How can we explain to our farmers that they have to adapt to a world situation where supply is structurally greater than demand if the other powers do not make a similar effort?

How can we proclaim the need for technological progress for our competitivity and our employment if we are unable to stand up to threats from elsewhere?

How can we pursue our support of better North-South relations if we hesitate to give trade concessions to aid the most underpriviliged countries for the sake of a few ECU?

We have to be convinced. There will be no tangible progress with the construction of Europe unless Europe asserts itself with strength, courage and generosity. This is a dimension that is all too often overlooked or neglected. But let us make no mistake about this: Europe will be revealed in its ability to resist present and future pressure and to say yes to the poorest.

(1) Article 238 of the EEC Treaty says: "The Community may conclude with a third State, a union of States or an international organisation agreements establishing an association involving reciprocal rights and obligations, common action and special procedures.

These agreements shall be concluded by the Council, acting unanimously after consulting the Assembly".

— are these consultations really useful, given that the Community does not necessarily take ACP interests into consideration at the end of them? People have to agree on the scope of the consultations. The best solution, obviously, is for the consultation to lead to the two parties agreeing and every effort should be made to achieve this. But it is not always possible — and is that surprising? The Europeans think, to use the language of the moralists, that the parties have an obligation as regards *means* — to consult each other and seriously discuss the various items in the dossier so as to avoid, as far as possible, pointlessly harming the interests of the other party — but not as regards *results.* And the results may well be positive for the ACPs. Remember the directive on chocolate in the past. The ACPs, for their part, want the result to reflect their position come what may. *The Courier* hopes to come back to the question of consultation later and give the points of view of both parties.

Too early to take stock

Only a knowledge of the practical steps the Community is planning to take to ensure the Single Act bears all its fruit would make it possible to assess its effects on the ACP countries, as we have said. So we cannot summarise or even roughly outline the consequences now. All we can do is give examples:

— the big European market will be uniform and therefore more transparent than the present system. And it will make it easier to assess both the possibilities of trading with Europe and the ACPs' need to ask for any derogations to Community measures in respect of the outside world;

— the suppression of national quotas for certain products (currently maintained for various Member States) would broaden the market open to the ACP products concerned;

— harmonisation of VAT for all the countries of Europe may lead, as the case may be, to a lowering of the price paid by the European consumer (case of a country where VAT drops) or an increase in that price (in the opposite case). In the former case, consumption may increase and, in the second, decline. If the product is exported by the ACPs, their trade may be considerably affected one way or another.

The extracts from Community texts in the inset is an opportunity to look at other possibilities and think along different lines...

There is one last remark. The large internal market is intended to be complete "by the end of 1992" — but will the date be respected? And how will the various measures be timetabled? In all probability, new problems will arise as we advance. Lomé III expires on 28 February 1990, and the negotiations for the next Convention are scheduled to begin in September 1988, although we cannot yet say how long it will last. If it is to be five years again, then it will be being implemented when the large European market comes into being.

So achievement of this market is an objective whereby we can pinpoint the areas in which Community action is called for, but remain open as to the form and practical content such action should have. The effect it will have on ACP-EEC trade relations is therefore difficult to evaluate. Lomé III is fairly well equipped to cope with such problems as arise — although there is far more at stake, as we saw in the first article in the Dossier, than trade alone. o M-H.B.

A journey through the Community

Twelve European countries have come together to create the European Community. Twelve peoples have, by that token, agreed to build their future together. In spite of their differing cultures, habits and histories, they share a common goal: they wish to live in peace, they wish to avoid being pawns in the tough world of power politics, they want to improve living and working conditions inside their Community and to promote outside it, in the wider world, a fairer international order, especially for less-developed countries.

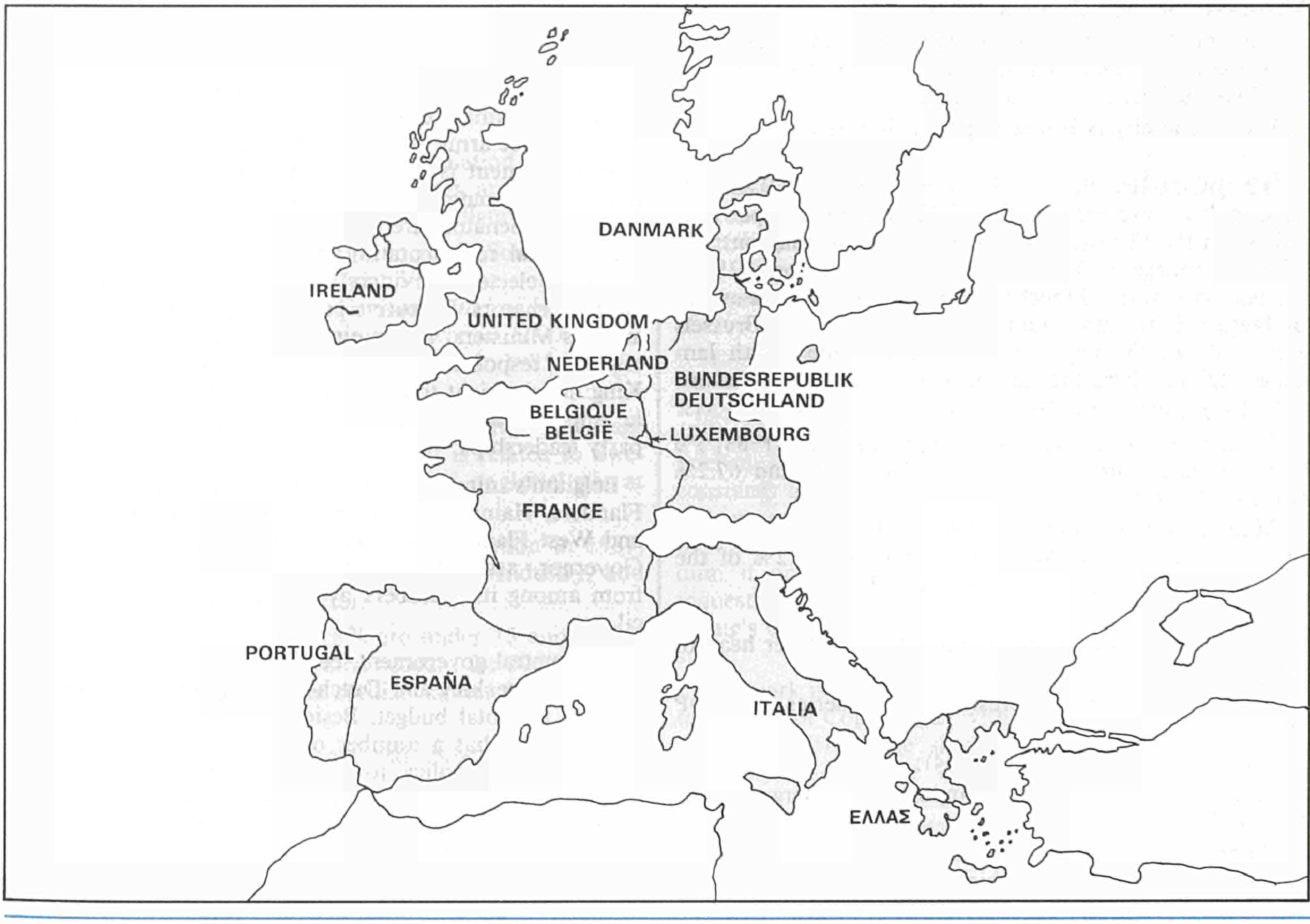
The European Community is young — only 30 years old. And in the course of those 30 years, a great many changes have taken place inside it:
— it has grown larger;
— it has seen the rise of problems which had never before seemed of overriding importance, matters like unemployment, the development of new technologies, environmental problems and monetary policies.

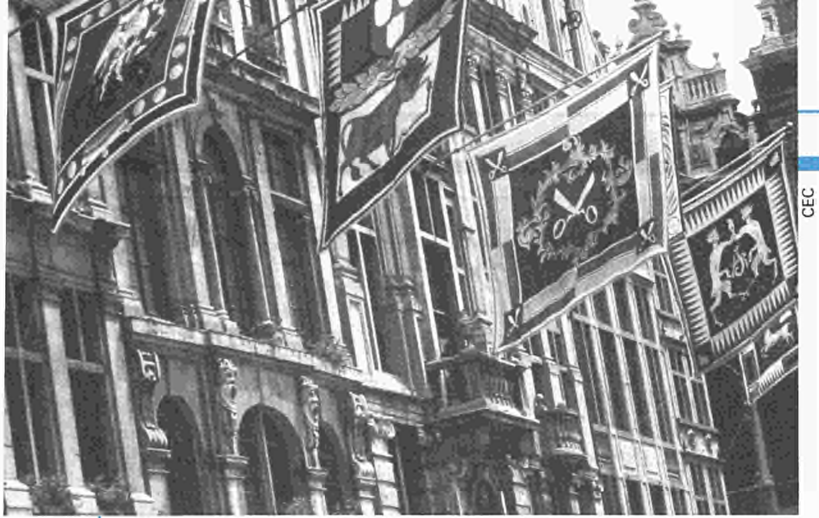
It is no easy job to define common goals or devise policies which will be equally effective for everyone in an area which stretches from Scotland to Crete and from Denmark to Portugal, but the problems themselves cross frontiers and are simply insoluble in a strictly national context.

On the 9th May 1950, Robert Schuman, France's Foreign Minister at the time, proposed that the production of coal and steel in the countries which had fought each other for centuries (he was thinking of France and Germany) should be coordinated and managed by a High Authority. The Treaty setting up the European Coal and Steel Community (ECSC) was signed in 1951. In 1957 the Treaties founding the European Economic Community (EEC) and the European Atomic Energy Community (EAEC) or Euratom were signed, since when they have been collectively known as the European Community. In 1986, the Treaties were amended by the 'Single European Act'.

At its inception, there were six Community members: Belgium, the Federal Republic of Germany, France, Italy, Luxembourg and the Netherlands. Three new members joined in 1973 — Denmark, Ireland and the United Kingdom. In 1981, Greece became the 10th Member State and, lastly, in 1986, Spain and Portugal joined. We are publishing here a brief outline of the geography, population, economy and political structures of each one of the Member States (1). ○

(1) All statistical data is drawn from EUROSTAT publications; other information, as well as the maps, comes from a brochure ('A Journey through the Community') published by Division IX-E-5 of the Commission of the European Communities.





The Grand'Place in Brussels

Belgium

The land. Belgium has an area of 30 519 km² and extends 230 km north to south and 290 km east to west. The Belgian North Sea coast is 66 km long. Inland from the coast are fertile polders, the sandy Flanders plain, the heaths and woods of the Campine (Kempen). Between these northern lowlands and the wooded Ardennes and Belgian Lorraine in the south lie the alluvial, fertile central plateaux. The country's highest point is the Signal de Botrange (694 m) in the Hautes Fagnes (Eifel). The main rivers are the Scheldt and the Meuse. The Scheldt rises in northern France and flows through Ghent, Antwerp and a delta-like estuary in the Netherlands into the North Sea. The Meuse flows out of the French Vosges, through eastern Belgium (Namur and Liège) into the Netherlands.

Forty-seven per cent of the land surface is used for agriculture, and 20% is wooded. Some coal is mined in the Meuse-Sambre and Campine fields.

Belgium has some 130 100 km of roads (including 15 305 km of trunk roads), 3 712 km of railways and 1 517 km of inland waterways used.

The capital city is Brussels (population 990 000).

The people. Belgium has a population of 9.85 million, with an average density of 323 inhabitants per km² (1983). In the Flemish region (58% of the population), the official language is Dutch; in the Walloon region (33% of the population) it is French; but in the east of the province of Liège (66 000 inhabitants) it is German. The Brussels area (10% of the population) constitutes the fourth language region, where French and Dutch have equal status.

In 1985 898 000 foreigners were living in Belgium.

Of the labour force (41.7% of the population in 1983) 3% work in agriculture; 29.9% work in industry, and 67.2% work in the services sector.

Of the total population 19.3% are under 15, and 14% are over 65 years of age. Women account for 51.2% of the population and 38.2% of the civilian labour force.

The economy. Gross domestic product per head of population (1985): ECU 10 605

Share of agriculture, forestry and fisheries in GDP (1984): 2.5%.

Share of industry in GDP (1984): 34.4%.

Degree of dependence on imports for energy supply (1985): 71.3%.

Major exports in 1986 (as percentage of total value of exports): machinery and vehicles (25.7%), iron and steel products (13%), textiles and clothing (7%), chemicals (6%).

Main customers: Community (72.9%), USA (5.3%), Switzerland (2.4%), Sweden (1.5%).

Unemployment as a percentage of the civilian labour force (1986): 12.6%.

1 ECU (June 1987) = BFR 43.0146.

Metal processing is highly developed in Belgium (38% of industrial jobs). The recently developed chemical and electronics industries represent 13 and 14% of industrial jobs. The traditional industries of textiles (mainly in Flanders) and glass (mainly in Wallonia), which trace their origins from the medieval cloth makers and Venetian glass blowers, have been rationalised and modernised.

Constitution and government. The Kingdom of Belgium is a parliamentary democracy and hereditary monarchy. Legislative power is exercised jointly by the King, the Chamber of Representatives and the Senate. Each of these three arms of the legislature has the right of initiative. Parliament is bicameral: a Chamber of Representatives and a Senate. The 212 Representatives and a number of the 178 Senators are elected for a term of four years by proportional representation; the other Senators are delegated by elected Provincial Councils, or co-opted by the elected Senators. Executive power lies jointly with the King and his Ministers; in the event of disagreement, the Government, responsible to Parliament, takes the decision. The King has the right to convene and dissolve the Chambers; he appoints and dismisses Ministers after consulting the party leaderships.

Belgium's nine provinces of Antwerp, Brabant, East Flanders, Hainault, Limburg, Liège, Luxembourg, Namur and West Flanders are each administered by a Provincial Governor, assisted by a *Députation permanente* elected from among its members by an elected Provincial Council.

The central government, consisting of an equal number of French-speaking and Dutch-speaking ministers, controls 90% of the total budget. Beside the national institutions, Belgium also has a number of regional bodies, set up in order to tailor policy to specific needs. The Executives (made up of regional ministers) are elected from among their members by Councils elected for each region and each community. The Councils and Executives legislate by decree. ○

Denmark

Statue of Vikings in Copenhagen

The land. Denmark has an area of 43 080 km^2. It consists of the Jutland Peninsula, which has a 67 km-long frontier with north Germany at its base, and 483 islands, of which about one hundred are inhabited. The seaboard along the North Sea, Skagerrak, Kattegat and the Baltic runs for some 7 300 km. Denmark is a flat country; the highest point rises to 173 m.

The longest river is the Gudenå (160 km), which rises in central Jutland and flows into Randers Fjord.

Sixty-six per cent of the area is agricultural land, and some 11% is wooded. Of growing importance are the oil and natural gas deposits in the Danish waters of the North Sea.

Denmark has about 69 661 km of roads (including 4 645 km of trunk roads) and 2 350 km of railways.

The capital is Copenhagen (population around 1.2 million, including suburbs), the largest city in Scandinavia. It lies on the island of Sjælland and the nearby island of Amager.

The people. Denmark has a population of 5.1 million, excluding Greenland and the Faeroes, and the average population density is 119 per km^2 (1985 figures).

There is a German-speaking minority in South Jutland, whose representatives secure about 5% of the vote at local elections in that area. In the German *Land* of Schleswig-Holstein there is a Danish minority whose 22 000 votes return one member to the Landtag in Kiel. In 1985 108 000 foreigners lived in Denmark.

Until this century Danish was also the official language in Norway, Iceland and the Faeroes; it is related to Swedish. One peculiarity of Danish is the *stød*, or glottal stop at the end of words.

Of the labour force (54.6% of the population in 1985) 7.1% work in agriculture; 26.8% work in industry, and 66% work in the services sector.

Of the total population 18.8% are under 15 and 14.9% are over 65 years of age. Women account for 50.7% of the population and 45.1% of the civilian labour force.

The economy. Gross domestic product per head of population (1985): ECU 14 945

Share of agriculture, forestry and fisheries in GDP (1984): 6.3%.

Share of industry in GDP (1984): 27.7%.

Degree of dependence on imports for energy supply (1985): 79.6%.

Major exports in 1986 (as percentage of total value of exports): foodstuffs (meat and preserved goods, dairy products, fish and fish preserves, etc.) 26.7%, finished goods (furniture, clothing, ec.) 25.8%, machinery and transport equipment 24.6%, chemicals (medicines, pharmaceuticals, etc.) 8.5%.

Main customers: Community (53.2%), Sweden (11.4%), USA (8.6%) and Norway (7.7%).

Unemployment as a percentage of the civilian labour force (1986): 7.6%.

1 ECU (June 1987) = DKR 7.8127.

Agriculture is highly mechanised. The tourist trade is a substantial source of income. Of growing importance to the economy are the oil and natural gas deposits in the Danish waters of the North Sea.

Constitution and government. The Kingdom of Denmark is a constitutional monarchy and parliamentary democracy. Legislative power lies jointly with the sovereign (the Queen) and the single-chamber Parliament (the Folketing). The 179 members of the Folketing are directly elected by a system of proportional representation for a term of four years; the Faeroes and Greenland each elect two members. The Queen appoints the Prime Minister after consultation with party leaders; the Prime Minister may call fresh elections if the Government loses its majority in the Folketing. The Queen also appoints the Ministers; each of them is responsible to the Folketing individually, and can be removed from office by a vote of no confidence. The Council of State (the Queen and the Ministers) considers all bills and important government measures. Bills passed by the Folketing, with the exception of finance bills and certain other categories, must be put to a referendum if one third of the members of the Folketing so request. Any citizen may lodge a complaint with the Folketing's ombudsman against arbitrary administrative measures.

Denmark is divided into 14 counties plus the metropolitan region of Copenhagen with Frederiksberg. The Faeroes have had home rule since 1948; they have their own assembly, and, unlike Denmark proper, are not in the European Community. Greenland has belonged to Denmark since 1721; it obtained home rule following a referendum in 1979 and withdrew from the Community on 1 February 1985. ○

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Beethoven's house in Bonn

Federal Republic of Germany

The land. The Federal Republic of Germany covers an area of 248 687 km^2, made up of mountain areas, uplands and plains. To the north the country is bounded by the North Sea and the Baltic, to the south by the Alps, Lake Constance and the Rhine, which also forms the border in the south-west. The main rivers are the Rhine, the Danube, the Elbe, the Weser and the Moselle. The highest mountain is the Zugspitze (2 963 m) in the Alps. The uplands rise to 1 500 m.

Forty-nine per cent of the land is used for agriculture and 29% is wooded.

The Federal Republic's mineral resources include lignite, coal, iron and copper ores and potash.

There are some 510 000 km of roads (including 58 000 km of trunk roads), 28 130 km of railways and 4 554 km of inland waterways.

The capital is Bonn (population 290 000).

The people. The Federal Republic of Germany has a population of 61.2 million, with an average density of 246 inhabitants per km^2 (1985).

The number of foreign residents (1985) stands at 4.4 million (7.4%).

The national language is German.

Of the labour force (44.7% of the population in 1985): 5.6% work in agriculture, 41% work in industry, and 53.4% work in the services sector.

Of the total population 15.6% are under 15 and 14.7% are over 65 years of age. Women account for 52.2% of the population and 39% of the civilian labour force.

8.6 million children and young people attend school and 1.2 million are students. 550 000 people under 25 are unemployed (June 1985), i.e. 23% of the total number of people out of work (total number of people out of work 1986: 8.1% of the labour force).

The economy. Gross domestic product per head of population (1985): ECU 13 543.

Share of agriculture, forestry and fisheries in GDP (1984): 1.9%.

Share of industry in GDP (1984): 40.9%.

Degree of dependence on imports for energy supply (1985): 50.2%.

Major exports in 1986 (as percentage of total value of exports): machinery (20%), road vehicles (17.5%), chemicals (12.8%), electrical appliances (8.5%), iron and steel (6%), food, beverages and tobacco (4.1%).

Main customers in 1986: Community (50.8%), USA (10.5%), Switzerland (5.9%), Austria (5.3%), Sweden (2.8%), USSR (1.8%).

One in four jobs depends on the export market.

1 ECU (June 1986) = DM 2.0748.

Constitution and government. The Federal Republic is a democratic, parliamentary State with a federal constitution.

The Federal Republic of Germany is made up of the following *Länder:* Baden-Württemberg, Bavaria, Bremen, Hamburg, Hesse, Lower Saxony, North Rhine-Westphalia, Rhineland-Palatinate, Saarland and Schleswig-Holstein and the *Land* of Berlin, which has a special status but is fully integrated into the legal and economic system of the Federal Republic.

The Federation has exclusive legislative powers in matters of foreign affairs, defence, currency, customs, air transport and the postal service. It also has the right to enact concurrent legislation where there is a need for uniform regulations nationwide. Exclusive responsibility for education rests with the *Länder.*

The Bundestag (Federal Diet) is the supreme legislative body. At least 498 Members of the Bundestag are directly elected for four years by a combination of plurality and proportional representation. A further 22 MPs from West Berlin are elected by the Berlin House of Representatives by proportional representation; they have limited voting rights.

On a proposal by the Federal President the Bundestag elects the Federal Chancellor, who forms the Federal Government with Ministers selected by himself and appointed by the President.

The Federal President is elected by the Federal Convention for a term of five years. The Federal Convention consists of all Members of the Bundestag and an equal number of Members elected by the *Land* parliaments. The President represents the Federation in international law, concludes treaties with foreign States and promulgates the laws. He appoints and dismisses the Federal Chancellor, the Federal Ministers and the members of the Federal Constitutional Court.

The *Länder* take part in the process of federal legislation and administration through the Bundesrat, which consists of members of the *Land* Governments. Each *Land* has either five, four or three seats in the Bundesrat, depending on its population. About half the federal laws must be approved by the Bundesrat. If a law fails to obtain a majority in the Bundesrat, a Mediation Committee is convened and the Bundestag must vote again on any amendments it suggests. ○

Greece

CEC

The Parthenon in Athens

The land. Greece has an area of 131 990 km^2. Its 437 islands stretch from Rhodes in the east, as far south as Crete, and as far west as Corfu, and account for around one fifth of the total area. Only 134 of them are inhabited. The 20 monasteries of Agion Oros on the Athos peninsula are a self-governing part of the Greek State. The northern frontier, which separates the country from Bulgaria, Turkey, Yugoslavia and Albania, is 1 212 km long. Greece is predominantly mountainous, the tallest peak being Mount Olympus (2 917 m), and has a coastline of 15 021 km. There are no major rivers.

Seventy per cent of the land surface is used for agriculture and 17% is wooded (1982).

Greece exports farm produce, including fruit and vegetables, raisins, tobacco and olive oil. It has deposits of lignite, bauxite and iron ore, and oil has been discovered in the northern Aegean.

Greece has 37 470 km of roads (including 8 800 km of trunk roads) and 2 461 km of railways.

The capital is Athens (population 2.6 million), with its Acropolis, the symbol of ancient Greek civilisation.

The people. Greece has 9.9 million inhabitants, most of whom are Greeks. The average density of the population is 75 inhabitants per km^2. Modern Greek, which has its roots in ancient Greek, is the official language.

Most Greeks (96%) belong to the Greek Orthodox Church, which is the official State religion.

Of the labour force (39.2% of the population in 1985) 28.9% work in agriculture; 27.4% work in industry, and 43.7% work in the services sector.

Of the total population 21.3% are under 15 and 13.3% over 65 years of age. Women account for 50.8% of the population and 33.7% of the civilian labour force.

The economy. Gross domestic product per head of population (1985): ECU 4 286.

Share of agriculture, forestry and fisheries in GDP (1984): 18.5%.

Share of industry in GDP (1984): 28.5%.

Degree of dependence on imports for energy supply (1985): 64.5%.

Major exports in 1986 (as percentage of total value of exports): industrial products (up to 45%), including textiles, chemicals (3.3%), ores and metals (5.8%), farm products (28.7%), including tobacco, raisins, cotton, wine, olive oil and citrus fruit.

Main customers: Community (63.5%), USA (7.1%), USSR (1.4%), Yugoslavia (1.3%).

Unemployment as a percentage of the civilian labour force (1986): 7.5%.

1 ECU (June 1987) = DRA 155.3930.

Agriculture still plays a key role in the Greek economy, as does merchant shipping (3 666 vessels), an industry that has been hit hard by the recession.

Up to the end of the 1960s manufacturing industry was made up of family businesses in the main, but since then Greek industry has made enormous strides and industrial products today account for an ever-increasing part of the country's exports.

Constitution and government. Greece is a parliamentary democracy. Legislative power is exercised by Parliament (the Vouli) and the President of the Republic, who approves and promulgates the laws. All but 12 of the 300 Members of Parliament are elected by the people under a system of "reinforced" proportional representation. The 12 "State deputies" are designated by the political parties in proportion to the number of votes cast for each party.

Executive power is exercised jointly by the President and the Government. The President is elected by Parliament for a period of five years. He appoints the Prime Minister and, on the latter's recommendation, the other Ministers.

Greece is divided into 51 *nomói* (prefectures) and the following geographical regions: Thrace, Eastern, Central and Western Macedonia, Epirus, Thessaly, Central Greece and Euboea, the Peloponnese, Crete, the Ionian Islands, the Dodecanese and the Aegean Islands.

Voting is compulsory. Greeks are entitled to vote at 18 years of age but may not stand for election to Parliament until they are 21. There are no qualifying restrictions for political parties. Three parties were represented in the Parliament elected in 1981.

Military service is compulsory for men aged 21 years and over. Women may do voluntary service in the armed forces.

National holidays in Greece are 25 March (liberation from Turkish rule in 1821) and 28 October (declaration of war on Italy in 1940). ○

CEC

Statue of Christopher Columbus in Madrid

Spain

The land. Spain has an area of 504 800 km^2. It has 3 904 km of coastline and 1 945 km of land frontiers with France and Portugal—a total of 5 849 km. It is the most mountainous country in Europe after Switzerland: mountain ranges alternate with river basins to provide the great scenic variety of the Spanish landscape. The Ebro, Turia, Júcar and Segura rivers flow east into the Mediterranean, where the coastline boasts many fine beaches which are among the most popular in Europe. The Navia, Nalón, Nervión and Bidassoa, all short rivers rising in the Cantabrian Mountains, irrigate the green coastal strip which extends west from the Pyrenees and forms the north of the Iberian peninsula together with Galicia, north of Portugal, a region whose unexpectedly humid weather and green countryside, through which the Miño flows, are typical of a more northern climate. The centre of the peninsula is a plateau (the Meseta) whose aridity is offset by the rivers Douro and Tagus, which cross it from east to west and continue into Portugal. The Guadiana and the Guadalquivir cross Andalusia, where subtropical zones alternate with permanently snow-capped peaks such as Mulhacén (Sierra Nevada), at 3 481 m the highest mountain on the mainland. However, the highest point in all Spanish territory is Teide, the Peak of Tenerife (3 718 m) in the Canaries—a group of islands of volcanic origin which are the southernmost part of Spain.

Sixty-two per cent of the land surface is used for agriculture and 31% is wooded. Much of the land still follows the custom of the *barbecho* or rotation of crops.

Spain has 154 000 km of roads (including 2 100 km of trunk roads) and 13 553 km of railways.

The capital is Madrid (population 3.2 million). This city of museums and art treasures exemplifies just one of the many cultures which have left their mark on Spain.

The people. The population of Spain is 38.4 million (1985), with an average density of 76 inhabitants per km^2. In 1984 there were 227 000 foreign residents.

The official language is Spanish (or Castilian), although Catalan, Basque and Galician are officially recognised in their respective autonomous comunities.

Of the labour force (34.7% of the population in 1985) 16.9% work in agriculture, 32.1% work in industry, and 50.9% work in the services sector.

Of the total population 23.9% are under 15 and 11.8% over 65 years of age. Women account for 50.9% of the population and 29.6% of the civilian labour force.

The economy. Gross domestic product per head of population (1985): ECU 5 602.

Share of agriculture, forestry and fisheries in GDP (1984): 16.7%.

Share of industry in GDP (1984): 50%.

Degree of dependence on imports for energy supply (1985): 60.6%.

Major exports: motor cars (31.4%) iron and steel products, machinery and fruit. Tourism is of outstanding importance: in 1986 the industry brought in ECU 12.2 billion in foreign currency and over 40 million visitors.

Main customers (1985): Community (60.9%), USA (9.3%).

Unemployment as a percentage of the civilian labour force (1986): 21.5%.

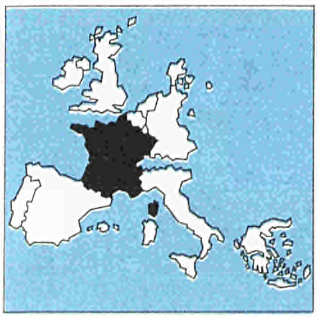
1 ECU (June 1987) = PTA 144.06.

Constitution and government. Spain is a constitutional hereditary monarchy and parliamentary democracy under the Constitution of 1978.

The King is the Head of State and Commander-in-Chief of the armed forces.

Parliament (the *Cortes Generales*) consists of two houses: the Congress of Deputies (Lower House), made up of 350 Members returned by direct universal suffrage in provincial elections (proportional representation), and the Senate (Upper House), composed of 225 Senators elected by plurality in each of the provinces or appointed by the legislatures of the autonomous communities. Legislation is normally adopted by both houses, but the final decision lies with the Congress if there is failure to agree.

Elections take place every four years. Under the current process of granting greater autonomy, 17 autonomous communities with varying degrees of self-government have been set up, with their respective parliaments and executives, changing the political map of Spain. Catalonia, the Basque country, Galicia and Andalusia have so far been granted the broadest measure of autonomy. The other communities are Asturias, Cantabria, La Rioja, Navarre, Aragon, Valencia, Murcia, Castile-La Mancha, Estremadura, Castile-León, Madrid, the Balearic Islands and the Canary Islands, Ceuta and Melilla are also to be granted special status. ○



France

The Marseillaise, the symbol of the French Revolution, in Paris

The land. France has an area of 544 000 km^2. The seaboard on the English Channel, the Atlantic and the Mediterranean is some 3 120 km long, and the land frontiers extend roughly 2 170 km. The Pyrenees in the south-west, the Western Alps in the south-east, the Jura and the Vosges in the east are also natural frontiers. France offers a wide variety of landscape and scenery—the plains of Beauce and Brie, the Causses plateaux,mountain ranges... The country is watered by four main rivers—the Seine, which flows into the English Channel, the Loire and the Garonne, which flow into the Atlantic, and the Rhône, which flows into the Mediterranean.

58% of the land surface is used for agriculture. The most important crop is wheat, followed by oats and maize. Fruit and vegetables are grown in all regions, but particularly in the south. Vines cover extensive areas, especially in Languedoc and Burgundy and around Bordeaux. Woodland covers 27% of the country.

France has iron ore deposits in Lorraine, coal in the north-east, natural gas in the south-west, potash in Alsace and bauxite in Provence.

There are about 801 420 km of roads (including 33 700 km of trunk roads), 34 627 km of railways and 8 394 km of waterways. A glance at a road map points to the dominance of Greater Paris, on which the main arteries converge.

The capital is Paris (population: city 2 million, conurbation 10 million).

The people. France has a population of 55 million and an average population density of 100 inhabitants per km^2 (1985). The official language is French, but several other languages or dialects like Breton, Alsatian, Basque, Corsican and Catalan are to be heard in the provinces.

The proportion of foreign residents is around 8%.

Of the labour force (42.3% of the population in 1985) 7.6% work in agriculture, 32% work in industry, and 60.4% work in the services sector.

Of the total population 21.5% are under 15 and 12.8% are over 65 years of age. Women account for 51.2% of the population and 41.6% of the civilian labour force.

The economy. Gross domestic product per head of population (1985): ECU 12 231.

Share of agriculture, forestry and fisheries in GDP (1984): 4.1%.

Share of industry in GDP (1984): 35.8%.

Degree of dependence on imports for energy supply (1985): 57.2%.

Major exports in 1986 (as percentage of total value of exports): machinery and vehicles (34.6%), manufactured goods (28.2%), chemicals (11.4%), foodstuffs (11.8%).

Main customers: Community (57.8%), USA (7.4%), Switzerland (4.6%).

Unemployment as a percentage of the civilian labour force (1986): 10.8%).

1 ECU (June 1987) = FF 6.9287.

France is the largest agricultural country in Western Europe and, after Italy, the world's biggest producer of wine. France is also a great industrial power and among the leading world producers of steel, motor cars and other manufactured goods. The main industrial centres lie near Paris, in the north-east and around Lyons.

Constitution and government. France is a republic in which, under the Constitution, power is shared between the President and the National Assembly. The President is elected directly by the people for a term of seven years. He is the head of the executive and appoints the Prime Minister. He appoints or dismisses other ministers on the Prime Minister's recommendation and presides over the Council of Ministers. He can also dissolve the National Assembly and submit major bills to a referendum.

Parliament consists of two chambers: the National Assembly and the Senate. In March 1986 the 577 members of the National Assembly (deputies) were elected on a single ballot from departmental lists. As legislation on elections has been changed, future elections will be held according to the two-stage single member constituency electoral system. The 317 senators are elected by indirect suffrage for a term of nine years by an electoral college made up of the deputies, the general (departmental) councillors, the mayors and municipal councillors. One third of the Senate is renewed every three years. Bills pass through both Chambers. In the event of disagreement a joint committee is set up to produce a common text; if the committee cannot agree, the Government can seek a final decision from the National Assembly. The Government is responsible to the National Assembly.

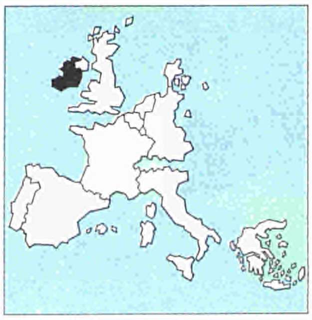
Metropolitan France is divided into 22 regions and 95 departments. The regions are: Nord-Pas-de-Calais, Ile-de-France, Centre, Picardy, Lower Normandy, Upper Normandy, Brittany, Loire Valley, Poitou-Charentes, Limousin, Aquitaine, Midi-Pyrénées, Champagne-Ardenne, Alsace, Lorraine, Burgundy, Auvergne, Franche-Comté, Rhône-Alpes, Languedoc-Roussillon, Provence-Alpes-Côte d'Azur, Corsica.

There are four overseas departments (French Guiana, Guadeloupe, Martinique and Réunion), four overseas territories (French Polynesia, French Southern and Antarctic Territories, New Caledonia, and the Wallis and Futuna Islands) and two *collectivités territoriales* (Mayotte, and Saint Pierre and Miquelon). ○

CEC

Daniel O'Connell, the Great Liberator of Ireland, in Dublin

Ireland



The land. The total area of the Republic of Ireland is 68 900 km^2. The greatest length from north to south is 486 km and the greatest width from east to west is 275 km.

Ireland comprises a large central lowland of limestone with a relief of hills and a number of coastal mountains, the highest of which, Carantuohill, is 1 040 m. The Shannon is the longest river, 370 km. These are many lakes.

Roughly 81% of the total land area is used for agriculture, mostly for grassland pasture. About 5% is wooded. Ireland is a major base-metal producer. Water, peat and natural gas are important indigenous sources of energy. There are 92 300 km of roads and some 1 850 km of railways.

The country is divided into four provinces (Connacht, Leinster, Munster and Ulster)[1]. Dublin, the capital, is in Leinster and is situated on the east coast at the mouth of the River Liffey.

The people. Population has been on the increase since 1961 and is now approximately 3.5 million, with an average density of 51 inhabitants per km^2 (1985). The population of the greater Dublin area is approximately 1 million. In 1984, 88 000 foreigners lived in Ireland.

The official languages are Irish and English. Irish (Gaelic) is a Celtic language—one of the oldest written languages in Europe, and it is the first official language. All official documents are published in both languages.

Of the labour force (36.2% of the population in 1985) 16% work in agriculture, 28.9% work in industry, and 55.1% work in the services sector.

Of the total population 29.7% are under 15 and 10.6% are over 65 years of age. Women account for 49.8% of the population and 31.1% of the civilian labour force.

The economy. Gross domestic product (GDP) per head of population (1985): ECU 6 815.

Share of agriculture, forestry and fisheries in GDP (1984): 10.1%.

Share of industry in GDP (1984): 36.5%.

Degree of dependence on imports for energy supply (1985): 54%.

Major exports in 1986 (as percentage of total value of exports): machinery and transport equipment (office machines and equipment, electrical appliances, etc.) (30.4%); food products (meat, dairy produce, etc.) 23.3%, manufactured goods (textiles, etc.) 22.4%, chemicals (organic chemicals, etc.) 13.2%.

Main customers: Community (71.9%), USA (21.1%); Canada (1.3%).

Unemployment as a percentage of the civilian labour force (1986): 18.4%.

1 ECU (June 1987): IR£ 0.7746.

Ireland is committed to rapid economic development based on the creation of industrial employment in growth sectors. Current work on onshore geology and offshore drilling for oil and gas contribute to making Ireland one of the most promising exploration territories in Europe. Tourism is also a very important part of the economy.

Constitution and government. Ireland is a parliamentary democracy. Legislative power is vested in the Oireachtas (National Parliament), which consists of the President of Ireland and two Houses, namely Dáil Éireann (House of Representatives) and Seanad Éireann (Senate). For the Dáil, 166 Members are elected directly for a maximum period of five years under a system of proportional representation. Of the 60 Senators elected for the same period, 11 are nominated by the Taoiseach (Prime Minister), 43 are elected by Members of the Dáil, of the previous Seanad and of local authorities from panels of candidates from five key sectors of society, and six are elected by the country's university graduates. Financial bills can be introduced only in the Dáil, other legislation may be introduced in either chamber. Legislation enters into force when signed by the President. Rejection by the Senate has only a delaying effect on proposed legislation.

The President, elected for a seven-year term, appoints the Taoiseach, on the nomination of the Dáil, and the other Ministers, on the advice of the Taoiseach and with the prior approval of the Dáil. He has the right to refer bills to the Supreme Court on questions of constitutionality. Dáil Éireann is summoned and dissolved by the President on the advice of the Taoiseach. There may be up to 15 members in the government, of whom two may be nominated from the Senate whilst the remainder must be Members of the Dáil.

Elected local authorities (county councils, county borough councils, borough councils, urban district councils and town commissioners) are responsible for local administration. There are 115 local authorities. ○

(1) Whilst there are 32 counties in the whole of Ireland, three counties of the province of Ulster are in the Republic of Ireland and six in Northern Ireland.

Italy

CEC

Statue of the she-wolf suckling Romulus and Remus in Rome

The land. Italy has an area of 301 046 km². The independent Republic of San Marino and the Vatican City State are surrounded by Italian territory. The southern fringe of the Alps falls steeply down to the plain of the River Po, south of which extends the 1 000 km-long and 130-250 km-wide Apennine peninsula. The sparsely-forested Apennines run down almost the entire length of Italy, the highest mountain being the Gran Sasso (2 914 m). To the west lies Sardinia, and the west coast is dotted with smaller, mostly mountainous, islands like Elba, Ponza, Capri and Ischia. At the southern tip of the peninsula lies the island of Sicily with Europe's biggest volcano, Mount Etna (3 326 m). Other volcanoes are Vesuvius, near Naples, and Stromboli on the Lipari Islands. The longest river is the Po (652 km), which rises in the Cottian Alps and flows through a delta-like estuary into the Adriatic Sea. The main rivers rising in the Apennines are the Arno, which passes through Florence, and the Tiber, on whose banks Rome is built.

Fifty-eight per cent of the land surface is used for agriculture and 20% is wooded.

Italy is poor in minerals: the only important ones are sulphur in Sicily, bauxite and lead ore in the south, and the marble quarries at Carrara.

The country has 297 000 km of roads (including 51 000 km of trunk roads), 16 148 km of railways and 2 237 km of inland waterways.

The capital is Rome (population 3.1 million), a city with 2 000-year-old temples and forums, St Peter's Basilica, the Castel Sant'Angelo and a plethora of museums and palaces.

The people. The population of Italy is 57.15 million, with an average density of 189 inhabitants per km². Many of the considerable number of foreigners in Italy come from other Community countries, predominantly from France, Germany and the United Kingdom. There has recently been some immigration from developing countries.

The national language is Italian; other languages spoken in the regions include German (Alto Adige), French (Valle d'Aosta), Slovene (Trieste and Gorizia) and Ladin (some areas of the Alto Adige).

Of the labour force (40.2% of the population in 1985) 11.2% work in agriculture, 33.6% work in industry, and 55.2% work in the services sector.

Of the total population 19.9% are under 15 and 12.8% are over 65 years of age. Women account for 51.4% of the population and 33.3% of the civilian labour force.

The economy. Gross domestic product per head of population (1985): ECU 9 676.

Share of agriculture, forestry and fisheries in GDP (1984): 5.2%.

Share of industry in GDP (1984): 39.1%.

Degree of dependence on imports for energy supply (1985): 83.9%.

Major exports in 1986 (as percentage of total value of exports): machinery and vehicles (33.6%), textiles and clothing (17.6%), chemicals (6.7%), food products (5.2%).

Main customers: Community (53.5%), USA (10.7%)%, Switzerland (4.5%).

Unemployment as a percentage of the civilian labour force)1986): 13.8%.

1 ECU (June 1987): LIT 1 501.44.

Over recent decades Italy has developed from an agricultural to an industrial country. The pace of economic development has not, however, been uniform throughout the country and there are still significant differences between north and south.

Constitution and government. Italy is a parliamentary republic. Legislative power is vested in Parliament, which consists of the Chamber of Deputies and the Senate, both of which have equal powers. The 630 Deputies and 315 Senators are elected for five years by proportional representation. Senators are elected regionally; in addition, the President can appoint to the Senate not more than five distinguished persons. The President, who is elected by Parliament, appoints the President of the Council of Ministers (Prime Minister) and, on the latter's recommendation, the other ministers, promulgates laws and may remand laws enacted by Parliament for reconsideration.

For administrative purposes, Italy is divided into 20 regions, with considerable autonomy. Five of them—Valle d'Aosta, Trentino-Alto Adige, Sicily, Sardinia and Friuli-Venezia Giulia—have special constitutions giving them a wider degree of autonomy than the other 15—Piedmont, Liguria, Lombardy, Veneto, Emilia Romagna, Tuscany, Marche, Umbria, Latium, Abruzzo, Molise, Campania, Apulia, Basilicata and Calabria. o

CEC

Luxembourg's Town Hall

Luxembourg

The land. Luxembourg has an area of 2 586 km². It is bounded by France, the Federal Republic of Germany and Belgium. Luxembourg is a hilly country, rich in woodland. As the "Department of Forests", Luxembourg was one of the nine departments formed by France from the territories of the Austrian Netherlands annexed in 1795.

The main topographical features of the country are the Oesling, a 450 m-high plateau, part of the Ardennes, and the Gutland, which rises to an average height of 250 m. Main rivers are the Moselle, the Our and the Sûre.

Forty-nine per cent of the land area (127 422 ha) is used for agriculture; vines are cultivated in the Moselle valley over an area of 1 155 ha. Luxembourg's Rieslings, Auxerrois, Sylvaners and Gewürztraminers are quality wines. Thirty-two per cent of the country is wooded.

Deposits of minette (brown hematite) in the south have led to a large-scale iron and steel industry.

A dense 5 200 km road network includes motorways linking the country with Belgium and France. The motorway link with Germany is soon to be completed.

The capital city is Luxembourg (population 80 000).

Historically, Luxembourg was a crossroads of Europe, successively settled by Celtic and Germanic peoples, Romans and Franks.

The people. Luxembourg has a population of 367 000 (1985) with an average density of 141 inhabitants per km². The proportion of foreigners is around 26%. "Letzeburgesch" is the national language, spoken by all strata of the population. French and German are used for administrative purposes. Almost all migrant workers (49 900 out of a total of 52 600 in 1985) are nationals of EEC Member States (15 300 Portuguese).

Of the labour force (44% of the population in 1985) 4.2% work in agriculture, 33.4% work in industry, and 62.3% work in the services sector.

Of the total population 17.6% are under 15 and 13.2% are over 65 years of age. Women account for 51.4% of the population and 33.8% of the civilian labour force.

The number of employers and self-employed is 19 900 and the number of international civil servants is over 7 000.

The economy. Gross domestic product per head of population (1985): ECU 12 884.

Share of agriculture, forestry and fisheries in GDP (1984): 3.2%.

Share of industry in GDP (1984): 35.4%.

Degree of dependence on imports for energy supply (1985): 99%.

Major exports: steel and other heavy-industry products (up to 90% of total), chemicals, agricultural produce.

Main customers: Community (70%), USA, Switzerland.

Unemployment as a percentage of the civilian labour force (1986): 1.5%.

1 ECU (June 1987) = LFR 43.0146.

Constitution and government. Luxembourg is a representative democracy and constitutional monarchy. Executive power lies with the Grand Duke. It is exercised by the members of the Government under the coordinating authority of the Prime Minister.

The Chamber of Deputies represents the nation. The Deputies are elected by the people.

The Grand Duke and the Chamber of Deputies can both initiate legislation. The Chamber examines and debates bills laid before it, and passes or rejects them by vote. No final vote may be taken on bills until the Council of State has delivered an opinion. The functions of the Council of State under the Constitution are to consider bills and amendments referred to it, to settle administrative disputes and to give opinions on any other matters referred to it by the Grand Duke or under the law. ○

The Netherlands

CEC

One of Amsterdam's countless canals

The land. The Netherlands has an area of 41 160 km^2, and extends roughly 300 km north to south and about 200 km east to west. Behind the North Sea coast lie the "polders"—land reclaimed from the sea. The islands in Zeeland and South Holland provinces are linked by secure dikes to prevent the recurrence of disasters caused by storm tides.

Over half the country's total area is below sea level, and the land is criss-crossed by lakes, rivers and canals. Uplands are to be found only in the south-east.

Fifty-four per cent of the land is used for agriculture, and 8% is wooded.

Mineral resources include coal, oil and natural gas.

The Netherlands has approximately 96 300 km of roads (including 4 600 km of trunk roads), 2 900 km of railways and 4 849 km of inland waterways.

The capital is Amsterdam (population 676 000); the seat of government and most central government departments is The Hague (population 445 000).

The people. The Netherlands has a population of 14.4 million, with an average density of 349 inhabitants per km^2 (1985), making it the most densely populated country in the EEC.

In 1985, 559 000 foreigners lived in the Netherlands.

Dutch is the national language. There is a Frisian minority, speaking its own language, in the north-east of the country.

Of the labour force (39.6% of the population in 1985) 4.9% work in agriculture, 28.1% in industry, and 67% in the services sector.

Of the total population 20% are under 15 and 11.9% are over 65 years of age. Women account for 50.5% of the population and 34.5% of the labour force.

The economy. Gross domestic product per head of population (1985): ECU 11 409.

Share of agriculture, forestry and fisheries in GDP (1984): 4.6%.

Share of industry in GDP (1984): 34.8%.

Degree of dependence on imports for energy supply (1985): 5.2%.

Major exports in 1986 (as percentage of total value of exports): minerals (23.6%); finished goods (20.8%): textiles, etc.; food, beverages and tobacco (17.4%): dairy products, fresh meat, canned and bottled products, fish, cocoa, chocolate, tobacco; vehicles and electrical appliances (19.2%); chemical products (15.4%).

Main customers: Community (75.7%), USA (4.6%), Sweden (1.7%).

Unemployment as a percentage of the civilian labour force (1986): 12.4%.

1 ECU (June 1987) = HFL 2.3371.

The Netherlands has major chemical, electrical engineering and motor industries and highly mechanised agriculture. Oil and natural gas production is now of considerable economic importance.

Constitution and government. The Kingdom of the Netherlands is a parliamentary democracy and hereditary monarchy.

The Sovereign (the Queen) and the Cabinet together constitute the Government. Ministers are responsible to Parliament (the States-General), which consists of two Chambers. The 75 Members of the First Chamber are elected indirectly by the Provincial Councils. The 150 Members of the Second Chamber are elected directly, for four years, by a system of proportional representation.

Bills may be introduced only by the Government or by Members of the Second Chamber. The First Chamber has no right of amendment. The Council of State advises on proposals for legislation.

The Netherlands is divided into 12 provinces: Groningen, Flevoland, Friesland, Drenthe, Overijssel, Gelderland, Utrecht, North Holland, South Holland, Zeeland, North Brabant and Limburg. Each province has a Provincial Council and a Provincial Executive (responsible for day-to-day business), both chaired by a Queen's Commissioner appointed by the Government. o

CEC

Trade Square in Lisbon

Portugal

The land. Portugal has an area of 92 100 km^2. Continental Portugal (88 500 km^2) is a rectangle measuring 560 km from north to south and 220 km from east to west. Its frontier with Spain is 1 215 km long and its Atlantic coastline is about 837 km long.

Portugal offers a vast variety of landscapes. The River Tagus separates the mountainous north, which reaches a height of 1 991 m in the Serra da Estrela, from the plains and plateaux of the south. The coast is marked by an alternation of beaches of fine sand and imposing rocky headlands. The main rivers of Portugal are the Tagus, the Douro and the Sado, on the wide estuaries of which stand the country's most important trading ports, Lisbon, Oporto and Setúbal.

The archipelago of the Azores (2 335 km^2) consists of nine islands in mid-Atlantic, 1 500 km from the coast of Portugal. The two islands of the Madeira group are off the African coast, 1 000 km south-west of Lisbon. Both the Azores and Madeira are autonomous regions.

Forty-four per cent of the land surface is used for agriculture, and 40% is wooded. The main trees include oak, eucalyptus and pine. Portugal has deposits of tungsten, iron pyrites, tin and uranium.

The road network extends for some 52 000 km and the railway system for 3 616 km.

The capital is Lisbon (population 2.06 million including suburbs), which stands on the banks of the Tagus. It is said to have been founded by the Phoenicians, who called it the Peaceful Bay. Portugal emerged as a State (the Kingdom of Portugal) in the 12th centruy.

The people. The population of Portugal is 10.1 million, with an average density of 110 inhabitants per km^2. Since 1960 some 2 million workers have left Portugal, about a quarter for Community countries.

The official language is Portuguese.

Of the labour force (43.7% of the population in 1985) 23.9% work in agriculture, 33.9% work in industry, and 42.2% in the services sector.

Of the total population 24% are under 15 and 11.8% over 65 years of age. Women account for 51.8% of the population and 40.6% of the civilian labour force.

The economy. Gross domestic product per head of population (1985): ECU 2 831.

Share of agriculture, forestry and fisheries in GDP (1984): 8.2%.

Share of industry in GDP (1984): 37.7%.

Degree of dependence on imports for energy supply (1985): 90%.

Major exports in 1986 (as percentage of total value of exports): textiles and clothing (30.3%), electrical machinery and equipment (15.7%), food and beverages (8.1%), pulp and paper (7.3%), wood and cork (7.1%).

Main customers: Community (68%), USA (8.1%), Spain (6.7%), Portuguese-speaking countries (4.3%).

Unemployment as a percentage of the civilian labour force (1986): 8.5%.

1 ECU (June 1987) = ESC 161.936.

Natural factors (climate, topography and soil) are not favourable to agriculture and yields are usually very low. Structural imbalances and inadequacies in equipment and infrastructure have a direct effect on productivity, which has meant that for some years Portugal has run a deficit on its agricultural balance of payments.

Small firms abound in the industrial sector, which is dominated by traditional activities such as textiles and clothing, footwear and food processing.

Constitution and government. Portugal is a parliamentary republic. Legislative power is exercised by Parliament, which has one chamber of 250 Deputies elected by direct universal suffrage for four years, using the d'Hondt system of proportional representation.

The President of the Republic is elected by direct universal suffrage for five years. Subject to the limitations imposed by the Constitution, the President dissolves Parliament, appoints the Prime Minister and dismisses the Government.

Continental Portugal is divided into 18 districts: Aveiro, Beja, Braga, Bragança (Braganza), Castelo Branco, Coimbra, Evora, Faro, Guarda, Lieria, Lisboa (Lisbon), Portalegre, Pôrto (Oporto), Santarém, Setúbal, Viana do Castelo, Vila Real and Viseu.

Each district has a civil governor, appointed by the government.

The Azores and Madeira are autonomous regions whose statutes provide for the election by direct universal suffrage of a Regional Assembly, to which a Regional Government with wide powers is responsible. ○

United Kingdom

CEC

10 Downing Street, the Prime Minister's residence in London

The land. The United Kingdom of Great Britain and Northern Ireland has an area of 244 111 km^2. Nowhere is further than 120 km from the sea. In general, a line from Bristol to the Wash on the east coast divides mainland Britain into a hilly north-western zone and the lowlands of the south-east. The 240 km-long Pennine Chain runs down from the Cheviot Hills on the Scottish border to the Midlands; north-western England is dominated by the Cumbrian Mountains of the Lake District. The highest point here is Scafell Pike (977 m).

To the north-west of London lie the chalk hills of the Chilterns, while south of the river Thames the North and South Downs stand between London and the English Channel. To the west lies Salisbury Plain and then the ancient moorlands of Somerset, Devon and Cornwall. Wales is dominated by the north-south range of the Cambrian mountains (Snowdon 1 085 m). Scotland is also mountainous, with the Grampians (Ben Nevis 1 342 m) lying north of the central Forth-Clyde lowlands. The north-west highlands, deeply indented by sea lochs, are one of the most scenically impressive areas of Europe.

About 77% of the land surface is used for agriculture. There is little heavily wooded country in Britain (9%), but large areas of heaths, moors and common land abound.

Coal and iron ore have been mined for centuries, and in the past two decades natural gas and offshore oil deposits have been increasingly exploited. The 369 000 km road network, which includes 15 700 km of trunk roads, is complemented by 17 435 km of railways. The main railways between London and Scotland are being completely electrified.

The capital of the United Kingdom is London (population 7 million). Edinburgh (460 000) is the historic capital of Scotland, and Cardiff (280 000) the capital of Wales. The province of Northern Ireland is governed from Belfast (360 000).

The people. The population of the United Kingdom is about 56.4 million, with an average density of 231 inhabitants per km^2 (1983).

Besides the English (80%), the Scots (9%), the Welsh (5%), and the Northern Irish (3%), the UK population includes some 2-3 million Commonwealth immigrants, of whom a third live in London.

The official language is English, but Welsh is spoken in North and West Wales. Gaelic speakers are found in western Scotland and in the Hebrides. The Indian languages of the immigrant communities are spoken in London, the Midlands and Scotland. There are also Chinese-speaking communities in London, Cardiff and Liverpool.

Of the labour force (48.1% of the population in 1985) about 2.6% work in agriculture, about 32.4% in industry, and an estimated 65% in the services sector.

Of the total population 19.5% are under 15 and 14.8% are over 65 years of age. Women account for 51.3% of the population and 42.1% of the civilian labour fore.

The economy. Gross domestic product per head of population (1985): ECU 10 509.

Share of agriculture, forestry and fisheries in GDP (1984): 1.7%.

Share of industry in GDP (1984): 40.8%.

Degree of dependence on imports for energy supply (1985): 15.1%.

Major exports in 1986 (as percentage of total value of exports): machinery and transport equipment (34.4%), manufactured goods (26.5%), mineral fuels (21.6%), chemicals (11.3%).

Main customers: Community (47.9%), USA (14.4%), Canada (2.3%), Australia (1.7%).

Unemployment as a percentage of the civilian labour force (1986): 12.1%.

1 ECU (June 1987) = UK£ 0.7.

Great Britain was the world's first industrialised country. The older industries, such as coal, iron, steel, textiles and shipbuilding are currently being reorganised to take account of the shifting patterns of world trade. Britain is self-sufficient in oil, and the extraction of these oil deposits from the North Sea fields has meant the creation of an entirely new technology over the past decade. This in turn has contributed in a positive way to the country's balance of payments.

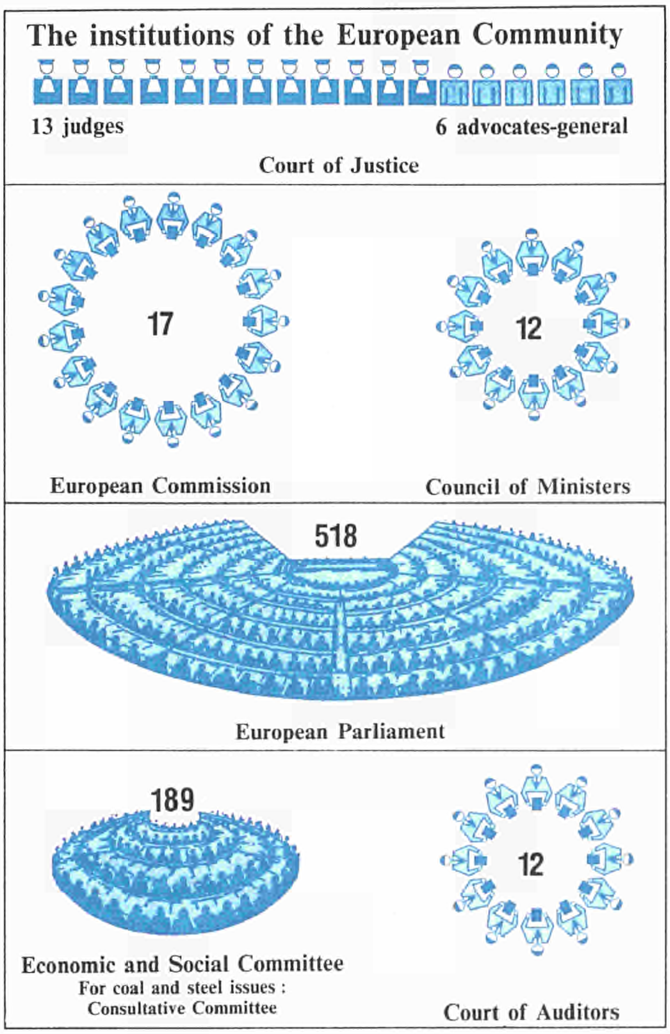
Constitution and government. The United Kingdom is a constitutional, hereditary monarchy. Executive power is entrusted by the Sovereign to the leader of the majority party in the House of Commons, who then becomes Prime Minister. Other Ministers are appointed on the Prime Minister's recommendation. The Sovereign (at present, the Queen) can dissolve Parliament and call a new general, i.e. national, election, which she does on the Prime Minister's recommendation. A vote of no confidence by the House of Commons in the government of the day can lead to its resignation, the dissolution of Parliament and the calling of a general election.

Legislation for the country is initiated in Parliament, which consists of the House of Commons and the House of Lords. The 650 Members of the Commons are elected directly by a simple majority in single-member constituencies. The approximately 1 000 Members of the House of Lords are mostly hereditary peers, but there are also life peers and the two archbishops and the senior bishops of the Church of England. The senior law lords also sit in the upper chamber. The Parliament Act of 1911 limited the duration of Parliament, if not previously dissolved, to five years.

Legislation in the House of Commons may be introduced both by the Government and by private Members. The House of Lords has a delaying power on most legislation, but this power does not apply to budgetary or financial legislation.

Administratively, the United Kingdom is a unitary State in which Parliament is supreme. But both Scotland, which possesses its distinct legal and educational system, and Wales have considerable administrative autonomy which has been delegated by Parliament. There is a Secretary of State, a Cabinet member, for each country and an established reigonal bureaucracy in both Edinburgh and Cardiff. In 1921 a reigonal parliament was set up in Belfast (Stormont) to govern the six counties of Northern Ireland. But Stormont was suspended in 1972 and the province is now ruled directly by the Secretary of State for Northern Ireland, a Cabinet member responsible to Parliament. o

European Community Institutions



The European Parliament

The European Parliament has a consultative and supervisory role in the Community. Its Members are elected for five years by direct universal suffrage. In the European Parliament there are no national parties: Members belong to groups constituted on a European basis. Parliament considers Commission proposals and gives its opinion before the Council takes a decision. It plays a part in establishing the draft Community budget, has a final say on adoption or rejection of the draft and keeps a watchful eye on the budget's implementation. By a vote of censure, Parliament can compel the Commission to resign. Of the 518 MEPs (Members of the European Parliament), 81 each come from France, Germany, Italy and the United Kingdom, 60 from Spain, 25 from the Netherlands, 24 each from Belgium, Greece and Portugal, 16 from Denmark, 15 from Ireland and 6 from Luxembourg.

The Court of Justice

The Court of Justice upholds the law in the implementation and interpretation of the Community Treaties. It consists of 13 judges and six advocates-general, who are appointed for a six-year term by agreement between the governments. There is at least one judge from each of the 12 Member States.

The Council

The Council is required to ensure coordination of Member States' general economic policies. It has power to take decisions in implementing the objectives of the Community Treaties. In the Council, the Member States are represented either by their Foreign Minister or by the Minister responsible for the particular subject being dealt with at a given meeting. Each Member State takes the chair of the Council for six months, in "absolute" alphabetical order (i.e. by the names of the countries in their own language). The Heads of State or Government meet three times a year as the "European Council".

The Commission

The Commission sees to the proper functioning and development of the Common Market and has the right to initiate Community policy. It is, so to speak, the "engine room" of the Community.

Its 17 members, appointed for four years by agreement between the governments, are entirely independent both of the governments and of the Council. The Council has no power to remove the Commission from office. Two members of the Commission come from each of the following: France, Germany, Italy, Spain and the United Kingdom. One member comes from each of the other Member States.

In performing their tasks the Council and Commission make regulations, issue directives, take decisions, make recommendations or deliver opinions. In EEC and Euratom affairs they are supported by the **Economic and Social Committee**, made up of 189 representatives of business and labour. A Consultative Committee delivers opinions on ECSC matters.

The draft Community budget is established by the Council and Parliament on a proposal from the Commission. Final adoption of the budget rests with the President of the Parliament. The House can also reject the budget, in which case a new draft must be brought forward. Proposed modifications are considered jointly by the Council and a delegation from Parliament in a "conciliation" procedure. The Council has to give its reasons whenever it refuses to accept Parliament's proposals. The Community budget is not financed by contributions from the Member States but by "own resources", which comprise customs levies on agricultural imports, sugar levies, the ECSC levy and a percentage of the Member States' VAT revenue.

The Court of Auditors

The Court of Auditors, whose 12 members (one from each Member State) are appointed unanimously by the Council for six years after consultation with Parliament, examines whether the Community's revenue has been received and its expenditure incurred in a lawful and regular manner and whether the financial management has been sound. ○

Major steps in the EEC's history (*)

1945-1950. The victory of the allied powers over Nazi Germany, which brings the Second World War in Europe to an end, once again leaves Europe licking its wounds, a continent in ruins, impoverished and enfeebled, brimming with hatred.

The only real victors in this European civil war are the United States and the Soviet Union. The two great powers, each profoundly convinced of the inherent superiority of its own ideology, dominate the world and its immediate future.

At the same time there are countries in Africa and Asia, many of which have been involved in the war, that are waking up and demanding independence from their weakened colonial masters in Europe.

These are the circumstances in which far-sighted politicians, just like certain resistance movements in the two wars, awake to their duty.

19.9.1946. Winston Churchill, who, as British Prime Minister, played such an eminent role in the struggle against Nazism, makes his now-famous speech at Zurich calling for the establisment of a United States of Europe. This has a truly sensational impact, for it represents, both the response to the overwhelming desire for peace among the peoples of Europe and, in a continent where poverty, revenge and hatred still reign supreme, a glimmer of hope and generosity and the first step towards reconciliation.

9.5.1950. This is the date on which the European Communities as we know them celebrate their 'birthday'. The French Minister of Foreign Affairs, Robert Schuman, in a speech on behalf of the French Government, proposes pooling the production and consumption of coal and steel and setting up a European organisation for the purpose, bringing France and the Federal Republic of Germany together. The organisation would be open to all the countries in Europe and would be directed by a European institution, to be called the High Authority. But whatever the economic importance of this community, its political importance is even greater, for its authors are laying the foundation stone of a European federation.

For the first time in their history, national governments are asked to delegate part of their sovereignty, albeit in limited, clearly-defined matters, to a High Authority consisting of persons chosen by them but acting independently and collectively enjoying powers to take decisions in the common interest of the Member States.

This is the really novel element in the first European Community — the European Coal and Steel Community (ECSC).

As well as the High Authority, the ECSC is given a Council of Ministers, a Court of Justice and a Parliamentary Assembly.

(*) Extracts from "Steps to European unity", published in 1987 by the Office for Official Publications of the EEC (Luxembourg).

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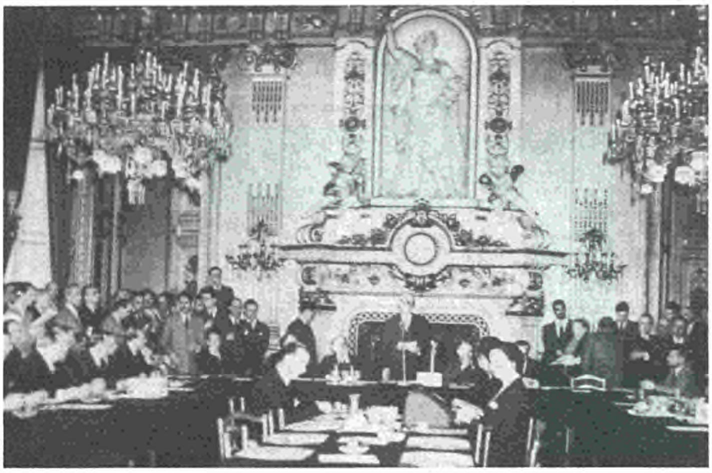
Jean Monnet, whose brainchild the European Coal and Steel Community (ECSC) was.
"We are not forming coalitions between States, but a union among people".

CEC

Medal commemorating Robert Schuman (1886-1963), the French Foreign Minister who called for the launching of the ECSC



CEC

May 9, 1950. The EEC as we know it is born. In the Salon de l'Horloge of the French Foreign Ministry in Paris, Robert Schuman makes his famous declaration:
"Europe will not be made all at once, or according to a single, general plan. It will be built through concrete achievements, which first create a de facto *solidarity"*

In this new institutional structure, decisions are taken by the High Authority and by the Council. The latter consists of Ministers representing the governments of the Member States. The Court of Justice settles disputes between the High Authority and the governments and citizens of the Member States. The Assembly gives opinions but does not have legislative powers.

18.4.1951. Against this background, the European Coal and Steel Community stands every chance of being accepted, and indeed, the Federal Republic of Germany, Italy, Belgium, the Netherlands and the Grand Duchy of Luxembourg, are quick to endorse the plan.

The first Community is set up by a Treaty signed in Paris on 18 April 1951 (Paris Treaty establishing the European Coal and Steel Community) and swiftly ratified by the parliaments of the six Member States in the winter of 1951 and the spring of 1952.

1/2.6.1955. Meeting at Messina at the beginning of June 1955, the Foreign Ministers of the Six announce that they intend to continue the attempt to establish a united Europe so as to preserve Europe's role in the world, restore its influence and prestige, and steadily increase the standard of living of its people.

They decide to begin by developing European union on the economic front. An intergovernmental committee, chaired by Paul-Henri Spaak, Belgian statesman and ardent supporter of the European cause, is set up to report on the prospects for general union and for union in the field of nuclear energy.

29.5.1956. Europe is on the move again. On 29 May 1956, Foreign Ministers, meeting in Venice, approve the Spaak Report and decide to begin intergovernmental negotiations in which the Six and other countries in Europe are invited to take part.

13.2.1957. In February 1957 the council of the Organisation for European Economic Cooperation (OEEC) begins negotiations for the establishment of a free-trade area.

While continuing their own efforts to integrate, the Six express willingness to take part in the OEEC negotiations.

25.3.1957. At the same time, then, there are two separate series of negotiations; one culminates in the Treaties of Rome signed by the Six on 25 March 1957 and the other in the formation of the European Free Trade Association (EFTA) on 3 May 1960. EFTA consists of Austria, Denmark, Norway, Portugal, Sweden, Switzerland and the United Kingdom.

The Rome Treaties establishing the European Economic Community (EEC) and the European Atomic Energy Community (Euratom), together with the Paris Treaty establishing the European Coal and Steel Community (ECSC), form the constitution of the European Community.

The EEC Treaty's immediate objectives are the establishment of a customs union with free movement of goods between Member States, the dismantling of quotas and barriers to trade of all kinds, and the free movement of persons, services and capital.

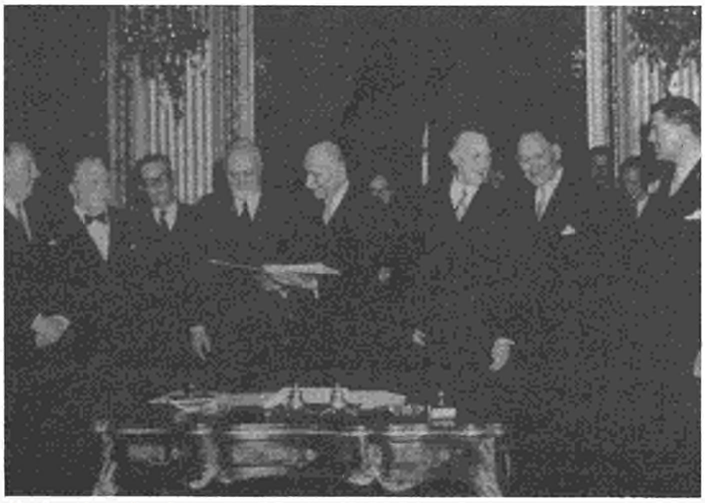
But going beyond this, the Treaty provides for a number of common policies on matters such as agriculture, transport and competition; the harmonisation of legislation; a social policy; an external trade policy, etc.

1.1.1958. The EEC and Euratom Treaties enter into force on 1 January 1958. By the spring, the institutions of the two new Communities — the Commissions and the Councils consisting of ministers from the Member States — have been set up and are ready to get down to business. The Parliamentary Assembly and the Court of Justice are common to all three Communities (ECSC, EEC and Euratom).

The EEC Commission, which has the broadest range of functions, has nine members; its President is Walter Hallstein, one of the leading EEC Treaty negotiators and an outstanding figure in the process of building Europe.

19.3.1958. The Assembly elects Robert Schuman to be its President. This great pioneer of European unity can thus go on working for the achievement of his grand design.

1.1.1959. During the first few years after the signing of the EEC Treaty, substantial achievements are chalked up. The first cut in customs duties in trade between the Member States is made on 1 January 1959. All these customs duties are to be abolished gradually according to a timetable set out in the



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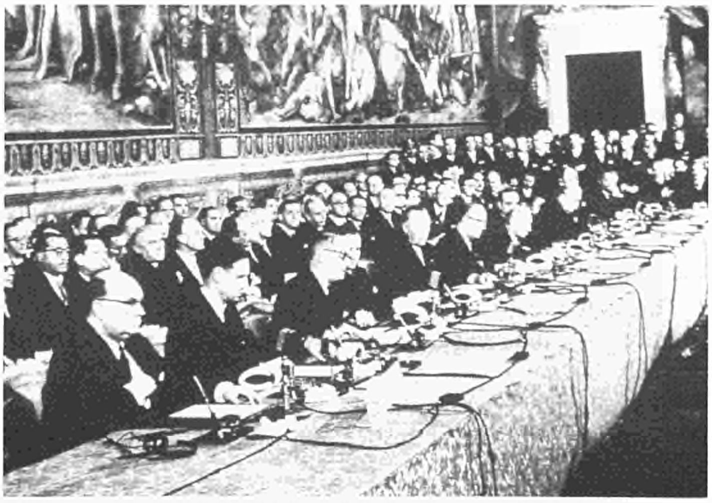


Left, the signing, on 18 April 1951, of the Treaty of Paris, setting up the ECSC. Right, the signing, on 25 March 1957, of the Treaty of Rome, under which the European Economic Community and Euratom were established

EEC Treaty, though not for agricultural produce. In trade with the rest of the world, a common external customs tariff is gradually set up at the same time.

20.9.1960. The Treaty gives the European Coal and Steel Community extensive powers and financial resources to come to the assistance of workers in need, for instance in the event of unemployment.

Since the EEC Treaty has not clearly provided for a similar kind of social policy, the Council of the Six adopts the first regulation on the European Social Fund in 1960. The Fund is to provide assistance to workers and firms so that they can adapt to rapidly changing economic circumstances.

10/11.2.1961. The economic progress made by the Community and the continuing desire for closer cooperation in matters which are not specifically economic bring political cooperation back into the limelight.

At a summit conference of Heads of State or Government of the Member States in February 1961, it is agreed that a political union should be set up between the Six.

A few months later, on 18 July 1961, the leaders of the Six agree to hold regular meetings for general political consultation.

9.7.1961. The European Economic Community and Greece sign an association agreement. The project is to promote economic *rapprochement* between Greece and the Community with a view to subsequent Greek accession.

31.7.1961 — 9.8.1961 — 10.8.1961. In July and August 1961 Ireland, Denmark and the United Kingdom submit applications for membership of the European Communities.
Some months later, on 30 April 1962, Norway tables its application for Community membership.

6./7.12.1961. On 6 and 7 December 1961 the Six and a large number of African countries meet in conference in Brussels.

The major negotiation initiated with them in December 1961 is to lead, stage by stage, to an ever deeper and ever broader association.

January 1962. The common agricultural policy is born in January 1962 following lengthy and often bitter negotiations and the longest negotiating marathon in the Community's history.

It is based on the following principles: establishment of a single market and consequently of common prices for most agricultural products; the assurance that those working in agriculture will enjoy a standard of living comparable to that enjoyed by workers in other sectors; preference for Community produce; financial solidarity through a European Agricultural Guidance and Guarantee Fund (EAGGF).

20.7.1963. Meanwhile the Community is still pursuing the negotiations commenced with the African countries late in 1961, and on 20 July 1963 the broadest association agreement ever entered into by Europe and Africa is signed at Yaoundé: the Yaoundé Convention, valid for five years, unites the Community with 17 African States — Burundi, Cameroon, the Central African Republic, Chad, Congo Kinshasa (now called Zaïre), Congo Brazzaville (now called Congo), Dahomey (now called Benin), Gabon, Côte-d'Ivoire, Mali, Mauritania, Niger, Rwanda, Senegal, Somalia, Togo and Upper Volta (now called Burkina Faso) — and Madagascar.

The Community's 18 partners are to enjoy commercial, technical and financial cooperation on an equal footing and the agreement is scheduled to come into operation on 1 June 1964.

29.9.1963. Encouraged by the signing of the Yaoundé Convention, three East African countries — Kenya, Uganda, and Tanganyika (now called Tanzania) — belonging to an African common market ask for negotiations with the Community.

4.5.1964. The GATT multilateral trade negotiations begin on 4 May 1964 with the Community taking part. These negotiations, which go under the name of the Kennedy Round, result in a substantial cut in international customs duties. The Community's external tariff is reduced by between 35% and 40% depending on the product (excepting agricultural products) and is lower than the tariffs of its major trading partners.

1.7.1964. Internally, the most important event at this time is the establishment of the common agricultural market. Market organisations are set up for most agricultural products. Uniform prices, valid only with effect from 1967, are adopted for cereals on 15 December 1964. The European Agricultural Guidance and Guarantee Fund (EAGGF) begins operating on 1 July 1964.

The financial regulations in force since the beginning of 1962 are due to expire on 1 July 1965. To replace them, the Commission, still with Walter Hallstein as its President, devises a bold new solution which it presents to the Council on 31 March 1965.

The plan is to give the Community its own resources by allocating to it the levies charged at the Community's frontiers

CEC

Victor Kanga, the then Cameroon Minister of Finance, signing the First Yaoundé Convention, the association agreement drawn up between the Six and 17 African States and Madagascar on imports from non-member countries. These new resources — the Community's own resources — would be subject to review by the European Parliament, which would thus acquire major budgetary powers.

1.7.1967. The Treaty establishing a Single Council and a Single Commission, signed on 8 April 1965, enters into force. This is what is commonly known as the merger of the executives.

1.7.1968. The customs union is completed. Eighteen months ahead of the timetable in the EEC Treaty, all customs duties are removed in trade between Member States. At the same time the Community finally sets up its common external tariff.

18.12.1968. Sicco Mansholt, Vice-President of the Commission with particular responsibility for the common agricultural policy, launches what has come to be known as the Mansholt Plan for the modernisation of the Community's farming sector.

29.7.1969. Signing of the Yaoundé II Convention between the Six and 18 AASM (Associated African States and Madagascar); this agreement comes into force on 1 January 1971.

1/2.12.1969. The Heads of State or Government meet in The Hague, aware that if they are to preserve the Community's achievements — and nobody wishes to destroy them — they must launch out once again with new initiatives for integration in Europe.

In accordance with the Treaty, the Heads of State or Government declare that the Treaty of Rome is now in the definitive stage; they call for the establishment of economic and monetary union; they speak out in favour of strengthening the Community institutions; they support the idea of enlarging the Community; and they give a new impulse to political cooperation.

They also agree on the financing of the common agricultural policy, on the creation of Community own resources and on increases in the Parliament's budgetary powers, issues which had all given rise to considerable tension before and were indeed at the origin of the serious crisis in June 1965.

9.2.1970. The governors of the central banks sign an agreement setting up a short-term monetary support system. This is a practical step towards greater monetary solidarity between the Community Member States.

30.6.1970. New negotiations for the accession of Denmark, Ireland, Norway and the United Kingdom begin. They are difficult negotiations as they extend to virtually every area of economic and political life.

22.1.1972. On 22 January 1972 the Treaties of Accession are signed. They are rapidly ratified by the parliaments of the old Member States and the new Member States except Norway, where a referendum is held and the Accession Treaty is rejected by a narrow majority (53%).

The new Community of Nine dates from 1 January 1973.

22.3.1971. The Council decides that the first stage of the Werner Plan will have retroactive effect from 1 January 1971 and proceeds to strengthen the coordination of economic policies. The Member States are to take measures to harmonise their budgetary policies and to reduce the margins of fluctuation between their currencies.

But the launching of the economic and monetary union is immediately disrupted by the monetary crisis of 1971. The Community is not responsible for the crisis but bears much of the brunt. The crisis arises from the overvaluation of the US dollar against gold and currencies valued in terms of gold.

April 1972. The Six decide that the maximum margins for fluctuation of their exchange rates must be brought back to 2.25%. Although the United Kingdom, Ireland and Denmark are not to become full Community members until January 1973, they nevertheless join the new system, baptised The Snake.

21/22.6.1971. The Community offers the non-associated developing countries the benefit of the Generalised Preferences Scheme, under which all developing countries that enjoy no special relations with the Community are given more advantageous customs tariff treatment than is applied to rich countries.

1.1.1973. Enlargement of the European Community takes effect, when Denmark, Ireland and the United Kingdom become members.

9/10.12.1974. The purpose of the December 1974 summit meeting of Heads of State or Government in Paris is to relax the tension in the Community, release the Community from a number of its internal problems and enable it to get on with its real work.

At the Paris summit, agreement is reached on the resources to be allocated by the Community to the European Regional Development Fund (ERDF) from 1975 onwards.

The Heads of State or Government accept the suggestion from the chair that they should meet three times a year and whenever necessary as the European Council, to debate not only European affairs but also important questions of foreign policy.

The European Council is born, to supersede the earlier summit meetings held at less regular intervals.

But the most important decision taken in Paris by the Heads of State or Government concerns the election of the European Parliament by direct universal suffrage.

1975. In 1975 and the years that follow, unemployment re-emerges as a major problem in all the Member States, economies slow down and the difficulties besetting several industries — especially textiles, shipbuilding and steel — grow steadily worse.

28.2.1975. The European Community and 46 countries of Africa, the Caribbean and the Pacific (ACP) sign the Lomé Convention to replace both the 1963 and 1969 Yaoundé Conventions (bringing together the Community and 18 African countries plus Madagascar) and the Arusha Agreement.

The signing, on 28 February 1975, of the First Lomé Convention between the Europe of the Nine and 46 ACP States

12.6.1975 — 28.3.1977 — 28.7.1977. Applications for accession to the Community are received from Greece (12 June 1975), Portugal (28 March 1977) and Spain (28 July 1977). These countries, all of which have recently returned to the democratic fold, would extend the Community southwards and add 9 million Greeks, 9 million Portuguese and 35 million Spaniards to its population.

The accession of three further countries will raise a series of new problems for the Community because of the differences between levels of development in the applicant countries and in the Community.

On the other hand, enlargememt will confirm the political basis for the integration of Europe and will strengthen the Community's position in the world.

Solutions will have to be found to the problems of the institutional operations of a Community of 12 Member States.

22.7.1975. The Court of Auditors of the European Communities is set up by the Treaty of Brussels. Signed on 22 July 1975, the Treaty enters into force on 1 July 1977.

1.12.1975. In Rome the European Council finally decides on the election of the European Parliament by direct universal suffrage, the principle having been adopted at the Paris summit. It decides that the first elections will take place in spring 1978, but this is later postponed to 7-10 June 1979.

The new Parliament is to have 410 members (there were 198 in the old Parliament) — 81 each from France, the Federal Republic of Germany, Italy and the United Kingdom, 25 from the Netherlands, 24 from Belgium, 16 from Denmark, 15 from Ireland and 6 from Luxembourg.

April 1976 — January 1977. The Community enters into agreements with the Maghreb countries (Tunisia, Algeria and Morocco) in April 1976 and with the Mashreq countries (Egypt, Syria, Jordan and Lebanon) in January 1977. By these agreements and the agreement made with Israel on 11 May 1975, the Commission implements its global Mediterranean policy.

The agreements with these southern Mediterranean countries provide for the removal or reduction of customs duties on most of the products that the Community imports from them; they also provide for economic, technical and financial cooperation. As regards the Maghreb countries, which have 800 000 of their citizens working in the Community, the agreements guarantee the same working conditions and social security rights as are enjoyed by nationals of Community countries.

April 1978. The Community signs a trade agreement with China, with which it established relations in 1975.

9/10.3.1979. The European Council in Paris brings the EMS into operation.

The EMS has four main components — a European currency unit (ECU), an exchange and information mechanism, credit facilities and transfer arrangements.

The European currency unit is the heart of the system.

28.5.1979. In Athens, Greece and the Community sign the Treaty of Accession; Greece will become the tenth Member State of the Community with effect from 1 January 1981.

7/10.6.1979. In the first direct election the citizens of the nine Member States vote for 410 members of the European Parliament.

31.10.1979. The Community's nine Member States, together with their 58 partners in Africa, the Caribbean and the Pacific (ACP countries), sign the new Lomé Convention (Lomé II).

20.11.1979. The Council endorses the results of the GATT trade negotiations. The purpose of these multilateral trade negotiations between the European Community and 99 other participants was to reduce obstacles to free world trade.

The negotiations were formally opened in September 1973 in Tokyo. They proved to be protracted and sometimes arduous and it was not until 1977 that progress really started.

The most spectacular results is a further reduction in customs duties — by about one-third — in international trade; these cuts will enter into force in 1980.

Just as important is the establishment of a new discipline in international trade, designed to reduce or eliminate camouflaged protectionism — sometimes more damaging than actual customs duties.

International trade in agricultural products will also be facilitated with due recognition being given to the sector's specific characteristics.

30.10.1980. The Community is faced with difficulties in a number of industries and with a particularly serious crisis in the steel industry.

1.1.1981. Greece becomes a member of the European Community; the Nine become the Ten.

1982. The Silver Jubilee of the signing of the Treaties of Rome (EEC and Euratom) on 25 March 1982 coincides with the third year of economic recession. Unemployment rises for the 11th year in a row, to approach the 12 million mark (nearly 10% of the labour force) by the end of 1982.

25.1.1983. After six years of negotiations the Council establishes a common fisheries policy. It has four constituent parts: Community rules for the conservation of resources; structural measures; a common organisation of the market; and agreement with non-member countries and consultations with a view to concerted action in the context of international agreements.

28.2.1984. The Council of Ministers adopts the Esprit programme or, to give it its full name, the European Strategic Programme of Research and Development in Information Technology.

Esprit, which will run for 10 years, should enable Europe to make up leeway in a key area of technological development. It calls for cooperation at Community level between industry, universities, and research institutes and laboratories. The total outlay in the first five years will be ECU 1 500 million, split equally between the Community budget and industry.

30/31.3.1984. The Council of Ministers adopts a package of measures to reform the common agricultural policy. The main aim is to curb structural surpluses in a number of areas of production which are a heavy burden on the Community exchequer.

The overall agreement involves six sets of measures:
- fixing of guarantee thresholds for products in surplus, beyond which farmers will cease to receive guaranteed prices for their output; almost one third of farm produce is to be covered by this measure which should help to slow down production;
- introduction of production quotas for a period of five years to reduce milk surpluses;
- restoration of a single market by the dismantling of monetary compensatory amounts;
- implementation of a realistic pricing policy geared to market conditions; the average increase in prices for 1984/85 expressed in national currencies is only 3.3%, compared with a general inflation rate of 5.1%;
- reduction or abolition of aids for milk, beef and veal, cereals, proteins, and fruit and vegetables;
- confirmation of the principle of Community preference by the reduction of imports of agricultural products from non-member countries.

These measures, hard to accept for the farming community, are designed to safeguard the common agricultural policy, which has rendered great service to producers and consumers alike. Without this rationalisation the agricultural common market could well disintegrate.

9.4.1984. The Joint European Torus (JET), one of the most remarkable European achievements in research into the peaceful uses of the atom, is inaugurated at Culham in the United Kingdom.

Launched in 1978, the JET project is the most ambitious experiment ever conducted in an attempt to control nuclear fusion. Already at the end of 1983 the 400 research workers at Culham saw their initial hopes fulfilled.

Once it has been brought under control, thermonuclear fusion will provide a wellnigh inexhaustible and non-polluting source of energy.

14/17.6.1984. Nearly 120 million voters in the 10 Member States go to the polls for the second election of 434 Euro-MPs by direct universal suffrage.

8.12.1984. The third Lomé Convention (Lomé III) is signed by the 10 Member States of the Community and their 65 partners in Africa, the Caribbean and the Pacific (ACP countries) after negotiations lasting a year.

1.1.1985. The first European passports are issued in most of the Member States.

12.6.1985. The Treaty of Accession of Portugal and Spain is signed in Lisbon and Madrid by the prime ministers and foreign ministers of the Member States and the applicant countries. From 1 January 1986 Portugal and Spain will be the 11th and 12th members of the European Community.

14.6.1985. The Commission sends the Council of Ministers its White Paper on the completion of the internal market. The paper reviews the present state of the common market within the European Community. It highlights its shortcomings and defects and sets out what needs to be done over the next seven years so that the European Community could have a great internal common market by 1992. This means abolishing physical, technical and fiscal obstacles within the Community to create a large area in which people, goods, services and capital can move around as freely and in the same way as within each Member State.

1.1.1986. Portugal and Spain become members of the European Community; the Ten become the Twelve.

17.2.1986 — 28.2.1986. The "Single European Act" is signed in Luxembourg on 17 February by representatives of the governments of Belgium, France, Germany, Ireland, Luxembourg, the Netherlands, Portugal, Spain and the United Kingdom. The representatives of the governments of Denmark, Greece and Italy sign in The Hague on 28 February.

This is a new institutional instrument which amends the Treaties and is designed to improve the future working of the Community and extend its scope.

During 1985 the Heads of State or Government and a specially convened intergovernmental conference considered a series of reforms to the EEC Treaty. A compromise was finally hammered out on the night of 3 December 1985 by the Heads of State or Government meeting in the European Council.

Although limited in scope, this compromise is seen by the Commission as opening the way to further progress. It extends qualified majority voting in four fields: the creation of a real market by 1992, technological research and development, economic and social cohesion and the improvement of working conditions. It also extends the Treaty to cover monetary and environmental policy and enhances Parliament's role in the Community decision-making process. o

Agricultural development on Rodrigues

by P. RAIMONDO (*)

Rodrigues is part of Mauritius which was discovered by Diego Rodriguez in 1528 and colonised successively by the Dutch, the French and the English, ultimately becoming independent on 12 March 1968. This small island is the nation's 21st electoral constituency and returns two members to the Mauritian legislative assembly. There has been a Minister for Rodrigues and the outlying islands since 1976.

Rodrigues, the smallest of the Mascarenes, is in the Indian Ocean 650 km east of Mauritius (longitude 63°25′ E and latitude 19°40′ S). It is a rough oval in shape, 18.3 km long and 6.5 km wide, giving an area of 108 km^2, only 25 of which are cultivable.

There are relatively few air and sea links and internal communications are difficult too. There are few local resources and demographic pressure is increasing.

This paradise island, which lives mainly from agriculture (although it has to import a fair percentage of its food requirements, for fertile land is limited and prone to erosion and deforestation), is largely unknown as it is off the beaten tourist track of luxury hotels.

It is volcanic in origin and very hilly, with very steep upper slopes and an impressive number of peaks, including the 393 m Mont Limon and the 386 m Malartic, and deep valleys often widening into small alluvial plains.

South-east trade winds blow on this island, with its tropical ocean climate, sometimes hit by the devastating hurricanes of the Indian Ocean region.

The largely creole population of Rodrigues, an estimated 36 000-strong in 1986 with 60% scattered over the rural sector, is growing fast and expected to reach around 60 000 by the year 2000. This poses serious problems of food supply and job creation, not to mention infrastructure, health and education, and it also puts huge demographic pressure on the arable land (1440 people per km^2 of arable land, already prone to erosion and deforestation) making for even greater vulnerability of the already precarious balance between the population and its environment (and the soil in particular) which must be protected and improved.

The civil service is the main source of income. Two thirds of the island's budget goes on civil service wages and since the temporary piece-work jobs have been turned into permanent posts, there are 5000 on the payroll. This sort of guarantee brings in a fixed income of Rs 5000 p.a. to 80% of the island's families, while workers are taken on for agricultural and forestry concerns and public works.

The other source of income is agricultural produce, herding and fishing, which provide the bulk of Mauritius's limited exports. Agricultural produce is marketed and input supplied by farmer and breeder cooperatives.

But Rodrigues' trade deficit with Mauritius is constantly on the increase, having risen from Rs 78 million in 1981 to Rs 114 million (8.5 million ECU) in 1985.

The main food imports are rice and wheat flour — the prices of which are partly State-subsidised.

The integrated development project

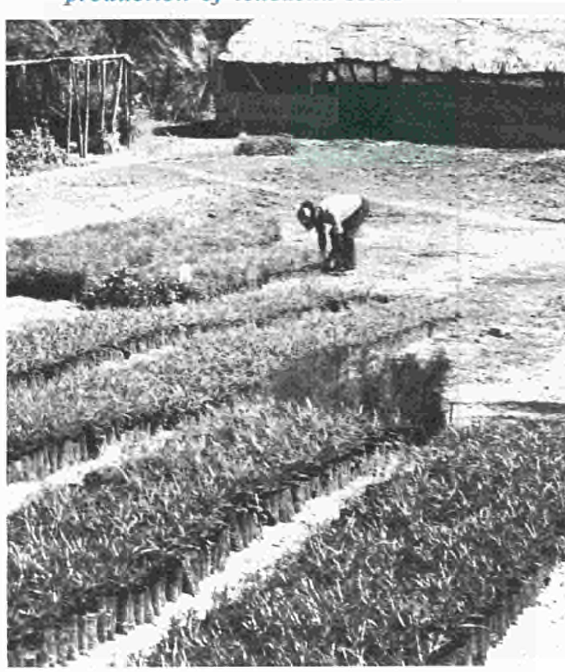
The Mauritian islands have long known soil erosion, dwindling water and forestry resources and a gradual lowering of the depth of their lagoons. There are many reasons for this, but the main culprit is the climate of hurricanes and drought combined with the increasing pressure of man and beast.

The Mauritian Government is anxious to do something about the economic and physical deterioration of its islands and already put priority on development schemes in its regional improvement drive under Lomé II. It was with this in mind that it began an integrated development project in Rodrigues in 1983, using financial resources from the 5th EDF (3 000 000 ECU, used up by end 1987).

The aim of the "Agricultural Development on Rodrigues" project was to:
- improve agricultural output;
- raise peasant incomes;
- reduce the trade deficit with Mauritius;
- improve the roads serving the agricultural areas;
- combat erosion by tree-planting schemes and soil defence and restoration operations.

After four years, there were plans to:
- double maize production from 462 t to 840 t (improved area of 840 ha);
- treble onion production from 540 t to 1500 t, increasing the area under cultivation from 90 ha to 150 ha;
- reafforest 150 ha;
- run soil defence and restoration operations in the Baie Malgache valley;
- improve 400 ha of grazing land;
- lay 18 km of tracks;
- put up a total of 1500 m^2 of buildings for various purposes;
- extend rural leases to encourage the peasants to carry out the vital maintenance work;
- draft cattle trading regulations.

Establishment of two nurseries for the production of leucaena seeds



(*) Agricultural adviser to the Commission Delegation in Mauritius.

Project statistics

	Forecast in the 5th EDF financing agreement (year four of the project)	Agricultural data (estimated)				Total
		1983	1984	1985	1986	
A. TECHNICAL DETAILS						
Agricultural production						
— total area under cultivation (ha)	—	1 246	1 510	1 646	1 822	
a) Maize						
— area under cultivation (ha)	840 ha	1 000	1 293	1 258	1 350	
— % of total	—	80.2%	85.6%	76.4%	74.1%	
— Yield (t per ha (1)	0.55 t/ha		no figures		1.5 t/ha	
— Production (t) (2)	462 t		no figures		2 025 t	
— Price (Rs per tonnes) (2)		—	—	—	4 340 Rs/t	
— Value (Rs million)	0.83 mio Rs	—	—	—	8.8 mio Rs	
b) Onions						
— Total cultivation	150 ha	70	81	85	92.5	
— % of total	—	5.6%	5.4%	5.2%	5.0%	
— Yield (kg per ha)	10 t/ha	2.85	4.44	4.77	4.1 t/ha	
— Production (t)	1 500 t	200	360	406	380	
— Price (Rs per t (3)	—	—	—	—	5 200 Rs/t	
— Value (Rs million)	2.2 mio Rs	—	—	—	—	
Miscellaneous						
— Sweet potatoes, cassava, groundnuts & garlic (1)	not specified					
— Area under cultivation	—	176	129	267	329	
— % of total	—	14.1%	8.5%	16.2%	18.1%	
Vegetables						
— Area under cultivation	not specified		7	36	50	
— % of total	—	—	0.5%	2.2%	2.8%	
B. AGRICULTURAL WORK						
Reafforestation	150 ha					
— Area fenced		—	—	443 ha	103 ha	546 ha
— Area planted		—	—	46 ha	354 ha	400 ha
— Number of young plants		—	—	70 000	430 000	500 000
Improvements to pastures	400 ha					
— Area improved		—	—	nurseries	210 ha	210 ha
Agricultural improvements	60 ha					
— Area improved (onions, maize & vegetables), including:		—	—	50 ha	50 ha	100 ha
Port Sud-Est						30 ha
Baie Malgache						30 ha
Mourouque						40 ha
Holdings installed		—	—	125	125	250
People involved		—	—	625	625	1 250
Soil protection & restoration	310 ha	(Taken over by the Agricultural Service)				
C. INFRASTRUCTURE						
Buildings	1 500 m²	—	1 384 m²	2 822 m²	225 m²	4 431 m²
Roads & tracks)	18 km	—	6.4 km	5 km	3.3 km	14.7 km
	(about 13% of the population – 4000 people – are served by these roads and tracks)					
Water supplies						
— Tapping & pumping				Study	2 000 ml	2 000 ml
— Station output					20 l/s	20 l/s
— Users					20 000	20 000
Refrigerated storage centre (seeds & agricultural products)						
— Area	$224 m^2 \times 90$ t will be implemented during 1987					
— Capacity						

(1) All production for home consumption.
(2) Price guaranteed by the Agricultural Marketing Board – maize Rs 4 340 per t, onions Rs 4 200 per t and garlic Rs 12 000 per t.
(3) Products for home consumption.

Highly satisfactory results

As the project statistics show, the results have been very encouraging. By the end of 1986, many schemes, some of them vital to the population (the water supplies, for example, the planting of 500 000 fruit and forest trees over a 546 ha area and the development of 100 ha for food crops and vegetables) had been completed, reflecting the effort the authorities and the technical assistance in charge of running the project had made.

The positive effect on the social situation, the conservation of natural resources and the protection of the environment is undeniable, as:
— more than 4000 people are now served by the new roads and tracks;
— 20 000 people (half the population of the island) will get the benefit of the water supply network (once the distribution system currently being studied has been installed);
— the local labour (almost entirely paid by the authorities) used by the project has reached 1000 people per month recently.

Land utilisation has increased encouragingly, as 1822 ha of the island's approximately 2500 ha available were used in 1986, as against 1246 ha in 1983 (a 46.2% increase in the area under wheat). The ratio of cultivated area to available area was 72.9% in 1986 as against 49.8% in 1983.

The system of land distribution has improved and State land, which used to be rented out to the peasants a year at a time, is now subject to a new law (it came into effect in early 1987) and can now be leased for 10-year periods.

Since the project began, the areas under cultivation have gradually increased, helped also by the good rainfall following the drought of 1983. Although the onion fields have not expanded, more land has been brought under maize and other food and vegetable crops.

The estimated maize output is about 2000 t, far beyond the forecasts of the financing agreement (460 t) thanks to the combined effect of a slight increase in yield and a large increase in the area under cultivation in comparison with the reference year (1982). This estimate is reasonable bearing in mind that, since then, Rodrigues' imports of rice and wheat flour have stabilised at around 3570 t and 1200 t p.a. respectively, though the population has expanded from 32 000 in 1983 to 36 000 in 1986.

Onion production over the 1983-86 period was badly down on the 1982 figure, although things were different on Mauritius, where 1685 t were produced in 1983 and 3635 t in 1984 — declining again to 2595 t in 1985, the year 1200 t had to be imported from South Africa (1).

Maize, sweet potato, groundnuts and manioc (2) tend to be consumed on Rodrigues itself, while onions and garlic are exported to Mauritius.

Lastly, note that the production prices that the Agricultural Marketing Board guarantees are only for:
— maize (Rs 4 340 per t);
— 1st grade onions (Rs 5200 per t);
— 2nd grade onions (Rs 4200 per t);
— garlic (Rs 12 000 per t).

Phase two with 6th EDF financing in January 1988

The Mauritian Government has asked for and recently obtained (Commission decision of 25 September 1987) financing for phase two (1988-92) of the Rodrigues agricultural development project. The total amount is ECU 5 690 000 and ECU 3 250 000 will come from the 6th EDF. This is part of the nation's agricultural diversification policy and has been helped by the very encouraging results of the Rodrigues scheme (which are an encouragement when it comes to completing the protection of the island and maintaining its population in a viable environment).

This financing is all the more justified given that, economically speaking, Rodrigues can supply products—maize, onions, citrus fruit, beef, veal, pork, etc.—that are short on Mauritius.

Provided the weather is kind, hurricanes and drought stay away and the population is motivated—a *sine qua non* of success here—the results should be as follows:
1. The annual total food crop output should go up by 3 900 t.
2. The net income of 2 500 holdings (about a third of the population) should go up by 22.5%.

Tarmac being laid on part of the road network

Other results include:
— better protection for about 800 ha of forestry-grazing developments;
— greater use of resources from 2 400 ha of cultivated land;
— better quality cattle and pigs;
— 17 km of rural roads, five of them asphalted, to serve about 5 000 people;
— a better water supply network, to serve 25 000 people (70% of the population);
— development of small firms for the post-harvest processing of agricultural produce;
— support for cooperatives with the distribution of input for agriculture and herding;
— staff (craftsmen, farmers and managers) training.

A cost-benefit analysis suggests financial returns of 13% and economic returns of 14%.

Alongside this, the Mauritian Government, currently channelling 50% of the Rodrigues budget into agriculture, has firmly undertaken to:
— pursue the policy it has already started of offering remunerative prices to the producer;
— privileging non-State farmers and the young jobless by giving them easier access to credit facilities;
—boosting the extension and supervisory services;
— setting up a statistical service (especially for agriculture);
— increasing agricultural research activity;
— improving the administrative apparatus. ○ P.R.

(1) (Source — Agricultural Marketing Board).
(2) Sweet potato output estimated at 1 500 t and manioc output at 750 t.

Tonga's new fishing harbour

by Sione TAUMOEPEAU (*)

What was once an expanse of flat coral reef has been transformed into an important fishing boat harbour in the Kingdom of Tonga's capital, Nuku'alofa. After more than two years of construction, the Ministry of Works completed the harbour, on schedule and within budget, ready for the official opening by His Majesty King Taufa'ahau Tupou IV on 20 June 1987.

On the basis of several studies, partly financed by the EDF under Lomé I, the Government of the Kingdom developed a strategy in the early 1980s to improve the artisanal fishing industry in the country.

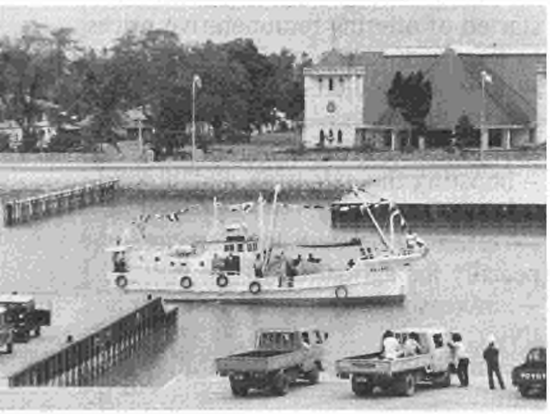
It was established that Tonga's fishing industry was not developed to its full potential: considerable resources of fish around the islands remained unexploited while at the same time large quantities of canned and frozen fish (valued at ECU 1 m per annum) and mutton (value ECU 1.6 m per annum) were imported to make up for an unsatisfied demand for protein of 1 300 tonnes/year alone on the main island of Tongatapu.

The fishery industry strategy included a boat-building programme for 60 suitable larger boats (up to 12 metres), fully equipped with cold-storage facilities the improvement of fishery administration in the whole country and the construction of storage and market facilities in the region of Vava'u, Ha'apai and in the capital Nuku'alofa on Tongatapu.

The implementation of the strategy has been made possible through contribution of a multitude of donors amongst which are the UK, UNDP, FAO, Japan, USA and CFTC and the European Community.

(*) Director of Works, Tonga.

View of the harbour on the day of its opening, last June



Tonga Chronicle

On 26 June 1984 the agreement between the European Community and the Kingdom of Tonga was signed for the construction of the ECU 3.3 million Faua Fisheries Harbour close to the centre of the capital of Nuku'alofa. The design of the harbour is the result of a study financed under the 4th EDF and includes the provision of basic and ancillary infrastructure for the increased fishing fleet, the construction of a fish market and the installation of cold storage facilities. In more detail it includes:

— the construction of 500 metres of quay walls with sheet steel piling for which equipment was used that had been supplied under another EDF financed project for the construction of a wharf in Vava'u.

— the excavation of 40 000 m^3 of coral and silt from the basin to a depth 3.5 metres, which was used as fill for the quay;

— the construction of a slipway and barge landing ramp;

— construction of a repair workshop and of net storage facilities;

— re-erection near the slipway of dismantled boat-building facilities from outside Nuku'alofa;

— construction of a fish market and cold storage building;

— the installation of cold storage equipment as follows:

- 2 blast freezers, −30 °C operating temperature
- 2 storage freezers, −20 °C operating temperature
- 1 freezer/chiller, −20 °C/−1 °C operating temperature
- 1 chiller, −1 °C operating temperature
- 1 iceroom and ice-chip machine.

The harbour and associated facilities will greatly help the fishermen prepare their boats, and unload and market their catch. The 5 hectare (12 acre) harbour basin and 6 hectares (15 acres) of surrounding land will allow progress, development and expansion of the fishing industry for many years to come. This is significant to the Kingdom not only because fish is a most important source of protein in the carbohydrate-rich local diet, but also because of the cash generated from exports. The fish market adjacent to the main sheetpile wharf has retail, wholesale and cold storage areas which will permit efficient marketing of the fish. Fish from the freezers will be used to augment poor catches and ensure a steady supply of fish for domestic consumption. The local consulting engineers, Riedel and Byrne, had designed the facilities in a way that maximised the use of local skills, labour equipment and materials. The result has been an impressive harbour with major social and economic benefits arising from the injection of money to the many local merchants, workmen and contractors who were involved in the construction work.

Although many materials were purchased locally, two large supply contracts were organised through the EEC procurement system. The first was for the supply of more than 800 tonnes of sheet piles. These were used to make the 500 metres of wharves. The second contract was for the supply and installation of the cold rooms and refrigeration equipment.

At the time of tendering, the Government of Tonga was concerned that a European supplier might not have suitable spare parts located conveniently to Tonga's major transport links. Fortunately, the successful bidder, Ziegra Eismaschinen, offered spare parts from its New Zealand and Australian agents.

The Faua Fisheries Harbour is a happy union of direct labour by the Ministry of Works with larger supply contracts executed through the EEC procurement system. Tonga has already benefited during the construction phase and now has undoubtedly one of the best fishing boat harbours in the South Pacific.

It is a good example of how longer-term strategy and continued support have resulted in a coherent, integrated project that benefits the people and the economy of a country with limited natural resources. o S.T.

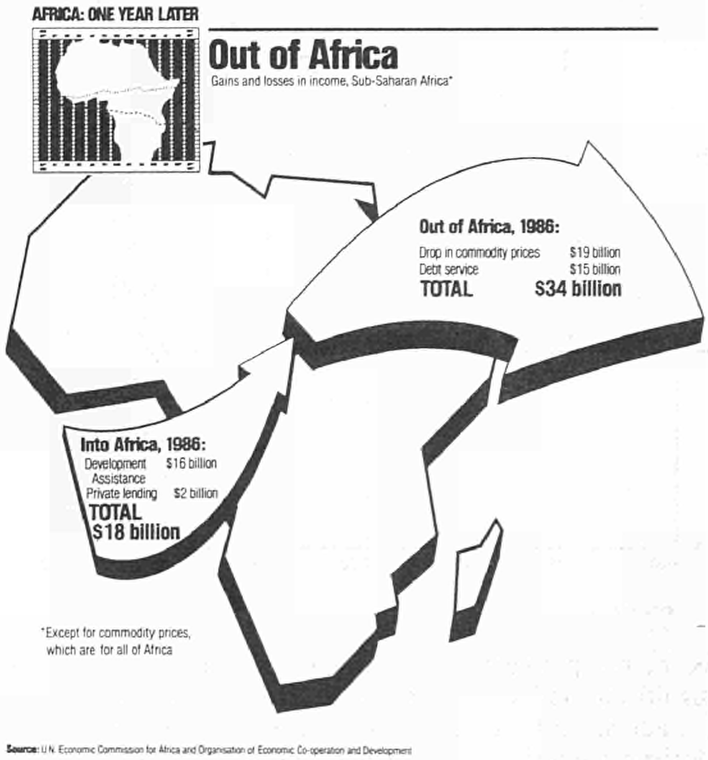
One year later – where is Africa's Recovery Programme?

The revolution in African thinking—about economic and social progress—had long been in preparation. The Lagos Plan of Action dated to 1980, the Addis Ababa programme was dated 1985, but the "revolution" was no less startling when, in June 1986, the African countries pushed through the UN Special Session a programme based on their specific needs—the Programme of Action for African Economic Recovery and Development (reported in *The Courier* N° 98 July-August 1986). What made it revolutionary was the acceptance by Africans of major responsibility for their own development; the admission that failure to develop had its roots as much in African mismanagement as in false appreciation of the situation by donors. Although it was not a pledging conference, it was clearly understood that the developed world would face up to its responsibilities as soon as they were convinced that Africa was pulling itself up by its bootstraps: terms like 'best efforts' and 'take a favourable view' were much in evidence, though it was left to the smaller donors, like Canada, the Netherlands and Denmark, to make the substantive moves.

One year later, who has done what? The African countries have certainly started to fulfil their part of the bargain. Twenty-eight of them have applied the IMF recipe of policy reform and structural adjustment. Added value in manufacturing output rose by 5%. Two-thirds of the countries have reached the target of 25% for the proportion of investment going to agriculture, and for incentive prices to farmers. Food output rose by 3% in 1986. Limitations on central government expenditure, especially in the poorer countries, has seen this item sink to 4.5% of GDP, the lowest level this decade.

What has the developed world achieved? World commodity prices—on which African governments

Table 1



depend for their export income—have sunk to their lowest for 50 years, cutting Africa's export revenues by one third. Africa's total debt now stands at 300% of its export earnings. Private lending and investment have plummeted and the net financial flow to Africa was —$ 16 billion in 1986. And the prices of manufactured goods which Africa imports rose by 20%. It is a depressing and demoralising picture, and at the risk of crying 'wolf', one can do no more than echo the report (reproduced below in summary) of the UN Secretary General—'it is essential that the international Community act quickly'. T.G.

The Secretary-General's report on the implementation of the Africa Recovery Programme (*)

The United Nations Programme of Action for African Economic Recovery and Development, 1986-1990, was adopted in June last year at a Special Session of the General Assembly. Through this Programme, Africa and the international community come together in a framework of "shared responsibility" which is unique in the history of international economic co-operation. This partnership brings, on the one hand, an African commitment to undertake appropriate policy reforms through a sharply focused programme of action and to mobilise domestic resources in order to launch recovery and renewed development. For its part, the international community agreed to fully support Africa's efforts, particularly in the form of increased and better co-ordinated financial assistance and improved terms of trade.

This initial report, while covering a relatively short period and based on limited data, makes it clear that despite the impressive efforts being made by African governments, sub-Saharan Africa remains in a critical situation. Recovery is being undermined by mounting external debt, collapsing commodity prices and the social dislocations accompanying these

(*) United Nations, Department of Public Information, New York.

Table 2

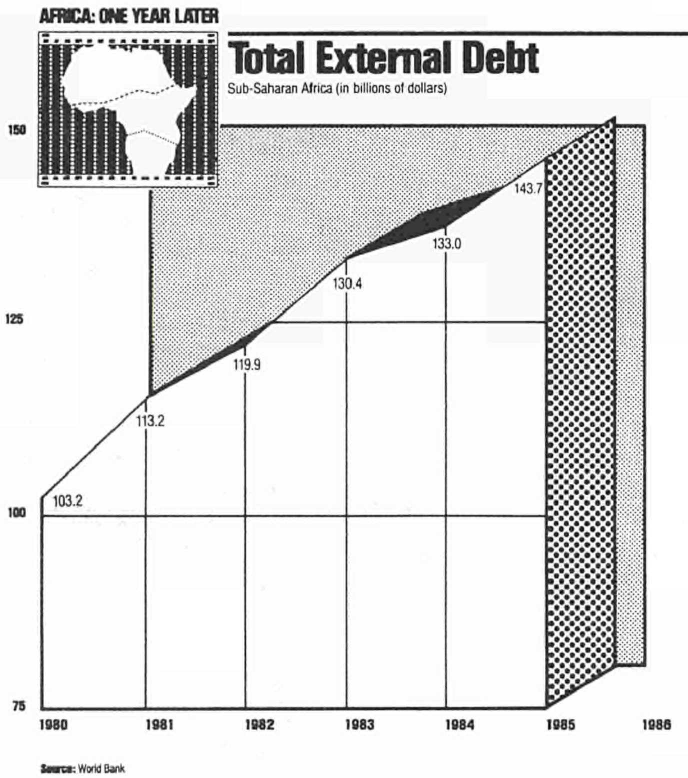
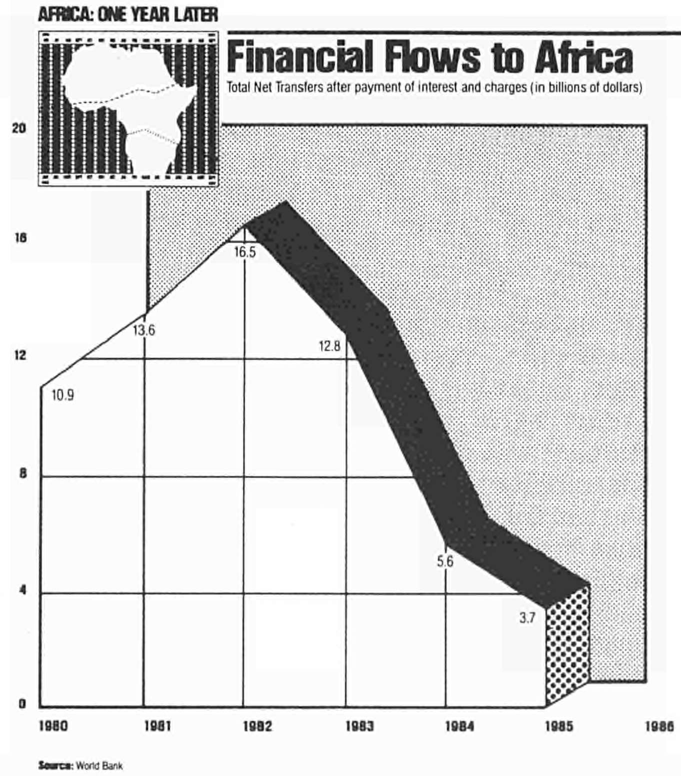


Table 3



economic problems. In addition, the significant policy reforms and structural adjustment measures instituted by African countries have often entailed severe social costs and formidable political risks.

Actions taken by African countries

As many as 28 countries have embarked on policy reforms. For most countries the priority area is food and agriculture, with its related support sectors. To promote agricultural production and rural development, over four-fifths of the countries surveyed by the United Nations Economic Commission for Africa (ECA) have adopted price incentives, about two-thirds have taken action to improve internal distribution channels and over two-thirds have reduced subsidies. Moreover, nearly two-thirds of reporting countries have achieved the target of 25% of total investment allocation to agriculture.

Policy reforms have also been introduced to expand financial resources and to use them more efficiently. Private sector measures have included market and investment code liberalisation, provision of infrastructure and reduction of subsidies to public enterprises. In the public sector, new measures have decreased central government deficits, which in 1986 were at their lowest level as a percentage of GDP (4-5%) since 1980.

Another striking area of reform is the depreciation of exchange rates, which by 1986 had fallen 30-50% from their 1981-83 peak in low-income countries. However, rapid depreciation has been a controversial policy, as it has tended to push costs up and make difficult the control of expenditures it was designed to stem. As a result, the ratio of African government capital expenditures to GDP dropped from 14% in 1982 to 12.4% in 1986.

The reduced levels of consumption as well as imports resulting from these structural adjustment measures have often entailed severe social costs for health, education, nutrition, employment and maintenance of social institutions.

Comprehensive population policies, aimed at influencing fertility and mortality rates as well as stemming rural-to-urban migration, are being pursued by most African countries, and three-quarters of all Africans in 1986 lived in countries which view their population rates of growth as being too high (the figure was 50% in 1983). Other key initiatives being undertaken at the national level include improved local capacity for project preparation and design, rehabilitation and maintenance of transport and communication systems, improved water resources management, environmental protection and afforestation, and the promotion of mass literacy and indigenous entrepreneurship. Almost four-fifths of African countries surveyed have taken measures to enhance the role of women in the development process.

At the sub-regional level, concerted approaches to the promotion of the recovery process have started to emerge. The Economic Community of West African States (ECOWAS) is initiating support for a region-wide recovery process through a joint plan of action.

The countries of southern Africa are developing links in trade, finance, industry and energy with a view to diminishing the structural dependence of their economies on South Africa. Other sub-regions have made similar efforts.

The Programme of Action also emphasises the need to find lasting solutions to Africa's refugee problems which fit within the framework of host countries' recovery and development plans. Problems of co-ordination have been aggravated by slow progress in mobilising resources. At the same time there has been a significant rise in the number of displaced persons and refugees in Angola, Malawi, Mozambique and Zimbabwe due to continued civil strife in southern Africa.

Progress at the regional level has been uneven. The African Development Bank, however, is basing its 1987-1991 operational programme on the main objectives of the Recovery Programme and over the next five years intends to lend $ 6-8 billion, more than it has committed in its past

ment shows that the outlook for food supplies is very unfavourable for 1987-88 as a result of the combined menace of returning drought, locusts and strife in southern Africa.

Economic progress is also hampered by a devastating combination of collapsing commodity prices and spiralling debt-servicing problems. Africa's debt service ratios now exceed 50% and total debt for 1986 may be as high as $ 200 billion. In 1986, the current account deficit for the region doubled by World Bank estimates (to $ 16 billion), and the region's terms of trade deteriorated by about 32%.

terms, reaching some $ 11 billion in 1985. Yet Africa's total external resource requirements now stand at an estimated $ 24 billion.

Official development assistance (ODA), accounting for some 70% of total resource flows, stagnated in 1986 in real terms despite an increase to $ 11.9 billion as against $ 9.7 billion in 1985. Bilateral ODA aid flows increased only slightly in real terms over 1985, and while some donors increased assistance—Canada, for example, wrote off the debt of seven African countries—overall performance of individual donor countries

Table 4

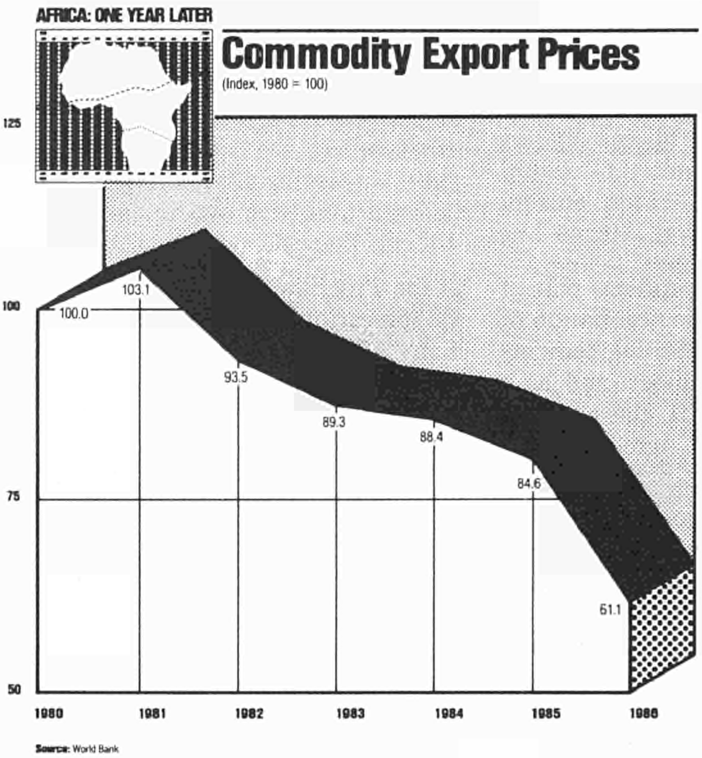
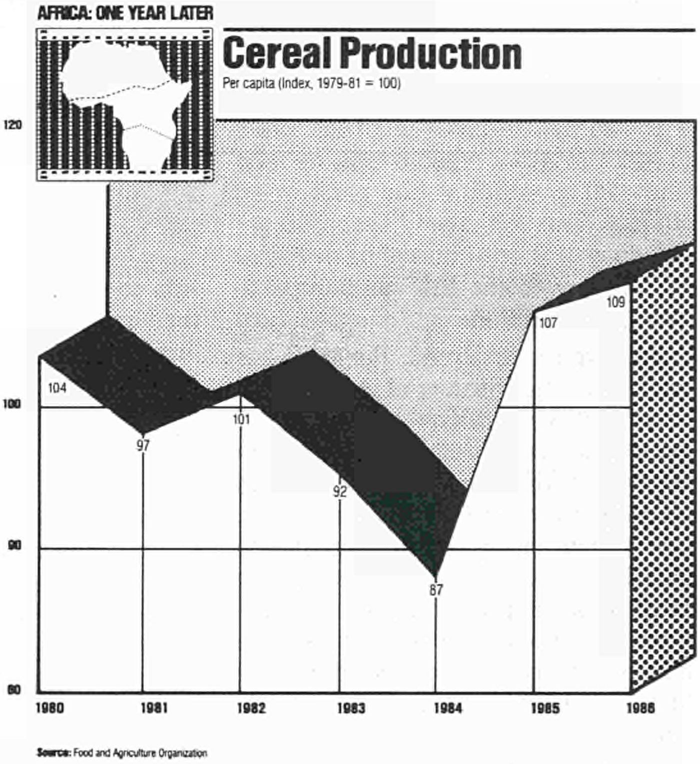


Table 5



22 years of existence. Within the framework of technical co-operation among African countries, Africa itself is providing its expertise to over a dozen least developed African countries and identifying priority areas for expanding such technical co-operation.

One encouraging result of Africa's serious reform efforts—as well as of good weather—has been the continued recovery of agricultural output, which surged ahead by 3% in 1986, after growing by 4.2% in 1985. Two years of good agricultural results have also helped increase added value in the manufacturing sector by nearly 5% in 1985-86. But the latest FAO assess-

In 1986 as well, Africa experienced the sharpest fall in export revenues since 1950, losing $ 19 billion in foreign exchange earnings, a decline of almost 30%. The GDP of its low-income countries grew by only 2.2%—less than population growth. Indications are that, despite all of Africa's efforts, 1987 will prove to be yet another year of poor overall economic performance.

The international community

From 1980 to 1985, total net resource flows to the sub-Saharan region showed a trend decline of 5% in real

varied considerably. Current budgetary constraints in some donor countries may limit their development assistance in 1987.

At the multilateral level, World Bank concessional commitments to Africa increased from $ 1.1 billion in 1985 to $ 1.7 billion in 1986, and Africa is now the largest recipient of such assistance. A disquieting new feature of short-term multilateral debt, however, is the current outflow of resources from Africa to the IMF. Between 1986 and February 1987, African countries transferred three and a half times as much money to the Fund as they received in 1985. In 1986 the

Table 6

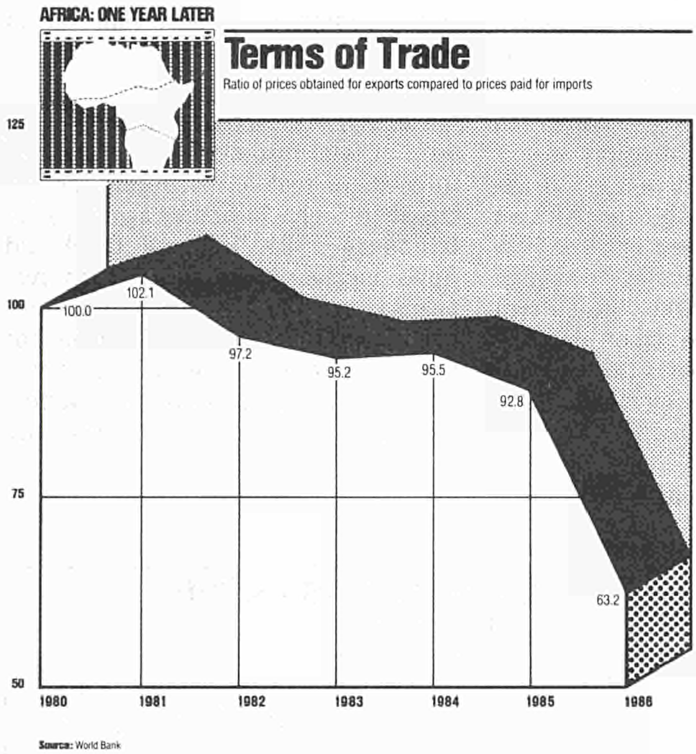
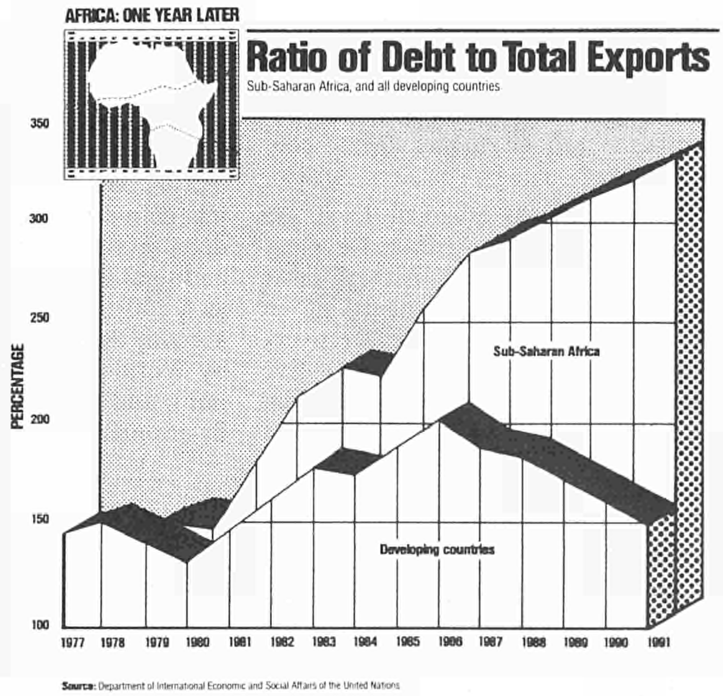


Table 7



net outflow to the IMF amounted to over $ 960 million.

To reverse this trend, the IMF has established the Structural Adjustment Facility (SAF), which offers easier lending terms. It is expected that an enlarged SAF mechanism will be in place by early 1988. At the same time, private lending is down significantly, to $ 1.5 billion from $ 3.5 billion in 1980, reflecting a pessimistic perception of Africa's credit-worthiness. Official export credits, valued at $ 1 billion in 1985, virtually ceased in 1987.

Several relief measures have been offered by bilateral creditors, such as rescheduling of debt and lower interest rates. Most such measures can, however, bring only temporary relief because they do not address the debt problem in a fundamental manner. What is required is a multi-faceted package that includes measures for increasing both resource flows and the productive capacity of African countries.

Export earnings continue to fall. Commodity markets are plagued by external constraints such as protectionism and by internal problems such as lack of diversification. A number of recent initiatives which may bring some relief, however, include the decision to make tropical products part of the Uruguay Round, the negotiation of international commodity agreements covering cocoa and rubber, and as a result of UNCTAD VII, the prospect of the Common Fund Agreement entering into force in the near future.

South-South co-operation is one of the key elements of the Programme of Action, and a number of measures have been taken to intensify African technical and economic co-operation with other developing countries.

Another vital part of the Programme is the continued energetic support of the world-wide NGO community, which in 1986 contributed $ 1 billion towards economic, social and humanitarian activities in Africa.

Actions taken by the United Nations

In September 1986, the Secretary-General established a Steering Committee for overseeing the Recovery Programme, comprising the heads of relevant UN agencies and chaired by the Director-General for Development and International Economic Co-operation. Its role is to consult with the international community, stimulate actions by the UN system and others, and report on developments relating to the Programme. In addition, given the precarious financial situation of many African countries, the Secretary-General has also established an Advisory Group on Resource Flows to Africa comprising 13 experts charged with recommending concrete ways to improve the financial situation of African countries. It will submit its recommendations by year-end.

Conclusion

Among the positive trends noted since adoption of the Programme of Action, the most important has been the determined and significant reforms already instituted by the African countries themselves. Nevertheless, the Secretary-General warns that Africa's margins for manoeuvre in implementation of the Programme of Action are being reduced by the adverse financial climate.

It is essential that the international community act quickly to make additional financial resources available and to increase their flexibility. Only the smoothest co-ordination of these resource flows and the most energetic partnership between Africa and the international community can ensure the urgently required momentum towards the Programme's goals. ○

Can the Third World fight back?

by Jean-Claude CHESNAIS (*)

Jean-Claude Chesnais has just written a book, The Third World Fights Back *(Robert Laffont, Paris, 1987) which will surprise, irritate and maybe even shock. "The book", he says, "was born of astonishment that... the oft-predicted disasters... never happened... and the Third World survived". Is there reason to hope at last, when apocalyptic prophecies are all around? The author explains his "process of ideological scouring".*

The press has always been willing to linger over the distress of the Third World and forget the successes—other than of one or two new industrial nations in Asia. In fact, beyond the failures of development, most of them African, a far-reaching transformation is being wrought and it is important to be aware of it. The difficulties of the current economic situation, the debt and declining commodity prices and reduced capital injection into the developing countries in particular, plus the rising tide of neo-protectionism in the countries of the West, are all food for pessimism. But it would be wrong to assume that the data are permanent. Fluctuations are the stuff of history and a long-term analysis of the past helps to put certain aspects of the present crisis into perspective.

"Third World" and protectionist talking, which is quick to blame the businessman, has long done its best to belittle any real progress notched up in the Third World and the virtues of cooperation and trade in the colonial era as well as our own.

But overall, the Third World started developing well before decolonisation. It took part in the second world economic boom (1945-73) and many places involved in the tropical trade networks also had a part in the big international boom just before the first world war. So some received ideas—the misery of the population explosion, the independent nation pauperisation theory, the black record of colonisation and so on—need debunking. On average, although the average, as we shall see, masks increasingly serious disparities, the gap between the actual per capita income in the developed and the developing worlds has stopped widening over the past 15 years. And a movement of relative convergence even seems to have begun, with a slowing down of the historical movement in the West and a speeding up in Asia, where demographic weight is strong (China and India). This convergence is not just in income, but in other, more qualitative and equally important aspects of development, such as health and education.

(*) Head of the Department of Demography and Social Economy at the National Institute of Demographic Study, Paris (France).

Dubious theories

An analysis of the economic history of the world shows that all development dynamics involve some demographic dynamics too—which does not mean that population growth has to be unbridled or uncontrolled. The Club of Rome's catastrophism about trends in population is overdone. The population of the Third World has more than doubled since 1950, but economic growth has largely made up for demographic growth in almost all the least developed countries, the exceptions having more to do with political crises or errors of economic management than the demographic growth itself. This growth is, in fact, very much the reflection of development, since the declining death rate which is behind it has a lot to do with the standard of socio-medical organisation, nutritional progress and better education for mothers. Although in the long term, demographic growth creates an economic stimulus in other ways (increase in the value of capital, returns on some investment projects, and crossing certain population density thresholds), it nevertheless helps to create very heavy economic pressure on both families and State as long as fertility has not declined. Technical progress has been faster in some areas than in others. The results in health have been spectacular, as the speed of the population increase in Africa shows. In fertility too, the contraceptive revolution (with the pill, the IUD and so on) may bring about a sudden break, but only where people are ready for it—as the industrialised countries, old and new, are experiencing at the moment. But in some productive sectors, new technology is increasingly restricting the need for labour. That is perhaps the biggest contradiction of demographic growth. The food question now seems less of a problem—or at least it will be if pro-food crop policies are put into practice. Accelerating technical progress poses the problem of employment more strongly all the time—and hence subsistence for the increasing masses who are excluded. How can sub-Saharan Africa cope with an unavoidable 3-4% increase in its working population over the coming decades? Ought not demographic trends to be harmonised with economic capacity, in this case by birth control?

The theory of the pauperisation of independent nations popularised by the development historian Bairoch is very much open to discussion. It goes counter to general long-term trends and in fact only holds good for certain countries which have inadequate development policies and/or are highly vulnerable to the international economic situation. Here we have the annual average increase in real per capita income, according to World Bank statistics, since 1965, in the low-income developing countries and the industrial countries with market economies.

Average per capita annual income growth

	1965-1973	1973-1980	1981-1986
Low-income developing countries	2.9	2.6	5.0
Industrial countries with market economies	3.7	2.1	1.6

Since the world recession, growth has been higher in the poor countries, on average at least, the result largely reflecting the recent good performance of the Asian giants (China, India and Indonesia in particular). The case of Black Africa has got very much worse since 1980 because the per capita growth rate dropped from +3.4% p.a. over the 1965-73 period to −3.7% p.a. in 1981-86, after an intermediate phase (+0.5% p.a.) in 1973-80.

Lastly, the economic record of colonisation in the colonised countries needs to be reassessed—with historical distance, and calmly. It is less simple than we thought. It is not all of a piece, but varies from one period, sector and colonial power to another. The powers did not all have the same aims, and the degree of priority attached to the economic development of the colonies varied considerably from one metropolis to another—which of course was reflected in the economic performance of the colonised countries and still marks them today.

But generally speaking, "modern" life, especially in Black Africa, only started with the colonial era and contact with the West was the condition for economic take-off as currently conceived.

Let there be no misunderstanding here. This is by no means a lament about the greatness and decadence of western civilisation, nor a panegyric to colonisation. It is a return to historical reality. Let us beware of generalities and anachronisms. At one stage in history, colonisation may well have been *economically* beneficial to the colonies. At a later stage, with the infancy of development complete and the élite ready to take over, it could become *politically* harmful and may be even *economically* regressive. There is no incompatibility of points of view here.

World population and income distribution, 1985

Regions	Population		Wealth	
	Number (millions)	Percentage (%)	GDP purchasing power (1) (in $bn at 1975 prices	Percentage %
Africa	553	11.4	491	4.8
Latin America	406	8.4	832	8.0
Asia (2) (less China) and Melanesia	1 667	34.4	1 500	14.5
China	1 043	24.6	(600)	(5.8)
Developing world	3 669	75.8	(3 423)	(33.1)
Japan	120	2.5	822	8.0
USSR and Eastern Europe	414	8.6	1 529	14.8
Western Europe	356	7.3	2 212	21.4
North America, Australia and New Zealand	283	5.8	2 348	22.7
Developed world	1 173	24.2	6 911	(66.9)
Whole world	4 842	100.0	10 334	100.0

(1) Estimate.
(2) Includes Middle East oil-producing countries.

Progress inadequately advertised

Considerable progress has been made in many areas of the developing world over the past few decades and a movement of convergence with the developed countries has even begun.

Fighting death

This is symbolic: outside the northern lands which are favoured by climate, most ground has been gained in Asia, in Japan and Taiwan and in Hong Kong too. Discreetly but briskly, life expectancy there has come to the top of the world tables. And that is only the most obvious tip of the iceberg. Many of the so-called less developed countries of Asia and Latin America (especially in the Caribbean) have reached European levels and are even ahead of countries in the Soviet bloc. The health revolution, that symbol of internationalisation, has spread throughout the world. Natural disaster (such as drought in the Sahel) or human catastrophe (such as the war in Chad) apart, there are few countries now where life expectancy in 1985 was less than 45. That is a major achievement and let us not forget what this symbolic 45, long the threshold to the modern world, means. Countries like Britain and France reached this stage in 1900, fairly late on in their history. And now the poorest countries of the world too are avoiding the scourges that were the common lot of our ancestors. In "traditional" populations, life expectancy at birth is 20-25 years, half the threshold in question. Although Black Africa, with life expectancy up at around 50, is below the general average for the developing world, 55 (China excluded because of the uncertainty of its data), the average life-span has in fact doubled in the space of half a century and there is every reason to think that, given the climate and the historical handicap (absence of general and medical and social infrastructure), life expectancy was no more than 25 in about 1930. So immense progress has been made—but not enough is known about it. Even in the two poorest parts of the world (sub-Saharan Africa and southern Asia), life expectancy has broken bounds that Europeans never dreamed of in centuries gone by.

Educational progress

The number of adults who could read and write in the developing countries grew from 250 to 1 380 million between 1950 and 1985—twice as fast as the population. The corresponding adult illiteracy rate went from 76% to 40%. Africa is not on the sidelines and it is probably in education that it has made its worthiest efforts: mass education has become a requirement everywhere. The adult illiteracy rate declined from 84% to 53% in Africa over the 1950-85 period, a performance that should receive particular attention given that human investment has now been recognised as one of the basic tools of economic growth, with greater returns than material investments. This is particularly true of primary education. Lack of education is one of the most serious obstacles to industrialisation and, more generally, to innovation, be it social (family planning and hygiene, for example) or technical (material organisation and professional competence). But whatever the progress, there is still an enormous amount to do, both quantity- and quality-wise, particularly when it comes to educating women. Africa is the most unfavoured region of the world from this point of view, because two thirds of adult women are still illiterate, one point on which it differs from Latin America, the Caribbean especially. The difference is probably one of the main reasons for the recent divergence in fertility in these two parts of the world.

Income

Seen over the long term, incomes have grown substantially, though very unequally. There is one precaution to take if we are to obtain a valid assessment of the international hierarchy of actual standards of living and GNP—the distortion linked to differences in prices, which vary widely with levels of development, particularly in the services sector, has to be corrected. Once this is done, it can be seen that the Third World's position in the world economy has not changed. On the contrary, it has improved—from 28% in 1950 to 33% in 1985 (and 31% and 45% if Japan is left in the Third World, where it was in 1950). This Third World economic rise is due to a combination of two things—the demographic surge and the ability to keep pace with the growth of the world, economy. The case of Black Africa is a problem, however, as, contrary to the forecasts of the '60s, it has slipped a long way behind, in both agriculture and industry, compared to most of the countries of Asia. And demographic growth has been greater than anticipated at the time. Above all, there is no letting up, a fundamental fact which only makes the economic crisis greater cause for concern.

The Mediterranean has the biggest demo-economic gap ever recorded in the history of mankind. Between the Community of the Twelve and the continent of Africa, the average difference in standard of living is 8:1. At the same time, fertility is on average 25% below the generation replacement level in the EEC, creating a demographic deficit in time, whereas it is three or four times the European figure (an average of 5-6 children per woman instead of 1.6) in most of the countries of Africa. Imbalances of this kind bode ill for future migratory pressure. The complementarity and community of interests of these two parts of the world are obvious and a massive cooperation drive is called for to attenuate the differences and the risks they involve.

But can Africa, which is off to such a "bad start", cope? There is every reason to hope it can. Although the continent has been unable to keep up with world economic growth, there is no reason to see the present problems (the food crisis, the frailty of democratic civilian rule, gaps in the training and education of the people, the lack of investment, greater dependence on the international community) as heralding the worst. There is nothing to prove that these shortcomings cannot be remedied. Many a disaster has been predicted but never come to pass. In spite of all its handicaps, Africa has trump cards in its hand—its political youth, its natural resources, the flexibility of its people, the emergence of professional élites, its extraverted economy and its leaders' awareness of their responsibility in the development process. It will all depend on the pragmatism and clear-sightedness of the teams in power. Africa is European in language and it will probably stay that way—which is also a piece of luck for Europe in the long term. ○ J.C.C.

The future of cotton in the French-speaking countries of West and Central Africa

by Jean DELORME (*)

Funders and international donor organisations gathered in Paris on 19 and 20 October, at the invitation of the French Cooperation Minister, to discuss the cotton situation and prospects in the French-speaking countries of West and Central Africa.

France attended, as did the Federal Republic of Germany, the ADB, the IBRD, the FAO, IFAD, the UNDP and the EEC.

The aim was to start joint reflection on the future of a product that is important to the countries in question (1) because of its place in the export trade in many of them and the vital contribution it makes to distributing money income in the rural world.

The cottonseed output of these 10 countries is currently past the 1 million tonne mark — 2% of world fibre production (of which 60% is concentrated in three countries — China, the USA and the USSR). Their exports in 1985-86 were up at 325 000 tonnes or 7.4% of the world figure. These sales, which were already following sliding international prices, were badly hit by the combined falls of cotton rates and the US dollar in 1984.

The price of cotton (2) fell from 89.5 cents per lb in May that year to 37 cents per lb in August 1986, while the dollar went from CFAF 425 to CFAF 335.

This was behind the major financial deficits in the cotton sector in most of the countries concerned — an estimated CFAF 100 billion in the 10

(*) Head of the Central African Division at the EEC Commission Development Directorate General.

(1) There are 10 of them — Senegal, Mali, Burkina Faso, Côte d'Ivoire, Niger, Togo, Benin, Chad, the CAR and Cameroon.

(2) Reference indicator: Index A, Liverpool Outlook.

countries in 1986 — and it led people to wonder about management and organisation and, ultimately, even the future of this product in western and central Africa.

The Paris talks, for which only a limited amount of time was available, obviously could not come up with a full nor with a perfect answer to problems of such scope. But a first-class working document produced by the French Cooperation Minister [3] was the basis for discussion along four lines:

— competitiveness of the cotton industry;
— diversification;
— organisation;
— financial machinery.

Technically speaking, the cotton industry has proved to be both competitive and dynamic. In 1970-86, for example, output increased sevenfold — and not because more land was being cultivated (the area under cotton only went up from 800 000 ha to 900 000 ha over this period), but primarily because of a better yield per ha, which rose from 400 kg to an average of 1000 kg. Similarly, the ginning yield rose from 37.5% to 40% and as high as 43% in Côte-d'Ivoire. So there has been a real productivity increase since 1970, reflecting the success of the genetic improvement and industrial organisation policies which have been used.

The international crisis was revealing. Obviously, it highlighted the fact that the cotton sector was heavily dependent on external markets, but, most important, it showed that it was to a certain extent victim of its own success in that it had become a choice sector for State taxation — which was expanding and seriously upsetting the financial balance of the industry as well as forcing people to grow cotton on land that was not really suitable for it.

A return to competitive African cotton means keeping its recognised advantages, particularly as regards the quality of the fibre, and seeking to make greater capital out of the products on the internal markets. But above all, it means better economic organisation so that fixed costs and structural outlays can be reduced.

All this must go hand-in-hand with a policy of diversification, either by rotating other things (cereals and pulses and livestock) with cotton or growing tubers, fruit, vegetables, timber and firewood on marginal cropland.

Although the projected crops seem to have considerable potential, they have turned out not to be really satisfactory alternatives to cotton as a source of money income to the peasants and tax and foreign exchange earnings to the State and it was agreed at the meeting that investigation and analysis should be actively pursued here.

Discussion of the way the industry was organised revealed that it had proved to be efficient in performing its various duties and had also been instrumental in rural and regional development. But this, combined with the State's presence in all the intervention structures, was behind a certain confusion of aims and roles which was highly prejudicial to the way things worked and resulted in the permanent confusion of State accounting and intervention at all levels of management (including the stabilisation funds).

Greater efficiency inevitably meant clarification of the various jobs (transfer, credit, marketing, input etc.) and stricter definition of the rules of the game and the framework for State levies.

Privatisation — or, better than that, professionalisation — of these jobs was discussed at length and different positions emerged clearly, particularly on the part of the IBRD, which wanted rapid privatisation, and France, which had greater reservations as to the rate and scope of such developments. However, a consensus was reached on the idea that "denationalisation" should be sought without dogmatism or bias in the light, in each case, of a realistic assessment of the extent to which the private sector could make a better job of specific functions in the industry. Participants also said they hoped to see contractual arrangements provided, taking in all the structures and everyone involved so as to ensure the coherence and effectiveness so far provided by vertical integration.

In view of the complexity of the questions on the financial machinery, thorough analysis was out of the question. All participants stressed the constraints on the stabilisation funds in recent times.

The Community reminded the meeting of the Stabex contribution to lightening the financial burden of the West and Central African cotton industry [4] and the French delegation made some interesting suggestions about various stabilisation and guarantee systems — which it was not possible to examine in detail at that stage.

The debate was rapidly confined to the aim of guarantees (producers' incomes and State revenue) and market details. It was generally agreed that stabilisation systems should not shield the producer from the realities of the market, but offer protection against major upheavals on it by cushioning against changes in the economic situation. So price support should be fixed at a reasonable level in relation to market trends — signs of which should be apparent to the peasant — so as to encourage any adaptation.

Along the same lines, the donors' representatives said that, when the professional circles are organised, they should be more involved in the management of this stabilisation machinery.

At the end of the meeting, participants agreed that the French Government would continue to organise debates on cotton in West and Central Africa, on the understanding that discussions should now be held with the African countries concerned, either individually or collectively, with an eye to the problems of development strategy.

To conclude, the French initiative seems to have been a very useful one, since it made for a broad exchange of views on the problems of the cotton sector, without any excessive dogmatism in the positions the various people took up, thereby opening the way for possible convergence of the projected operations. ○ J.D.

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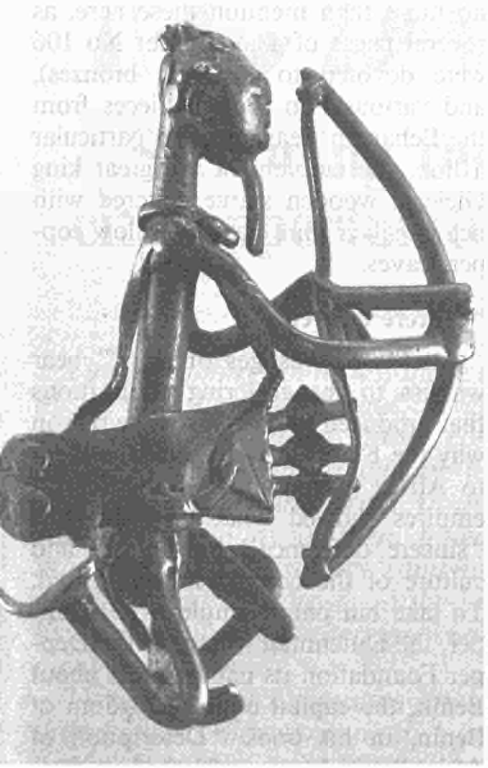
(3) *Cotton in Western and Central Africa — Situation and Outlook* — Etudes et Documents, Ministère de la Coopération (CCCE, CIRAD, SEDES, CFDJ).

(4) Stabex transfers (cotton) to West and Central Africa under Lomé I and II were worth CFAF 23.5 billion, with CFAF 10.5 billion being paid over in 1986 alone.

"Vestiges of glory"



Arts 135 - Paris

Archer, Akan (Ghana) bronze (height 8 cm)

"Aethiopia, vestiges of glory" was the title of the Dapper Foundation's exhibition in Paris this summer. Aethopia was the name given in many old maps, especially 16th and 17th Century ones, to what we now call Africa, and the exhibition was both a conventional display of works of art and an opportunity to highlight the problem of unofficial archaeological digs in Africa and the disastrous consequences they have on the continent's cultural heritage, and of the preservation and display of the finds as well as on our knowledge of history.

Arts 135 - Paris

A lion from the Behanzin-Fon treasure (Benin) — wood and silver (height 30 cm, length 45 cm)

Archaeology, key to the history of Africa

For every country, like Nigeria, which has a specific archaeological policy and the means with which to run it, there are many more whose urgent problems of survival are such that they cannot supervise, let alone organise, digs on their land or control what happens to the finds. In some cases, apparently, 90-99% of the objects found are illegally come by. Yet a scientific digging policy is the only thing that will shed light on the many enigmas of African history — which these piecemeal discoveries of terracotta and metal objects serve to heighten by giving the lie to questions that once seemed beyond doubt. Some so-called Dogon sculptures, for example, could well antedate the Dogon civilisation by many years. Some of Côte d'Ivoire's so-called Senufo arms could well come from royal tombs and in fact date from a pre-Senufo culture. Copper could well have been worked far earlier than is generally thought, as long ago as the 2nd millenium B.C. in Niger, while iron was worked over a far greater area than was originally believed. And so on.

Archaeology is a vital source of knowledge in Africa, not just about prehistory but also more recent periods on which the dearth of written documents is only partly made up for by the oral tradition.

So here is a paradox — man probably originated in Africa more than three million years ago, but the oldest written documents about it, by the Egyptians, are a mere 5000 years old and only refer to part of the continent. Other parts have only been documented over the past 100 or 200 years. But written evidence may be neither complete nor necessarily true, so it is archaeological research which can teach us most about Africa's long history. Yet with a few exceptions, archaeology is the poor sister, so that our knowledge of this history is, inevitably, fragmentary — "the disjointed puzzle of African archaeology", as it has been called. And, of course, it may sometimes be better not to investigate. What is the point of collecting objects that have been dug up by chance, and exposed on the topsoil for an unknown period, making dating impossible? This only adds to the confusion, particularly with such objects as, say, West African cut stones. The Dapper Foundation is right, therefore, to draw attention to the importance of scientific digging.

Some outstanding objects

Gathering a small collection of objects from different museums is not just a matter of putting beauty on display. It is also an opportunity to stress certain facts or the relations between them.

What stands out most here is the wealth of ancient African culture, e.g. that of the powerful empires which flourished after the 8th Century near the Sahara, the most famous ones, of course, being Ghana, Mali and Songhai. The title of the exhibition recalls their glory.

The continuity of the sometimes contested African artistic tradition is reflected in its archaeological discoveries. It is illustrated here by the Nok artefacts (5th-10th Century for known objects in terracotta, but it is thought that ironwork of this culture dates back to the 6th Century B.C.) which have some features — pierced pupils, for example — that reappear in the Yoruba (Nigeria) art which flourished more recently, in the 19th Century. And, in Nigeria, Beninese art could be linked with Ife art.

The authority of the chief is something else that digs have proved, since many a find — arms, carved ivory horns and canes, sceptres and thrones

— reflects the attributes of power. The Dapper exhibition featured Mende (Sierra Leone) and Lumbo (Gabon) horns, Kongo (Zaïre) and Mayombé (Congo) canes, Nyamwezi (Tanzania) thrones, Makaraka (Zaïre) and Odongo (Namibia) daggers and much more.

Symbolism is a third element. The horse or the rider, for example, trigger an association of ideas with "wealth, speed, elegance and grandeur" (B. de Grunne), be it from historical or mythical points of view. But this is not confined to art proper. Even everyday objects can be meaningfully decorated. "In societies that do not have a written tradition" writes E. Féau, "we should bear in mind that *everything* is writing... The shape of blades and the carying of daggers, the notched signs, the metal inlays, for example. So we have a Fang (Gabon) dress knife fashioned of wood, iron and copper, and a Baoulé (Côte d'Ivoire) sabre of wood, iron and gold.

Islam's influence on daily life in Africa can be seen in the statues of riders and is confirmed in the origins of riding vocabulary. The native way of riding before the Moslems came was apparently bareback, as illustrated by the old fact that on the one hand, equestrian statues have no saddles. One exhibit, for example, is a bareback rider, long thought to be Dogon (Mali) but which carbon dating has shown to go back to 1060, before the Dogon civilisation, so that it is more likely to be a Soninke piece. On the other hand, words of Arab origin are used in West Africa for harness and saddlery, while purely African ones are used for the horse itself (B. Grunne again).

The modern trend is shown by the tendency to replace traditional arms in carving by other weapons as a symbol of prestige, with guns replacing bows and arrows, for example. Statues of archers such as the Akan (Ghana) figures existed before the arrival of the Europeans but disappeared afterwards, being replaced by fighters with guns, even when they are images depicting ancestors living before the gun was known. The Bembé (Congo) image of an ancestor and Tshokwe (Angola) statuette depicting the legendary hero Tshibinda Illunga, the founder of an imperial dynasty, are examples of this.

Some of the exhibits are enigmas, in particular the very old Senoufo tin masks (Côte d'Ivoire) which probably came from royal graves carved out in the banks of a river, the course of which would have been altered for that purpose. The funeral chamber would then be blocked up and the river would continue on its normal course, its inviolability assured, and its existence brought to the attention of a happy few only by the planting of a tree in the neighbourhood. These masks are believed to date from the Senufo migration to Côte d'Ivoire which took place between the 11th and 13th Centuries.

Lastly, the exhibition included a number of bronzes produced by the so-called "lost wax" method, mainly from Nigeria and Benin (we shall do no more than mention these here, as several pages of The Courier No 106 were devoted to Nigerian bronzes), and various Fon (Benin) pieces from the Behanzin treasure — in particular a lion, the emblem of the great king Glele, a wooden statue covered with beaten silver on a base of yellow copper leaves.

"Sincere deference"

All these "vestiges of glory" bear witness to the glittering civilisations that produced them. This is the reason why the European voyagers who went to Africa at the time of these great empires showed what E. Féau calls "sincere deference" for the art and culture of the countries they visited. To take but one example — O. Dapper, the Dutchman who gave the Dapper Foundation its name, wrote about Benin, the capital of the Kingdom of Benin, in his book "Description of Africa" which was published in Amsterdam in 1686. He marvelled at the city and the palace, surrounded by an eight league wall (±32 km) and doubly protected by the surrounding marshes and 10 foot (±3.2 m) wooden palisade, saying that:

"The King's palace... is a set of buildings covering as much ground as the city of Harlem. There are several appartments for the Prince's Ministers and delightful galleries, most of them being as large as the Amsterdam exchange... The city comprises 30 main roads, very straight and 120 feet (±39 m) wide, and an infinite number of small transversal streets... The houses are... in neat rows... The Dutch have nothing to teach these people about cleanliness. They clean and polish their houses to such an extent that they shine like mirrors".

And O. Dapper gives us another lesson too. He assesses a culture other than his own with his own criteria dictated by his time, his country and his values. This is the approach now recommended by Congolese writer and former Minister Henri Lopes in relation to another Dapper Foundation exhibition ("Original masterpieces from Black Africa", in Paris, from October 1987 to April 1988): "it is high time", he says, "that we looked at these pieces, not with the eye of the ethnologist or anthropologist, but with an eye open to aesthetic considerations". o M.-H. BIRINDELLI

The Dapper Foundation

The Foundation, a non-profit-making body, was set up in Amsterdam in 1983 under the name of Olfert Dapper Stichting. It works closely with the Traditional Arts of Africa — Foundation Olfert Dapper, an association (Law of 1901) formed in January 1984 to group together the friends of African Art.

Its principal aim is to help improve the knowledge and preservation of pre-colonial Africa's artistic heritage, and for this purpose, it buys and keeps African works of art; organises or offers loans for exhibitions, in Africa in particular; awards study and research grants; finances study trips; offers support for publications; collaborates with other African arts museums and research centres and receives subscriptions and donations.

In late 1987, it was the co-publisher of "Original Masterpieces of Black Africa". Its address is: 50, av. Victor Hugo, 75116 Paris Tel.: (1) 45 00 01 50.


Arts 135 – Paris

Sculpture decorating the top of a dignitary's cane — Mayombe (Congo) — ivory (height 21 cm)

CTA Bulletin
TECHNICAL CENTRE FOR AGRICULTURAL AND RURAL COOPERATION

Stemming the rural exodus: city opportunities in the villages

by D. HOUNKONNOU (*)

The developing countries, those in Africa especially, have tried everything to stop the rural exodus. Several have attempted to slow it down by administrative methods more costly than efficient. Specific economic measures have been brought in, including projects and programmes for young people in rural areas, in the hopes of getting them to stay in the villages, but many of them failed to outlast the financing. There are many theories and studies, sometimes divergent, on the question, but they all agree that the answer to the problem means actually changing rural living conditions and therefore changing planning strategies and development programmes.

This is not an exhaustive analysis of the causes and effects of rural migration, as they vary so much from one country to another... The rural exodus has been used here as practical proof of the failure of certain development programmes, particularly those where production targets were given precedence (without always taking it) over improving the life of those living in the countryside.

The causes of the rural exodus are subject enough for discussion. Some people think the migrants are attracted by the towns (seeking jobs or financial resources) and others think they have been ejected from their villages (by natural disaster or a lack of prospects)... But they all agree that the phenomenon reflects the deteriorating conditions and inequalities of the countryside.

The effect of the rural exodus varies from region to region, too, and it can be greater or smaller than the natural increase in the population.

In spite of the reservations some studies make about the consequences of the movement on agricultural production, the FAO's last world food survey (1985) confirmed that it has major repercussions on the food and nutritional situation of the rural populations. The survey underlined the fact that "the attraction of the towns to young people explains why the rate of dependants, i.e. the number of very young children and old people directly dependent on people of working age, has doubled or trebled in the countries of Africa and the Far East. This is also why in many homes, in Africa especially, agricultural output is largely the job of old people and mothers of young children—something which brings down food production".

In spite of some financial compensation (for the lucky ones) for abandoned families, the weight of the rural exodus on the countryside is real. And despite the economic compensation the movement may bring to the urban areas, it is, with the surplus labour it involves, a source of many problems in the slums and shantytowns where the rural migrants go.

Assistance programmes for people living on the urban fringe try and provide an answer, but they absolutely must be integrated with the development schemes being run in the rural areas. Otherwise the situation will get worse through an excess of zeal, as the attempt to help "pseudo-town-dwellers" will only attract more people from the countryside.

Measures to help control urbanisation in African should include practical rural development schemes—which was the background against which the last UN conference on population (Bucharest, 1974) suggested boosting the development programmes.

But the basic question is how to design programmes that provide a better response to the needs of the populations concerned. We shall not insist on the development scheme analyses run along these lines which led to recommend peasant involvement and consideration of the people's needs today. And enough has been said about the development projects of the '50s and '60s whose sectoral approach showed economic limitations and even dangers. Integrated rural development project evaluation, the term used for the past 20 years, has revealed understanding and practical integration to vary considerably from one scheme to the next. In all cases, the admittedly difficult matter of integration of the economic and social objectives was almost never carried out. This is the challenge which the "rural regional development" approach intends to pick up, trying to provide the missing dimension by stressing not just the involvement of the rural populations but the development of the regional framework as well. In other words, this approach puts man back at the centre of development by trying to improve his environment in a general process of decentralisation of economic life.

Before looking at this concept, it is perhaps a good idea to see what the real problems are. Ensuring the development of rural populations means helping them to meet their basic needs themselves, in the light of their social and cultural values.

One of the teeming backstreets of Nigeria's mushrooming capital, Lagos

"The rural exodus... with the surplus labour it involves, is a source of many problems in the slums and shantytowns where the rural migrants go"

Vivant Univers

(*) Chargé de mission at the CTA.

Look at the countries of Africa today—even the most basic of these needs, food, is far from being met. An analysis of the present situation in the developing countries, in particular in Africa, indeed shows greater food dependence. Various factors involved are natural (disasters) and technical ones, problems in the international economic and commercial system... But there is also the fact that development policies are unsuitable. We have already highlighted the problem of the rural exodus and mentioned the effect it has on the food and nutritional situation of the rural populations.

And, over and above the needs of the base of the pyramid (food, health, housing, clothing and schooling), the peasants also feel they are concerned, and rightly so, with the others (security, leisure, respect etc.). How many planners and developers have not been thrown by some of the needs expressed by peasants who had (almost) nothing, simply because they were outside the normal framework of rural development?

Such needs are expressed in various forms, according to the social and cultural practices, which is why it is very difficult to take the different facets of their problems into account without actually involving the populations concerned. It is through the whole process, from planning through to implementation, that the concept of rural regional development offers that it caters for this complexity.

Let us first of all make it clear that the term "regional" means more here than the conventional plan for a simple regionalisation of the national rural development structures. The idea is to create economic zones which are relatively autonomous and can, by responding to the needs of the local populations, reduce or even remove the attraction of the big urban centres and stem the rural exodus.

Regional rural development is in fact "a multisectoral and interdisciplinary method of planning and implementation aimed at developing, exploiting and protecting local resources with a view to lasting improvements in the economic and social status of the people of a whole region".

It is a policy framework aimed, overall, at starting a process of self-sustaining development and thereby guaranteeing the people of a given region sustained improvements in their standard of living.

So economic growth has to be stimulated by a productivity and production increase, in the light of local conditions, while preserving natural resources and introducing appropriate technology so as to cover the needs of the local population better.

What is needed, therefore, is to create the conditions to meet needs that can be covered on an individual basis (food and clothing, for example) and set up the community infrastructure required to meet the other needs (health infrastructure, means of transport, socio-economic infrastructure, schools, leisure equipment as defined by the recipients etc.).

Rural regional development is founded on basic principles and lays down the requisite outline conditions, areas of intervention and the means of planning and implementation.

It means that relatively more attention, in the light of the conditions of the environment in question, must be paid to the most underprivileged rural classes. However, this should be done carefully, otherwise there is a risk of crystallising or accentuating the initial inequality.

One principle that holds good in all cases is that of concentrating on real target groups—of individuals identified as being in a similar situation as regards resources and constraints. Since the rural population is bound to be heterogeneous, the various groups that go to make it up can only be mobilised in the light of recognisedly similar interests.

It is on an analysis of the needs of these groups (smallholders, women, young rural dwellers etc.) that the projected support measures should be based.

Then there is the principle of target group involvement. Participation is fashionable and for some time now it has always appeared in evaluation reports and development speeches. But it is still only one more pious hope if it is not really integrated into the methods of planning and implementing development projects or programmes. The participatory approach recommended by rural regional development, as already mentioned, means that both needs and interests and the initiatives and efforts of the beneficiary groups and institutions can be taken into account.

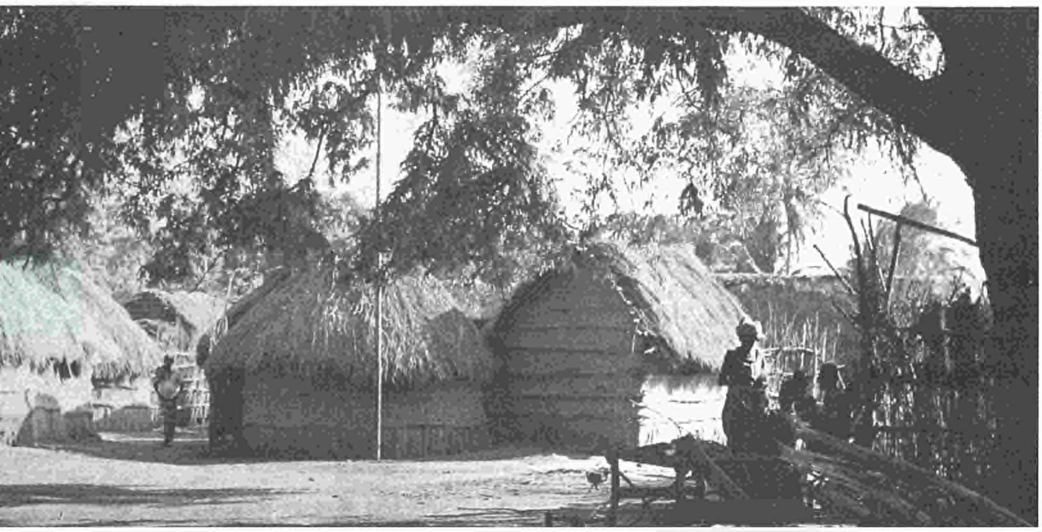
Rural regional development, lastly, involves the principle of seeking lasting improvements in the living conditions of the beneficiary groups by gradually installing the instruments needed to consolidate the achievements.

It goes without saying that the approach and the principles thus described would be theory alone, never leading to practical schemes, if the structural environment prevented it.

The implementation of rural regional development in fact means that the policies of the countries concerned have to reflect the genuine needs defined with the target population. So it is important to realise that there has to be genuine political will to overcome the usual inertia attendant on the problems of coordinating the various ministry departments—the first victims of which tend to the people themselves.

A village in the Gelib region, Somalia

"Ensuring the development of rural populations means helping them to meet their basic needs themselves, in the light of their social and cultural values"



Vivant Univers

And the economic framework has to meet the demands of the concept. It has to encourage the production of goods and services that will meet the fundamental needs of the population and make recourse to private initiative possible. It has to make for decentralisation of economic activity so as to create a regional economic life, with the appropriate institutional, material and social infrastructure and the right tax system. And the economic framework should encourage an agricultural policy to the benefit of the target groups, with a proper price policy.

The administrative and legal framework, too, should undergo considerable and efficient decentralisation so the regional authorities can ensure the vital dialogue with the target groups and have the room for manoeuvre needed to plan and implement the chosen schemes.

And throughout this process, it is of prime importance to take account of the socio-cultural framework and to respect differences so the populations really can flourish.

Lastly, the natural framework should guarantee availability of the exploitable resources—preservation of which should be ensured by the appropriate measures. This is of vital importance and, bearing in mind the ecological consequences of certain development projects, it should be the subject of particular attention.

We shall not linger over the various fields of intervention of rural regional development—technical and socio-economic ones which should be chosen, in the light of the stated principles, so as to respond to the needs of the target groups. The accent, outside the agricultural sector, should go on developing craft and small industry so as to create productive non-agricultural jobs, process agricultural produce and improve the purchasing power of the rural population.

The instruments of planning and implementation should also be in line with these principles—implying partnership at all levels, not just between cooperation agencies and intervention structures but (and this is most important) between intervention structures and rural populations. As far as the latter are concerned, stress will go on social and professional organisation schemes and on the training operations that are decisive if they are to play their rightful part in the context of rural regional development and gradually but genuinely shoulder their responsibilities.

Planning development with the populations concerned, acting with them to improve their living conditions and laying the foundations of lasting economic life in the countryside is really providing in the village most of what the rural populations look for in the towns.

It does not mean simply transferring urban conditions to the village and running the risk of bringing with them the evils of the city that make nostalgic citizens yearn for "the good things of village life". On the contrary, it means safeguarding these sound values and laying the foundations on which the social shape of the African village can be changed into an attractive way of life and a genuine focus of development.

This is what rural regional development wants to do. It is no panacea, but it suggests basic guidelines along which development projects and programmes can be designed. Those which are already following them have not been going long enough for any evaluation to be significant. And "the fact that their effects will only be felt in the long term makes them vulnerable, as they are likely to fall victim to impatience... which wants rapid results. But there is reason to hope"(1).

One day, a political leader did us the honour of attending a bonus presentation ceremony, at our invitation, in an agricultural cooperative. Obviously struck by the large sums the peasants were pocketing, he said: "If that's the way it is, what are we doing in the town?" That isn't exactly how it is yet, because such cases are rare, but this desire for urban exodus, a dream, seems already to be coming hesitantly to life here and there... And if this new movement gained ground, it would be a big step towards economic and social development. o

D.H.

(1) CERES, FAO, No 99, 1984.

These ideas emerged at an international seminar on rural regional development which the GTZ ran in Cotonou (Benin) on 23-30 October 1986. The CTA took part in this meeting. Readers interested in the basic documentation should contact:

GTZ
Service 131 (Rural regional development)
Postfach 5180
D-6236 ESCHBORN 1
West Germany

Recent CTA publications

Manual of Poultry Production in the Tropics
(Handbook, 19 × 24 cm, 119 pages)
Translated from the IEMVT Manuel d'aviculture en zone tropicale, 1983.
Co-published with IEMVT and CAB International.

Tropical Agriculture Information Sources
Volume I. European Community. (Directory, 18 × 23 cm, 181 pages).
Available also in French.

Maize
By Guy ROUANET (Handbook, 14 × 22 cm, 102 pages)
Co-published with Macmillan, UK, under "Tropical Agriculturist".
Series French version co-published with Maisonneuve et Larose.

Plantain Bananas
By Hughes TEZENAS du MONTCEL. (Handbook, 14 × 22 cm, 106 pages).
Co-published with Macmillan, UK, under "Tropical Agriculturist"
Series French version co-published with Maisonneuve et Larose.

Improving Citrus and Banana Production in the Caribbean through Phytosanitation
(29 × 20 cm, Seminar Proceedings, St Lucia, December, 1985, 274 pages).

Primary Animal Health Care in Africa
(Synopsis of a seminar, 17 × 24 cm, 28 pages).

Le Manioc
(Manuel pratique de la culture du manioc) par Pierre Silvestre.
(Handbook, 17 × 12 cm, 120 pages).
Co-published with Maisonneuve et Larose.
«Le Technicien de l'Agriculture Tropicale».

Food Composition Table
(Poster, 45 × 90 cm)

Atlas: Elevage et Potentialités Pastorales, Burkina Faso
(Maps at 1/500 000 and 1/2 000 000, 82 × 66 cm, 28 pages).

Technical Centre for Agricultural and Rural Cooperation (CTA), "de Rietkampen", Galvanistraat 9, 6716 AE Ede,
Postal address: P.O.B. 380, 6700 AJ Wageningen, The Netherlands, Tel.: (0) 8380 20484 / Telex 30169

"Cease being polite"

Congratulations on the content of that editorial (p. 70 of The Courier nº 102) and on putting together an excellent Dossier. The theme of the Dossier represents a welcome fresh approach by The Courier, and I hope reflects a fresh approach by its sponsors — though this latter may be too much to hope for just yet.

For far too long, it seems that The Courier's contribution to the debate on world poverty (in the countries selected for ACP membership) has been restricted to extorting money from First World nations. Moral blackmail in a good cause is of course perfectly legitimate, but The Courier does the cause a disservice by glossing over the plain fact that too much of the money is misspent or stolen by the respresentatives (self-appointed, in many cases) of the intended recipients. The truth of the old charge that foreign aid is "a transfer from the poor people of rich nations to the rich people of poor nations" is tacitly accepted.

International charity (I include loans; these are no sooner received than there is a clamour to cancel them) can only be an ad hoc solution, and needs to be widely recognised as such. Private investment is not just one long-term solution, it is the only conceivable one.

How to promote it? One way is not to tell lies about it. For every foreign investment project that flourishes in Africa, I would guess ten fail and another 500 never get off the ground. It does no serious good to write in glowing terms of the one success; it may do some good to publicly castigate the reasons behind the failures.

Over the 15 months or so I have been reading The Courier I have been nauseated by some of the obsequious interviews.

Might I make the following specific recommendations concerning The Courier's future reporting:

1. Cease being polite to non-elected Presidents or their cronies. Interviews should be far less deferential, and should be preceded by reports of countries' distance from genuine democracy.

2. All country reports should contain brief articles on local corruption, and summaries of, say, the past 10 years' foreign aid and loan receipts and analyses on how efficiently and effectively they have been used.

3. Freely criticise bad economic practices, instead of glossing over them; e.g. over-valuation of currencies, bureaucratic red tape. Page 89 of Issue 102 lists a few joint-venture successes; each report should mention the difficulties that had to be overcome, and how long each project took to negotiate.

4. Stress in each issue the virtues of the free-market economy compared with socialism. I assume from the usual content that most of The Courier's staff are in fact strongly committed socialists, but even they ought to be able to see that this philosophy has been extremly harmful to undeveloped countries — politically as well as economically; central government control is the very stuff of dictatorships.

5. Divide The Courier into sections: African, Caribbean and Pacific. I realise ACPs' sole reason for existence is to bring together the world's black-skinned peoples, and I don't really want to challenge what I suppose is a worthy idea (if a somewhat dangerous one). However, there is a limit to how much interest the Caribbean peoples can be persuaded to take in their non-Westernised distant cousins in Africa, much less in those western Pacific countries judged to have a sufficient degree of blackness in their pigmentation.

All the ACPs' Caribbean island territories have completely Western values. We have nothing in common with Africa except in ancestral culture, and nothing in common with the Pacific at all. Not only aren't we interested in reading about those places, we are trying to eliminate divisions within our own region. The questionnaire sent with Issue nº 100 should have asked us to rank on a scale of 1-10 our interest in reading about a) the Caribbean, b) Africa and c) the Pacific. I would guess your Caribbean would have been: 10, 1, 2 — with probably corresponding responses from the other regions.

Gordon E. G. Barlow, Cayman Islands

About No 105

May I express my extreme indignation at the tendentious and fallacious statements you make in your 105th issue report on Rwanda.

I am African and I am against this imperialist campagin aimed at dividing the Africans. For several decades now the whole of the West has been down on the Tutsi, trying to give a false picture of them through information, on which they have a monopoly, very probably with a view to justifying all the ills it has done them.

Every historical fact you print is false and without any foundation in scientific fact. Even the ethnic statistics are purely imaginary — and everyone is aware of it because Rwanda is not alone in Africa. The policy of divide and rule was born with colonialism and it survives with neo-colonialism.

I have neither the time — nor indeed the intention — to demonstrate it to you here. But what I do want to say is that we Africans, and Europeans even, who are not naïve (and make no mistake about it, there are plenty of us) and who have known the Tutsi, that traumatised people spread across the world, their families torn asunder, have a very good impression of this tortured people. Personally, I have never seen such a hard-working, intelligent, brave and noble tribe as the Tutsi who are, undeniably, one of the great peoples of Africa... and I am not surprised to see they have not won the sympathy of the imperialists.

Lastly, I should like to draw your attention to the great responsibility the West bears, before history and the conscience of all mankind, for the wrong it has done and is continuing to do to this people.

I should go carefully if I were you, because the wind may change direction. Where I come from, the wise say that if you chase a man too long, he stops being afraid. And they also say that a people never disappears.

Karimunda Ndimubanzi, Libreville, Gabon

THE CONVENTION AT WORK

Also in the yellow pages

IV. Social Partners' meeting
VI. EDF financing
IX. Visits
XII. ACP Embassies
XIII. Emergency aid
European Community
XV. Europe's leaders in Copenhagen
EEC Development Council

The 43rd ACP Council of Ministers
A welter of problems

The end-of-year ACP Council of Ministers is traditionally referred to as the Budget Council. Anxiously awaited by those whom it primarily concerns—the staff of the ACP General Secretariat and the Member States who have to foot the bill—the session is usually drawn out. But the 43rd ACP Council of Ministers which took place in Brussels from 23 to 25 November last year was nothing of the kind. Apart from discussion of the recommendations of the Committee of Ambassadors on the review of staff conditions of service, which took quite some time and which were sent back to the Committee with instructions to finalise them by 15 March this year, the 1988 budget was, to the surprise of many, unanimously endorsed in a matter of seconds.

Much of the Council's time was devoted to issues of substance, although it was somewhat handicapped by incomplete sub-committee reports which should have provided the bases for more serious and fruitful debate. Such was the case, for example, with the report of the meeting of the National Authorising Officers held in Brussels in July, from which experiences gained in the implementation of the previous and the current Conventions would have been at hand, or even on the meeting of ACP-EEC trade operators in Harare, Zimbabwe, where the constraints on investment were obviously discussed.

Frustration and worries

Months away as the Council is from the start of negotiations for a successor convention to Lomé III, ACP concern in the various areas of cooperation with the European Community—trade, finance and technical cooperation, the vexed issue of apartheid, etc.—was expressed with a certain sense of frustration at the lack of solutions to contentious issues. Some talked of the consultation procedures, as provided for in the Lomé Convention, not being followed before decisions affecting them were taken.

The Council's worries are legion. It is concerned about the Commission's proposal to impose duties on edible oils and fats which, the Council says, will affect ACP competitiveness in the Community market. It wants the Community and its Member States to reject the proposal. The Council also finds "unacceptable" the levy imposed on ACP molasses—a product which earns the 12 or so countries that export it to the Community some ECU 50 m annually. It is asking for the suspension of the measure. It points out that beet pulp pellets which have a substantial molasses content are imported from third countries into the Community without a levy. The Council fears new Community law rules and regulations will affect ACP exports to the Community of such products as sorghum, rice, yams and tropical wood. It rejects the proposal by the Commission to lower the levels of cadmium in fertilisers and other by-products of phosphate used in the Community—a move the Council sees as likely to deal a devastating blow to Senegal and Togo whose economies depend a great deal on phosphate; it still faces the endemic problem of sugar, where the demands are mainly for an increase in the quantity of ACP sugar eligible for export to Portugal following that country's accession to the EEC and the request for the accession of Zambia and Papua New Guinea to the Sugar Protocol and their allocation of "economically viable quotas". The ACPs, apparently, are not making specific demands yet on prices. The Council is unhappy about the coming into force in the European Community as from 1 January 1988

MAPEZ

The Council in session in Brussels. At the centre is Mr Faaso'otauloa Saili (Western Samoa), current President of the ACP Council; on his left is Ambassador Sylla (Guinea), Chairman of the Committee of Ambassadors and, on his right, Edwin Carrington, Secretary-General of the ACP Group of the aircraft noise standard of the Chicago Convention which effectively disqualifies a number of African airlines from using EEC airspace. The ACPs estimate it would cost over US$ 10 million to convert an aircraft to meet the required standard. They want urgent discussion with the Community to consider ways of helping ACP airlines overcome the problem created by the new rule and for the EEC to grant, meanwhile, a derogation beyond 31 December 1989, on a case by case basis, to ACP States' airlines. The Council recognised the Commission's Directorate-General for Development's positive approach to the matter but felt that the Directorate-General for the Environment should be better informed about the new aircraft noise regulation as it affects the ACP States.

With a general feeling of the scale of problems in their trade relations with the Community, and their fear that the Uruguay Round of the multilateral trade negotiations could erode their advantages on, and interest in, the Community market, the ACPs are likely to make the trade provisions of the Lomé Convention one of the main talking points at the ACP-EEC Council of Ministers scheduled to take place in Mauritius in May.

The green light for the Common Fund Agreement

The statement to the Council by the Secretary-General of UNCTAD, Mr Kenneth Dadzie, must have come as a welcome relief as far as international trade was concerned. Mr Dadzie outlined to the Council the main elements of the Final Act of UNCTAD VII which was adopted by consensus last summer in Geneva—a conference he described as positive, non-confrontational and constructive. Of particular interest was his announcement that, as a result of additional signatories and ratifications, the Common Fund Agreement for commodities (the first fund component of the Agreement) will come into force early this year. He urged those ACP States who have subscribed to the Agreement and have not signed or ratified it to do so as quickly as possible. On international trade in general, Mr Dadzie said that one of the positive steps in the Final Act is the suggestion that "governments should consider, as appropriate, the establishment of transparent mechanisms at the national level to evaluate protectionist measures in the context of the national economy as a whole and also of their effects on the export interests of developing countries". He urged ACP countries to explore the possibilities for expanding trade with the socialist countries of Eastern Europe, given the economic reforms under way in that part of the world. This would enable them to diversify their sources of export earnings.

Some ACP delegates, however, were sceptical about the effectiveness of the Common Fund Agreement which they suspected would be sabotaged through the mechanism of its second fund by some industrialised countries. They were, not surprisingly, more interested in the operations of Stabex which the Council agreed is one of the most important instruments of the Lomé Convention and the most far-reaching ever devised by industrialised countries to help developing nations. The Council was concerned about the Community's refusal to grant the derogation of "all destination" requested by Sudan, Tanzania, Uganda and Mozambique in their claims. It is concerned about the proper functioning of the system and the refusal of the Community to meet the outstanding claims for the 1980 and 1981 years of application. The Community, it feels, is under an obligation to meet them and the Council would not be unduly perturbed if balances remaining at the end of Lomé III are used for settlement, or if unallocated and/or non-programmable resources under the global EDF resources, including interest earned from them, are utilised.

The Commission's initiative involving ECU 100 m to help sub-Saharan countries most in debt was welcomed by the Council, which nevertheless wanted more concrete action in consultation with the ACP General Secretariat and the Committee of Ambassadors. The Council believes that the European Community could use its influence on international financial institutions to be more flexible on the rescheduling of existing private and official debts of ACP States.

A successor Convention

Notwithstanding these and other problems which the Council was unable to deal with and had to refer back to the Committee of Ambassadors for further examination, ACP delegates had time to exchange views on the "political perspectives for a successor Convention to Lomé III", following an exploratory note to the Council by the ACP Secretariat. The note raises a number of questions: firstly, whether the geographical limits of the Convention, i.e., the 66 ACP States plus the eligible overseas countries, territories and dependencies of one or other EEC Member State should or should not be extended to include such countries as Haiti and the Dominican Republic which had applied for membership; secondly, whether the Convention should be for a duration of five years or for an indefinite period with a "five-yearly renewable financial protocol"; thirdly, whether it would not be possible for some ACP-EEC meetings, for example the Joint Assembly, to be held once a year and whether it would not be reasonable to avoid the creation of more institutions and to make the existing ones function more effectively. The note wonders whether, after a decade or more of emphasis first on infrastructure and then on agriculture and rural development, in which infrastructure also features prominently, the time has not come for "fundamental reflection on the central thrusts of the next ACP-EEC Conventions".

In the exchange of views that followed, the failure of previous Conventions to solve the economic problems of the ACP States were emphasised. It was, for sure, admitted that the Conventions were only the contributions of the European Community to the economic development of the ACP States. The Conventions alone cannot solve their problems but their impact had not been great. Some spoke of the continuing time-lag between financial commitment and disbursement. Others were convinced that as long as the ACP States found themselves in the vicious cycle of debt (endless servicing and repayments), all attempts at economic recovery or development would remain illusory. This "financial haemorrhage" as Ghana's Secretary for Finance and Economic Planning, Dr Kwesi Botchwey called it, must be stopped. They see the issue of debt-repayment featuring in the next Convention.

If the majority of ACP States admit shortcomings in the management of their economies, they cannot run away from the issue of restructuring. The Deputy Prime Minister of Jamaica, Hugh Shearer, urged, in this regard, that the objectives being pursued in Lomé III should be maintained for the fourth Convention with an additional provision for structural adjustment. And if it was necessary for the ACP States to restructure their economies, he said, it was equally necessary that the structural adjustments taking place in the Community should not be allowed to have negative effects on the ACP States.

Senegal has meanwhile offered to host a special ACP meeting in Dakar on a successor Convention. The Council took note of this, although it is not yet known on what level such a meeting would be convened.

On the political front, the Council was briefed by Mr Hugh Shearer on the outcome of the meeting of the ACP Ministers of Foreign Affairs in Kingston, Jamaica, in October, in particular the declaration that emerged from it on human dignity and the ACP programme of action against apartheid. Speaking on behalf of the Frontline States, the Zimbabwean Minister of Commerce, Dr O. M. Munyaradzi, thanked the ACP Group for its steadfast support in the fight against apartheid. He regretted, however, that at a time when there was widespread clamour for the severing of links with, and for sanctions against, Pretoria, there were some African countries willing to restore those links. He did not name them but emphasised the need for the ACP States to implement, themselves, the very measures they have adopted and are calling upon others to implement. The Zambian Minister for Commerce and Industry, Mr Jameson Kalaluka, tried to explain the vulnerability of the Frontline States vis-à-vis South Africa — the colonial "apron-string" to which they have been tied, and from which they have been struggling to free themselves.

The Council did not hesitate to adopt the Kingston declaration and programme. It reiterated the view that words alone were insufficient from the Community, action was needed to eliminate apartheid. It also repeated its demand for a meeting as soon as possible of ACP-EEC Foreign Ministers on the issue. And, in anticipation of this, it appointed 12 ministers (two from each region of the Group) to meet their European counterparts as soon as possible. ○ Augustine OYOWE

Kingston Declaration on Human Dignity and the ACP Programme of Action against Apartheid

On 29 and 30 October ACP Foreign Ministers met in Kingston, Jamaica, to examine the situaton in South Africa and in Southern Africa, and adopted a Declaration on Human Dignity and an ACP Programme of Action against Apartheid. At a press conference in Brussels to mark the publication of the Kingston Declaration, Ambassador Sylla, Chairman of the Committee of ACP Ambassadors, called the meeting a milestone. In its 12 years of existence, the ACP Group had never convened a meeting of Foreign Ministers; and never before had a call gone out to the EEC to hold a joint Foreign Ministers' meeting to be devoted to the single issue of apartheid. The meeting at Kingston was a natural consequence, explained ACP Secretary-General Edwin Carrington, of the failure of the Vancouver Summit of Commonwealth Heads of Government, to agree on an intensified programme of sanctions. There seemed to be a feeling of 'sanctions fatigue' and it was this feeling that the meeting in Kingston was set up dispel. Taking up the theme of ACP self-reliance, Mr Carrington saw that sanctions were another field in which Africa would have to take the lead in solving its problems. He recalled the doughty Jamaican fighter for equality and dignity, Marcus Garvey (whose centenary it was in 1987) and who called on the African race to fulfil its destiny in Africa, America and the Caribbean. "It was the spirit of Marcus Garvey which was behind the Kingston meeting" he said.

The Kingston Declaration and Action Programme reaffirm the commitments to equality and dignity made in Annex I of the Third Lomé Convention, call on the EEC to ban new investment and loans to South Africa, speed disinvestment, and call on ACP States to cut any remaining links with South Africa and step up their financial contributions to bodies fighting to end apartheid. Specifically, the Programme declares that the ACP States are ready to adopt a programme of measures to reinforce those already taken and in the context of their collective commitment to the application of global and mandatory sanctions, agree to promote urgent action for:

— a ban on air transport links with South Africa;

— a ban on trade relations with South Africa;

— severance of all other relations with South Africa.

ACP Foreign Ministers did, however, make the point that "because of their geographical location or of their historical links with South Africa and their dependency" certain ACP States might not be able "to apply immediately those sanctions" and stated that they should be provided with the necessary help, financial and other, to wean themselves from those links. ○ *T.G.*

Annual Conference of ACP and EEC Social Partners

'An action-oriented programme'

It is always a stimulus to debate and reflection when the body debating and reflecting finds itself inside a constitutional framework that holds the promise of action at the end of the day. And the quality of debate at the 11th Annual Conference of ACP and EEC social partners held in Brussels on 26 and 27 November, was a reflection of that fact. The social partners meet each year, but as Fons Margot, Chairman of the Economic and Social Committe pointed out, this was the first time that the meeting was a preparation for the ACP-EEC Council's consultation meeting with social and economic partners in accordance with Article 23 (2) of the Lomé III Convention. Delegates from all kinds of ACP and EEC social and economic groupings, employers, trade unions, business groups, cooperative unions, debated the theme 'Private Investment in ACP Countries' and emerged with a 27-point resolution which should have some influence on the way private investment is tackled in the future, and, even as many of the 150 delegates pointed out during the debate, on the position of private investment in the Lomé IV Convention.

Messrs. Ghebray Berhane and Giovanni Bersani, co-Presidents of the ACP-EEC Joint Assembly, co-chaired the animated and constructive two-day session, and after the opening speech by Fons Margot welcoming the delegates, both of them did much to set the tone of the discussion. Mr Bersani spoke of the need to create a climate of 'confidence and relevance' both in institutional and economic terms, and stressed the new constitutional 'relevance' of the social partners' discussions — they would have some six months in which to draw up for the Joint ACP-EEC working party a 'concise and concrete' set of steps which would help to strengthen the private sector. Mr Berhane, in a brief address which, he said, was just a chance to share a few ideas with delegates, stressed the need for 'an action-oriented programme'. He urged delegates not to spend time debating the merits or demerits of private investment, but to work to get two major points clarified as quickly as possible for the ACP-EEC Joint Working Party — a guarantee scheme for private investment and the mechanism for mobilising private capital. Ambassador Sylla of Guinea, Chairman of the ACP Committee of Ambassadors evoked the dismal backdrop to the discussions — the heavy ACP debt burden, the falling world prices for ACP raw materials and the difficulties of market access for ACP manufactures. He saluted the Commission's recent ECU 100 m extension of the special import programme for heavily-indebted countries and urged delegates to come up with proposals that were attractive to investors, armed with suitable guarantees and simple to operate. Mr Olsen, Danish Secretary of State for Development, speaking for the EEC Council Presidency, made it clear that in tackling the problem of private investment, there was no predisposition to consider the private sector as necessarily more virtuous or more effective than the public sector. "Discussions on the role of the private sector" he quoted from the paper before the meeting, "should not constitute by any means the imposition by one group of countries on another of systems, models or priorities which were not freely chosen". He underlined the fact that while he did not doubt that 'a healthy and prosperous private sector was important for balanced, successful development, an efficient public sector provides a favourable framework...' He then referred to the joint ACP-EEC Working Party's monitoring of the investment chapter of Lomé III, to whose work this meeting should prove a valuable input.

Broadening the debate

Mr Fairclough, Deputy Director-General for Development at the Commission, gauging the nature and composition of his audience, ranged well beyond the strict framework of the debate. 'The investment of money is not of itself enough. The investment of time and skills; and investment in training and the transfer of know-how may be just as important'. he said. And he went on to explain how official initiatives — EEC, bilateral or ACP Member States' — could not unlock the true development potential of either side by themselves. 'It seems to the Commission' he said 'that we in the Community ought to be trying to foster what Mr Natali has called polycentric cooperation — cooperation which can be built up between, for example, regions and towns of Europe and their counterparts in developing countries; between institutions or non-governmental organisations; between municipalities, public utilities, Chambers of Commerce, private companies, trade unions; between universities and schools; in a word, between all elements in our societies who, by developing free-standing horizontal links, could greatly expand the scope and richness of development cooperaton.'

He then returned to the theme of private investment, and shared with the delegates some thoughts on constraints to European investment which were the subject of a recent Commission study (see Dossier in Courier N° 102, March-April 1987). These constraints included 'failure to abide by undertakings given; restrictions on the employment of expatriates; restrictions affecting the return of foreign capital; and various protectionist or restrictive measures'. But, he added, if that sounded gloomy, the research also showed that while only 1-2% of European firms contacted were engaged in industrial cooperation, some 10% were interested in doing so, and the proportion of small and medium-sized enterprises was as great if not greater than that of the multinationals.

The two rapporteurs of the report laid before the meeting, Messrs. Antonio Neto da Silva and Tom Jenkins, went through the major economic and social aspects. One of the most important points — and one which was repeated throughout the two days of debate — was that investment could not, and should not, be at any price. As Mr Jenkins said 'we are talking about the long term here, and not the fast buck.' His proposals, enshrined in the social section of the report, echoed Mr Fairclough's warning that financial investment was not the whole story. Vocational training, adherence to the ILO Code of Conduct (the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy) and the rights of workers to bargain collectively must be safeguarded, he explained.

Some success stories

After this broadening of the debate, it was time to hear about the experiences of those organisations which have experience of investing, or of promoting investment. Mr Jens Riskaer of the Danish cooperation finance company, IFU, (for an example of their operations, see Courier N° 102 pp 98-99) began by endorsing the conclusions of the report, which wanted to see a balance of private and public investment. He was, he said, a fervent partisan of joint ventures which, were 'a very efficient tool for private sector development.' He spoke of the importance of pump-priming funds at IFU's disposal, and reckoned that for every Danish Kroner the IFU put towards a project, it mobilised 8 more Danish Kroner from the private sector.

Jens Mosgard, Deputy Director of the Centre for the Development of Industry (CDI) gave a short but informative presentation of the work of the Centre. Unlike the IFU, they had no start-up funds, but they made up for this by a staff of experts whose practical knowledge and experience was able to put together those small and medium-sized enterprises that could spell employment and technology transfer in the ACPs. He expressed his gratitude that the Social Partners were tackling this issue at such a time of profound change in attitudes.

The debate becomes general

As the debate opened out, it became evident that there were a number of themes that needed to be hammered home. Mr King of the Vanuatu Chamber of Commerce pointed out the tension that existed between the banker and the entrepreneur — 'the banker must go for safety, and the entrepreneur for risks.' — and felt that only institution-building would be able to overcome the inherent tension. Mr Moukoko-Kingue of Cameroon pointed out another area of tension — agriculture. Lomé III had highlighted agriculture, and the need to make it profitable, and many speakers had made the point that it was full of investment potential. Yet, he pointed out, 'in rich countries like the USA and the EEC Member States, it was the object of gigantic subsidies. If this were the case, how could it have potential in the poorer ACP countries?'.

Investment guarantees also raised problems. Investors wanted guarantees to cover the risks. Mr Sada-Diallo, of the Mali Employers' Federation wanted to know how the poor governments of poor countries were expected to guarantee investors in advance against the risks which were inherent in a commercial deal. He saw four risks as paramount — 'political stability, the validity of the project, the stability of the ACP partner firm, and the export of profits.' In his view, only the last was in any way susceptible to guarantees.

Mr Anacoreta Correia, Head of Division in the Commission's Directorate-General for Development, pointed out that the opportunities at the disposal of private investors were not always used to their full capacity. He said that the paramount need was to cut red tape and to reduce the time-lags which so discouraged the European investors.

Numerous delegates rehearsed the reasons for the ACPs' relative lack of appeal to European investors, many of them all too familiar: small, fragmented markets, insufficient purchasing power, lack of statistical data. One argument, from Henri Georget of Niger was supremely depressing — 'We Africans have for long disdained manual labour.' Mr Staratzke, a veteran of the Social Partners meetings, was prepared to enumerate some actions to be taken. He proposed reinforcing the CDI and giving it an information network, the setting up of an EEC guarantee agency and the institution of tax relief in Europe for European investors.

The final resolution covered all the ground which had been the subject of debate — and debate of a high level — and rehearsed all the desiderata for stimulating investment in the ACP countries. The Social Partners could be satisfied with their work, work which the ACP-EEC Joint Working Party will now have to translate into proposals for action. And if that action is not deemed sufficient, Mr Berhane reminded participants, there was always next year and the run-up to Lomé IV. Investment was a subject, as Mr Fairclough had pointed out, 'too important to be left to politicians and civil servants'. In an increasingly polycentric environment, the Social Partners were a vital and vocal source of input. ○ T.G.

Resolution

to be forwarded to the joint ACP/EEC bodies, the institutions of the European Community, ACP and EEC socio-economic operators, and National Authorising Officers in the ACP countries.

* * *

The conference participants:

2. stress that, with such a multiple-track approach to cooperation and development, the public authorities and all the non-official groups should be able to provide effective support for the various development measures. Direct cooperation between non-governmental ACP and EEC operators can make a valuable contribution here;

5. recognise that private investment must pursue an objective which is of benefit to both the investor and the development of the host country, especially as regards employment and vocational training. Investors must adhere to the ILO Tripartite Declaration of Principles on Multinational Enterprises and Social Policy; governments are urged to ratify and implement the conventions on the freedom of association and minimum social standards;

9. consider that ACP indebtedness is one of the main obstacles to development and to private investment, and recommend that urgent and effective solutions to this problem be sought at world level;

14. stress that unfavourable bureaucratic systems and legislation are liable to discourage private investment;

15. consider that the best form of private investment is the joint venture, which enables an optimum transfer of technology to the host countries and the training of entrepreneurs. The Centre for the Development of Industry and other international organisations can play a greater and better-adapted promotion role in this system;

16. consider that cooperatives should be covered by the private investment concept as joint-venture partners in the ACP and EEC countries, and as management agents and consultants;

22. point out that trade circles must be involved as of now in the work of the Centre for the Development of Industry and the Technical Centre for Agricultural Cooperation, and urge the early organisation of a meeting with the ACP/EEC Council, pursuant to Article 23 of the Lomé Convention;

23. recommend that the next conference be devoted, at least in part, to a stocktaking of the implementation of the Lomé III Convention, with a view to the drafting of its successor, with special reference to the role of the socio-economic organisations;

24. recommend that effective steps be taken to implement the measures set out in this Resolution and those which were approved at the tenth annual conference but which have not yet been applied, and suggest to this end that the ad hoc Joint Committee meet twice a year, inter alia to monitor progress in this matter and have the necessary discussions with those having responsibility for implementing the Lomé Convention. ○

EDF FINANCING

The Commission has approved financing for the following projects, after a favourable opinion from the EDF Committee.

Niger

Rehabilitation of the Mainé-Soroa Medical District
Fourth EDF
Grant: ECU 779 000

The idea here is to help improve public health in the Mainé-Soroa district by boosting the development of the services offered to the population by the health units that make up the medical district.

The project is in two main parts:
– improvements to health infrastructure;
– improvements to health service management and operation.

Gambia

Development of artisanal fishing
Sixth EDF
Grant: ECU 3 000 000

The aim of this project is to develop the artisanal sea fishing sector. It follows on from a smaller scheme which, when evaluated, pointed the way to these activities as a way of solving the present problems in the sector:
– increasing the size of the fleet;
– improving fishing techniques;
– improving the conservation, handling and processing of fish in the light of environmental protection demands;
– creating proper marketing conditions.

The project will be run in six target villages on the Atlantic coast south of the River Gambia (Western Division).

Ghana

Rehabilitation of small rice plantations in Dawhenya
Sixth EDF
Grant: ECU 2 400 000

This scheme, aimed at rehabilitating the irrigation facilities on small rice plantations in Dawhenya, as part of the drive to improve Ghana's irrigation subsector, should improve the returns of the present system by improving the material infrastructure, providing the farmers with easier access to the various auxiliary services, setting up autonomous organisation and management and meeting the farmers' needs.

It is in line with the schemes geared to supporting the Ghanaian Government's rural policy. It should enable 245 ha of rice plots to be rehabilitated as part of the present Dawhenya irrigation operation and supply the farmers with the agricultural input and services they need for more effective production.

Congo, Gabon, Equatorial Guinea, São Tomé and Principé and Zaïre

Development of fishing in the Gulf of Guinea
Fifth EDF
Grant: ECU 6 700 000

This project, one of several in a regional approach to the fishing sector, is to develop regional artisanal and semi-industrial fishing so as to make a better job of meeting internal demand (almost 60% of total fish consumption is imported), increase the number of jobs in fishing areas along the coast of the Gulf of Guinea and improve the region's fishing institutions.

It is based on a regional analysis of resources, fishing capacity and consumer requirements — which are very unevenly spread over the five states and clearly call for joint exploitation.

Zaïre

Test to accompany the 6 000 ha tree-planting project on the Bateke plateau
Sixth EDF
Grant: ECU 1 000 000

These tests are intended to:
– consolidate seed selection and prepare for exploitation (production evaluation methods, cutting techniques and charcoal burning) of this project;
– introduce agroforestry to the agro-industrial units of the Bateke Plateau and in the villages.

This, combined with the 6 000 ha afforestation project, will help keep Kinshasa supplied with firewood and slow down deforestation of the area around it.

Suriname

Nikerie artisanal fishing centre
Fifth EDF
Grant: ECU 1 300 000

The idea here is to increase the income of the fishing community and create better conditions for fish production and marketing in north-western Suriname.

The project involves improving the installations used by the present Nikerie fishing community (about 400 fishermen) so that catches can be increased from 1 000 t to 1 800 t p.a.

The main means to be deployed are:
– a new wharf with a supply station;
– an ice manufacturing unit and refrigerated stores;
– a shop to supply equipment and spare parts;
– a stock of spare parts and fishing equipment;
– training.

Grenada

Model farms
Sixth EDF
Grant: ECU 275 000

The Government of Grenada is subdividing the State's former large agricultural domains into small, viable holdings that will improve the productivity of the land. As a first step, the EDF will help the Government develop two of the 22 remaining domains. They are representative of the two commonest types of land on Grenada and will constitute a pilot project — which will be run by the Grenada Model Farm Corporation (GMFC).

The funds will be used to build an access road, work tracks and drainage channels and purchase irrigation equipment, essential tools, materials and agricultural input. Evaluation at a later stage is also to be covered.

Tanzania, Burundi, Rwanda, Zaïre

Central Corridor
Sixth EDF
Grant: ECU 13 000 000

The landlocked countries of Rwanda and Burundi, together with eastern Zaïre have two corridors leading to the Indian Ocean — the Northern Corridor across Uganda and Kenya to Mombasa and the Central Corridor through Tanzania to Dar Es Salaam. The poor and intermittent exploitation of these two routes is a serious obstacle to their development, so the Commission has decided, with other donors, to finance projects to remedy this situation.

At a World Bank-organised meeting of donors in Washington in February 1987, it was decided to run an emergency programme to provide extra support to the Tanzania Railways Corporation (TRC) which carries most of the goods in the Central Corridor. Several Member States are involved in financing this programme which is intended to prevent any further deterioration in TRC operations, stabilise the volume of goods shifted each year at a minimum of 1 million tonnes and produce a longer-term development plan. The present proposal is to continue EDF aid to the TRC as agreed at the donors' meeting and cover extra commitments made as part of the emergency programme.

Zimbabwe

Land Utilisation Planning
Sixth EDF
Grant: ECU 3 000 000

The idea here is to set up a lasting system of land utilisation and promote a community management programme for the development of natural resources. The project will help the Government to devise and implement an integrated approach to land utilisation planning for the communal lands in the Zambezi valley — which are very much in demand by the large population.

The EDF will provide the means of consolidating housing and developing rural infrastructure and the project will also encourage communal management of natural resources in two forms of land utilisation—cultivation of new arable land and utilisation of game in the wildlife area.

Madagascar

Prefeasibility study of the Soalala iron deposits
Fifth EDF
Grant: ECU 1 900 000

The Government has decided on a prefeasibility study of the Soalala iron deposit along the north-west coast as part of its drive to inventory and develop Madagascar's mining resources. The aim is greater precision as to the reserves, grade and quality of the ore and better definition of production and exploitation methods and profitability. Production could be up around the 3 million tonne mark every year.

The total cost is ECU 6.1 m. The EDF will be financing the soundings (accelerated invitation to tender) and purchasing plant (vehicles, machinery and generators).

Madagascar

Training support programme
Sixth EDF
Grant: ECU 3 900 000

The programme aims to offer support for training, especially for managers, which is considered as one of the conditions for getting the national economy off the ground.

The schemes will involve support for the management training centre for major firms in Antsirabe, improvements to the Ministry of Agriculture by training 40 rural engineers to monitor major rehabilitation programmes, support for the State data bank (statistical service) to train 20 specialised statisticians, money to cover one-off attendance at conferences and short courses for higher management staff and completion of any current training.

Cote-d'Ivoire

Institut des Savanes (IDESSA)
Fifth EDF
Grant: ECU 2 000 000

The purpose of this scheme is to improve the research potential of the Institut des Savanes, the scientific support for the policy of self-sufficiency in food decided by the Party and the Government of Côte-d'Ivoire and confirmed in the Lomé III indicative programme.

It is in five parts — improvements to food crops, research into vegetables, the development of gossypol-free cotton, controlled reproduction of two species of fish and experimental integration of farming and herding.

Fruit tree cultivation in the savanna
Fifth EDF
Grant: ECU 1 120 000

This operation, which is support for the Government's policy of self-sufficiency in food in the medium term (as agreed on in the Lomé III indicative programme), will improve the operation of a fruit station in Côte-d'Ivoire's savanna area. The research, primarily into mangoes, is along three lines — producing better, producing earlier and developing more. Tests are also being run on citrus fruit and cashew nuts. The project will be run by the Fruit and Citrus Research Institute of Côte-d'Ivoire (IRFA-CI).

ACP States

Help to ACP-EEC professional organisations in improving their tropical fruit and vegetable production and exports
Sixth EDF
Grant: ECU 3 177 230

The idea here is to encourage coherent and significant development of ACP tropical fruit and off-season vegetable exports to external markets by giving the producers the necessary technical and commercial assistance. The main means to be deployed are listed below.

The project, which will be run by COLEACP (the liaison committee which promotes tropical fruit, off-season vegetables, ornamental plants and spices from the ACP countries on external markets), will offer ACP producers:
— advanced vocational training;
— permanent trade information;
— assistance with both production and marketing;
— permanent professional consultation with the appropriate European economic operators;
— systematic research into the diversification of export products.

Mali

Food strategy support programme
Sixth EDF
Grant: ECU 17 000 000
Special loan: ECU 2 500 000

Mali's food strategy, which was designed in the early 1980s when the Government was embarking on a policy of economic reorganisation, is based on recognising the role of the farmers as economic operators in relation to the Rural Development Operations (ODR) and the official agricultural supervisory organisations.

It stresses the organisation of the rural world into groups, cooperatives, friendly associations, village organisations, etc. and aims, in all fields, to get the private sector to do its bit alongside the public sector. It also wishes to set up a new system that encourages initiative, getting the instigators both to shoulder the costs and enjoy the benefits.

The programme backs up the policy of reorganisation that underlies the food strategy in two ways — by encouraging viable initiatives in health and food production in rural areas and encouraging employment for those whose present situation excludes them from the field of the food strategy.

It involves four instruments deemed essential to make the food strategy operational in the present state of the Malian economy—support for the development of agricultural credit facilities and the sectoral medicine import programme and support for the collective rural anti-desertification campaign, the creation of firms and the integration of young people in jobs. It also includes central management of food strategy support.

ACP States

Global commitment authorisation
Sixth EDF
Grant: ECU 10 000 000

This global authorisation will enable the Principal Authorising Officer of the European Development Fund to finance cultural schemes in the ACP States by accelerated procedure.

Such schemes may involve:
— sending out experts, advisers, technicians and instructors in cultural affairs;
— supplying equipment for cultural research, experimentation and demonstration and offering support for production and the distribution of audio-visual products and books;
— organising exchanges of specialised staff, researchers, motivators and leaders from Governments and cultural associations;
— running conferences and seminars on specifically cultural subjects;
— studying cultural matters of interest to groups of ACP States or the ACP Group as a whole;
— offering support for "highly significant cultural events". o

EIB

Botswana: ECU 10 m for small and medium-scale investment schemes

The European Investment Bank is granting two global loans (essentially lines of credit), totalling ECU 10 m, to the Botswana Development Corporation (BDC). Advanced under the Third Lomé Convention, the funds will go towards financing small and medium-scale investment schemes in industry, agricultural processing, mining, tourism and the transport sector in the Republic of Botswana.

The Botswana Government has a majority stake in BDC with 79% of the company's capital, the remaining 21% being held by the Commonwealth Development Corporation, DEG (Deutsche Finanzierungsgesellschaft für Beteiligungen in Entwicklungsländern mbH), FMO (Nederlandse Financieringsmaatschappij voor Ontwikkelingslanden) and the International Finance Corporation (IFC – an arm of the World Bank). BDC will make use of the proceeds of these two loans to support projects selected jointly with the EIB.

The first global loan to be advanced by the Bank to BDC dates back to 1983, when ECU 4 m were granted from the EIB's own resources under the Second Lomé Convention. Those funds were channelled to seven investment schemes in the industry and tourism sectors.

Cote-d'Ivoire: ECU 9.5 m for cotton processing

The EIB is advancing a loan of ECU 9.5 m (approximately CFAF 3.3 billion) for a project in Côte-d'Ivoire to modernise three cotton ginning plants. The works being financed centre on the reconstruction of a ginnery at Korhogo, in the north of the country, on a more suitable site from the environmental angle, and modernisation of ginneries at Boundiali (in the northwest) and Mankono (central western region).

The works being funded, costed at more than CFAF 7.2 billion and scheduled for completion by the end of 1988, will help to boost productivity at the plants and improve the quality of the cotton fibre produced, as well as increasing processing capacity to keep pace with growth in seed cotton output. With implementation of the project, the final beneficiary's total ginning capacity will be uprated to 224 000 tonnes of cotton.

Financing for the project should also be coming from France's Caisse Centrale de Coopération Economique (CCCE).

Ethiopia: ECU 21 m for a gold mine

The EIB has lent ECU 21 m towards the development of an open-cast gold mine and ore processing plant in southern Ethiopia. The funds have been advanced under the Third Lomé Convention from risk capital resources managed by the Bank.

The gold mine in question is the Northern Lega Dembi mine, about 500 km south of Addis Ababa. The structure, which has been extensively explored since 1982, is 500 m long and composed of volcanic rock intruded by quartz veins. The ore reserves amenable to open-cast mining are estimated at 8.8 million tonnes, from which it is thought some 32 tonnes of gold can be recovered.

The project being financed by the Bank encompasses development of the open-cast mine itself and construction of an ore processing plant with a capacity of 3 000 tonnes per day, together with the requisite infrastructure including access roads, an airstrip, workshops, warehouses and various connections to water and power supplies, etc. Production at the mine should get under way in late 1989 and ore processing in mid-1990. The total project cost is put at ECU 77 m and funding is also being provided by the African Development Bank and the Agricultural and Industrial Development Bank of Ethiopia, amounting to ECU 19 m and 26 m respectively.

The project should create about 650 jobs in an isolated rural area and the country as a whole should benefit from a substantial contribution to its balance of payments.

Senegal: ECU 12 m for telecommunications development

The EIB will be lending ECU 12 m (CFAF 4.2 billion), under the Third Lomé Convention, for upgrading and expanding the national telecommunications network in the Republic of Senegal, chiefly through recourse to digital technology.

The scheme centres on installation of almost 40 000 telephone lines, provision of buildings, cables, transmission networks and microwave links, creation of a national data transmission network and establishment of a national maintenance organisation together with technical assistance. There are also plans to rehabilitate various installations. The EIB loan will be earmarked for financing works in the south of the country mainly (regions of Ziguinchor, Kolda, Tambacounda and Diourbel) as well as the national data transmission network.

The facilities, which will benefit the entire country, are costed at CFAF 56.2 billion and are also being financed by the International Development Association (IDA, World Bank Group), Caisse Centrale de Coopération Economique, the African Development Bank and the West African Development Bank (BOAD).

Kenya: ECU 13 m for SME

The EIB announces two loans totalling ECU 13 m to the Development Finance Company of Kenya (DFCK) to be used for financing and rehabilitating small and medium-sized enterprises in industry, agricultural processing, tourism, mining and commercial agriculture.

DFCK has already drawn on three global loans from the EIB's own resources to finance 26 investment projects, 10 of them in the manufacturing industry, eight in agricultural processing and three in tourism. Two-thirds of them are located outside Nairobi and will therefore contribute to the country's balanced development; together they have created some 3 000 jobs.

DFCK is one of Kenya's leading development banks and is owned jointly by the Industrial Commercial Development Corporation of Kenya, the Commonwealth Development Corporation, the Dutch FMO, the German DEG and the International Finance Corporation of the World Bank Group.

Mauritania: ECU 10 m for iron ore production

The EIB is granting a loan of ECU 10 million, under the Third Lomé Convention, for improving the productivity of iron ore processing facilities in Mauritania. The proceeds of the operation will enable final adjustments to be made to the Guelb el Rhein enrichment plant in the Zouerate region.

The works financed form part of a modernisation programme involving more efficient operation of the rail line and port of Nouadhibou as well as replacement of material at the plant itself to increase the equipment's resistance to abrasion, alterations to certain installations to improve the flow of materials and investment designed to facilitate plant maintenance.

The overall programme is costed at ECU 62 m and will also be financed by the Arab Fund for Economic and Social Development, the Kuwait Fund for Arab Economic Development, Caisse Centrale de Coopération Economique (Paris), the African Development Bank (African Development Fund) and, in conjunction with Sysmin, the European Development Fund.

Mauritius: ECU 13 m for electricity generation and supply

The EIB is lending ECU 13 m, under the Third Lomé Convention, to assist with rehabilitation of a thermal power station, a number of small hydroelectric plants and the electricity distribution network in Mauritius. The scheme will help the island to contend with steadily growing demand, notably from industrial consumers.

The works, costed at over ECU 42 m, encompass rehabilitation of generating units at Fort Victoria power station (62.4 MW) and small hydroelectric generating plants (3.4 MW in all), improvements to large sections of the distribution network and acquisition of about 450 km of cabling and transmission lines, transformers and auxiliary equipment.

British Virgin Islands: ECU 4.4 m for electricity generation and supply

The EIB is to lend ECU 4.4 million to the British Virgin Island Electricity Corporation (BVIEC)) for constructing a diesel power station and implementing various works to allow possible installation, at a later stage, of a seawater desalination plant. This is the first operation to be arranged by the EIB in this Caribbean Overseas Territory.

The scheme, costed at a total of ECU 16.2 m, focuses on construction of a new thermal power station with two 2.5 MW generating sets on a coastal site at Pockwood Ponds. The works also involve connection to the network via two underground cables, the laying of a submarine cable between Tortola, the main island, and Virgin Gorda, plus various auxiliary installations.

The Commonwealth Development Corporation and the Caribbean Development Bank are also financing the scheme.

French Polynesia: ECU 4 m for SMEs

The EIB is granting two loans totalling ECU 4 m (around CFPF 500 million) for financing small and medium-sized enterprises operating in the industrial, agro-industrial, fisheries, tourism and transport sectors in French Polynesia. The funds have been advanced under the decision taken by the Council of Ministers of the European Communities on 30 June 1986 in tandem with the Third Lomé Convention and providing for specific aid to Overseas Countries and Territories enjoying special ties with certain EEC Member States.

The proceeds of the loan will be onlent in support of small and medium-sized ventures selected in agreement with the EIB; the loan from risk capital resources will be drawn on to fund the creation, expansion or rehabilitation of smaller enterprises by means of equity and/or quasi-equity (subordinated or conditional loans). o

VISITS

Visit of Gambia's President to the Commission and ACP House

Alhaji Sir Dawda K Jawara, President of The Gambia, visited Brussels from 3-5 November 1987, in his dual capacity of President of his country and Chairman of the OMVG, the Organisation for the enhancement of the Gambia River. It was in his latter capacity that President Jawara had come to see Vice-President Natali, the Development Commissioner, to seek funding for some parts of the OMVG's programme and he explained that, while the Commission might well fund some of the preliminary studies, no conclusions had been reached on major works.

In a welcome for President Jawara at ACP House, the Chairman of the ACP Committee of Ambassadors, Ambassador Ibrahim Sylla of Guinea, underlined the President's long record of excellence in the field of human rights. He stressed the fact that from Independence in 1965 up to the present, President Jawara had submitted himself to popular election and reelection, had been opposed, but had nevertheless been consistently reelected. His realism and wisdom, declared Ambassador Sylla, went far beyond the frontiers of his country, and he had held offices and received honours from many parts of Africa.

President Jawara's reply dwelled on the serious economic situation confronting most African states. Coming, as he did, from a small, poor country with a single export crop, menaced by drought, and hampered by a shortage of foreign exchange, President Jawara felt able to represent Africa's problems fairly. His own country had, since 1985, embarked upon an Economic Recovery Programme, which had been cited as exemplary by the IMF, the World Bank and the African Development Bank. And the response to the OAU's Priority Programme for Economic Recovery, and the UN's own Programme of Action for African Economic Recovery and Development, had been, in the President's words "initiated and sustained by Africa itself". His appreciation of the initiatives and developments was that they were "a profound reflection of positive action by the African countries, who themselves have decided to show the political will and commitment to achieve adjustment with growth and

President Jawara (centre) standing to attention at ACP House while the Gambian National Anthem is played

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accept the challenge to back their words with action;" President Jawara added that the forthcoming Uruguay Round of the GATT negotiations, and the UNCTAD VII talks were forums in which it was essential to make the ACP voice heard, and he wished the Committee of Ambassadors luck and patience in the forthcoming negotiations for Lomé IV.

President Jawara ended on a note of condemnation of apartheid, not unsurprising in the wake of the Kingston Declaration, (see above) but his moderation and realism were evident. "Although The Gambia does not dispose of the means to impose sanctions..." he said, "we will continue to urge those with the economic clout to consider putting additional pressure on South Africa, to force the racist regime to the negotiating table". o

Simba Makoni, SADCC's Executive Secretary, in Brussels

The Southern Africa Development Coordination Conference (SADCC) Executive Secretary Dr Simba Makoni gave a press conference in Brussels after high-level meetings at the Commission on 17 November.

He revealed that SADCC's strategy in developing 'port systems' — the road, rail, infrastructure and port complexes better known to readers as 'corridors' — had reached a point where an outlet to the West was now considered feasible. Hitherto, the corridors had all led to Indian Ocean ports, Dar-es-Salaam, Maputo, Beira and Nacala. Now, Dr Makoni announced a fifth corridor — to Lobito in Angola, an outlet to the Atlantic. It had always been there, he stressed, in the armoury of SADCC projects, but the time was now considered ripe for starting work on a 10-year development programme. This would include major works on rehabilitating the Benguela Railway (talks with shareholders were probably in the pipeline) and the port of Lobito, and the creation of subsidiary road and other infrastructures. A Technical Coordination Conference ("I dislike the term pledging conference" said Dr Makoni, "it really doesn't represent the whole reality") will be held, most probably in Luanda during the first quarter of 1988, and the Commission has indicated its own interest in becoming involved with the new corridor and indeed with funding the Conference.

Dr Makoni was at pains to stress his organisation's appreciation for EEC support for SADCC — he cited the 1986 Memorandum of Understanding between the EEC and SADCC in respect of Southern African regional programmes as a 'first for Africa' and added that "the EEC is very much in the forefront of cooperation with SADCC". He mentioned in particular EEC support for regional grain reserves both as an instrument of food security and as a mechanism for interregional trade, and the EEC's manpower support.

As for EEC Member States, Dr Makoni said that support was growing, but was still, in many cases, at a low level. He believed that Member States were becoming aware of the "continuing deterioration of the situation in Southern Africa, where all the SADCC Member States were facing natural and man-made hardships, and economic performance has suffered as a result. At the end of the briefing Dr Makoni announced that the theme for SADCC's Annual Consultative Conference, would be 'Infrastructure and Enterprise'. o

Vice-President of Ethiopia, Mr Fisseha Desta, visits the Commission

In November, Mr Fisseha Desta, Vice-President of Ethiopia, as well as a large number of Ethiopian ministers, visited the Commission. They held talks with President Delors and Vice-President Natali on matters concerning the political and economic situation in Ethiopia, and Community cooperation with Ethiopia in its development policies.

The Ethiopian Vice-President explained to his hosts the administrative structure of the People's Democratic Republic of Ethiopia which was proclaimed on 10 September 1987, and reported on the development of relations between his country and its neighbours, notably Sudan and Somalia.

Members of the Commission stressed the need to implement bilateral cooperation within the framework of the Lomé III Convention (ECU 230 m allocation) which provides for a concentration of resources (about 85%) on peasant agriculture, and enquired about the human rights situation in the country. Mr Natali explained that the green light for a major agricultural project (around ECU 50 m) for peasant farmers in Showa Province, a zone with high agricultural potential, could not be given until the Ethiopian Government had taken firm decisions on the pricing and marketing of agricultural produce.

Mr Desta announced that his government would shortly be taking a decision on this subject which, in the Commission's view, would be in line with the undertakings which they had given to increase peasant incomes.

On humanitarian aid, and the 950 000 tonne cereal deficit which had been identified in the light of the present crisis, which would last until the 1988 harvest, the Commission had already decided to allocate 100 000 tonnes of cereals for delivery in December 1987 and early 1988, and finance its internal transportation up to a value of ECU 30 m. Food for Work allocations of 40 000 tonnes and logistical aid were in the course of preparation. A more precise estimate of the needs would be furnished by the FAO later in the month. o

Debt dominates donors' meetings in Ottawa, Washington, and Paris

Consultations are, of course, held regularly between the various bilateral and multilateral donor and other funding agencies, not only on questions of operation but on basic policies and approaches to development cooperation. Those held at the end of 1987 between the Commission's Director-General for Development, Dieter Frisch, and the top officials of CIDA (Canada), the World Bank, USAID and the IMF came, however, at a particularly opportune and important time for the Community.

Taking place when they did, at the moment when Lomé III is in full swing, it was possible to make an assessment of the implementation of the Convention's new sectoral, concentrated approach to development aid. The talks also followed close on the debate within the Development Council (see p XV) on structural adjustment and the decision taken by the Council on an initiative aimed at alleviating the debt burden of the poorest and most "debt-distressed" of the sub-Saharan African countries. Mr Frisch was able to inform his counterparts that the "Special Programme", initially providing for a sum of ECU 100 m for debt relief, has now been expanded by a further ECU 400 m.

Debt was also on the agenda of the annual DAC high-level meeting held in Paris on 1 and 2 December, when the problems of financing development and the implications of structural adjustment and debt for aid needs and aid coordination were assessed.

Members of the DAC Committee, joined by the World Bank, the IMF and the UNDP, conceded that, on the whole, donors had overestimated what could be achieved through structural adjustment in the short term, and, in particular, had underestimated the political risks involved. The principal difficulty of adjustment programmes lay not in their formulation, it was generally agreed, but in the lack of resources required for their sustained implementation. Insistence was again made — as it had been in Washington — on the desirability of a higher degree of coordination between, for example, the World Bank and the IMF, as well as between the World Bank and the various donors.

The World Bank conference, which followed directly on the OECD meeting, again brought together representatives of donor countries and international aid organisations in an effort to increase support to the poorest heavily-indebted African countries. The total sum pledged — $ 6.4 billion — exceeded expectations. The funds will be provided over the three-year period 1988-90, for the purpose of assisting countries heavily in debt to attain sustainable economic growth.

Discussion at the meeting focussed on the need for close collaboration between the World Bank, the IMF, the donor community and the recipient countries in the design and implementation of adjustment programmes. It was also stressed that priority must be given to the social dimensions of adjustment, particularly the impact of policy reform measures on the poor, and on the need to maintain essential social programmes. Participants also agreed that the restoration of economic growth would require not only quick-disbursing assistance in support of structural adjustment policies but also investment to rehabilitate and expand productive capacity in these low-income countries.

No less important were the Conference's decisions on the kinds of operations which would be eligible for funding. o

Vice-President Natali visists Kenya, Uganda and Rwanda...

Lorenzo Natali, the Commissioner for Development, paid official visits to Kenya, Uganda and Rwanda in mid-October. The trip was an opportunity for him to visit various projects, check on the effectiveness of Community aid on the spot and discuss present and future aspects of cooperation with leading political personalities in the three countries. His meetings with the three Heads of State, together with the working sessions held with numerous government ministers, enabled the Commissioner to gain a clearer idea not only of the difficulties facing the governments in question, but also of the state of their cooperation with the Community, both in the framework of the Lomé Convention and in the context of the various international negotiations currently being held, such as the Coffee Agreement (all three countries are exporters) and the Uruguay Round.

In **Kenya**, meetings centred on the support the Community should give towards reorganising the grain sector, in the context of Kenya's food strategy and as foreseen in the Lomé III Indicative Programme. The form which this support would take will be decided on the basis of the Government's decision as to the precise nature of the reorganisation — a decision that was then imminent.

In **Uganda** — still suffering in the wake of war — the need for reconstruction and rehabilitation was paramount. The fact that the Community had supported the nation-building efforts of President Museveni's government, in power since early 1986, was greatly appreciated, as were the Community's initiatives in the struggle against AIDS and its role in the recent negotiations aimed at stabilising coffee prices. Uganda — like Rwanda — was particularly anxious to see the completion of the Northern Corridor, the network of road and rail links giving landlocked Uganda access to the sea through the port of Mombasa. Over some 10 years the Community has contributed a total of some ECU 170 m to the upgrading of the network.

In **Rwanda**, where Commissioner Natali met President Juvénal Habyarimana and a number of government ministers, discussions focussed on the implementation of Lomé III, but also on the future Convention — Lomé IV. o

... and Gabon and Central African Republic

Vice-President Natali also paid a brief official visit to **Gabon**, from 26-28 November. He and the President, El Hadj Omar Bongo, in wide-ranging discussions, exchanged ideas about the form of the new ACP-EEC Convention, negotiations for which are due to begin shortly. They also examined together matters of general political interest in Africa.

Mr Natali participated in the closing ceremonies of the second EEC-Central Africa Industrial Forum, which had brought together some 450 private industrialists and entrepreneurs from Europe and the 11 countries of the region. The Vice-President stressed the importance of private initiative in the development process and was pleased to note that concrete achievements of North-South — and, indeed, South-South — cooperation had been made during the Forum.

Mr Natali then made an official visit to the **Central African Repubic.** The visit, which took place between 28 November and 1 December 1987, was the first for 11 years by a Development Commissioner and coincided with the National Day celebrations on 1 December, the 29th anniversary of the founding of the Republic.

Mr Natali was welcomed by President André Kolingba who thanked the Community for its great contribution to the development of his country since the 1st EDF, and who expressed the hope that the role of this aid would continue to grow in the future.

In the course of a general review of the various areas of cooperation, the government expressed its hopes that the CAR would be among the countries considered eligible for special Community action for the most seriously indebted African states.

Mr Natali also had an informal meeting with President Kolingba and with President Mobutu who was in Bangui for the National Day celebrations. o

FISHERIES

Agreements between the EEC and Comoros

On 23 October, the Commission initialled an agreement with Comoros. It provides fishing possibilities for 40 Community refrigerated tuna vessels in return for payment of ECU 300 000 p.a. in fishing dues, plus ECU 500 000 as a contribution to a scientific programme. The shipowners will have to pay ECU 20 per tonne fished. The agreement, the first between the Community and Comoros, is scheduled to last three years.

Seychelles

The Community and the Republic of Seychelles signed a new fishing agreement in Brussels on 28 October. It was initialled in Victoria (Seychelles) on 3 December and is scheduled to last three years. It provides fishing possibilities for 40 tuna vessels, financial compensation of ECU 2 million p.a. plus a ECU 750 000 contribution to the scientific programme for the duration of the agreement.

Equatorial Guinea

The EEC Commission and the Government of the Republic of Equatorial Guinea signed a fishing agreement at the Brussels meeting of the EEC-Equatorial Guinea joint committee which periodically looks at fishing relations between the two parties.

Mr Alogo, Minister of Agriculture, Waterways and Fisheries, signed on behalf of the Equatorial Guinean Government and Mr Cardoso e Cunha, the EEC's Fisheries Commissioner, signed for the Commission.

The Agreement was initialled in Madrid on 26 June and took effect at once. It covers fishing off the Equatorial Guinean coast and amends the agreement signed in Malabo on 15 June 1984. The new version applies to vessels of the enlarged Community and is scheduled to last three years.

The main points are that:
— Equatorial Guinea grants fishing authorisations to 40 refrigerated tuna trawlers. The fishing possibilities for the freezer trawlers have been set at 9000 GRT, which is to be increased by 1000 GRT at a time;
— in return, Equatorial Guinea gets financial compensations from the Community budget of ECU 1 105 000 p.a. plus dues from the shipowners. The financial compensation includes, *inter alia*, a ECU 200 000 Community contribution to the scientific programme for the duration of the agreement plus 10 four-year grants for the Government. o

Declaring catches in Third World waters

The Commission has just approved a regulation whereby Member States have to declare how much fish their vessels have caught in the waters of those developing countries with which the Community has fishing agreements. These details are needed to assess the economic interest to the Community of these agreements and they should also mean that the Commission is better informed when negotiating renewal or extension of these agreements.

The provisions on declaring the catches which used to apply to vessels fishing in Community waters will now cover vessels fishing in developing country waters too, in accordance with an agreement between these countries and the Community.

The provisions cover, in particular:
— keeping a log book on board the fishing vessels for captains to record their catches;
— making a declaration of landing when catches are brought ashore after each trip;
— informing the Member State concerned of each transshipment of fish;
— ensuring that the Member States register landings.

Member States will now have to notify the Commission, quarterly, of the size of their catches, whether landed or transshipped, in the fishing zones in question over the preceding three months. o

ACP EMBASSIES

Two new ambassadors have recently presented their credentials to the Presidents of the Council and of the Commission of the European Communities, Mr Rashid Marville, who represents Barbados, and Mrs Maria Manuela Margarido, who represents São Tomé and Principé.

Mr Rashid Marville

Barbados

Mr Marville was educated at London University and at the University of Ghana. He worked for four years in West Africa (Sierra Leone and Côte-d'Ivoire) before joining the home civil service in Barbados and he transferred to the diplomatic service in 1976. Previous postings have been in Washington, New York and Caracas. Mr Marville, who is 51, is married and has three children.

São Tomé and Principé

Mrs Margarido (below, presenting her credentials to Vice-President Natali) was educated in São Tomé, Portugal and France and began her career as Librarian and Research Assistant at the Portuguese Cultural Centre in Paris. In 1968 she was appointed as Librarian at the Institute of Portuguese and Brazilian Studies at the University of Paris III (New Sorbonne). She has taught Portuguese and Portuguese civilisation at various institutes. Mrs Margarido is married. o

EMERGENCY AID

New Community emergency aid scheme for Ethiopia

On 19 November, Lorenzo Natali, Commission Vice-President, reported at a press conference that the rapidly deteriorating situation in Ethiopia had led the EEC Commission to decide to send 10 million ECU-worth of emergency aid to this country to finance an air-bridge from Assab or Massawa to Mekelle, spare parts to rehabilitate the fleet of available trucks, plus road transport equipment, and water tanks, medicines, tents, blankets etc., as the constitution of camps now seemed unavoidable.

The main harvest in Tigré and Eritrea is an almost total failure, with 100% losses in some areas. Estimated grain requirements over a period of 12 months are 550 000-600 000 tonnes—or half the grain the country gets in aid. The crisis is considered to be every bit as serious as in 1984-85, with large sections of the population in an even more precarious situation. In these two areas, 3.6 million people will need relief in 1988. The total number of Ethiopians affected by famine is 6.5 million.

In addition to the problems of security and coordination impeding efficient distribution of the relief, there are huge logistical problems. The facilities at the port of Massawa are unsuitable and the storage capacity of the port, the transit centres and the distribution points are inadequate, as are the means of transport (there are no trucks or spare parts). But the crucial problem at the moment is to get the means of subsistence which the aid sources are supplying to very isolated regions—which can be unsafe, as illustrated by the recent attack on trucks laden with grain supplied by international assistance.

So equipment schemes are called for, as is the temporary transfer of 170 trucks from the South to the North and the purchase of 200 new ones. There also has to be an air-bridge from Asmara or Massawa to Mekelle if general famine, leading to intolerable loss of human life, is to be avoided. This bridge, lasting at least two months, would involve eight or 10 Hercules aircraft and fly in 17 000-20 000 tonnes per month. Action on health, medicine, water and in basic necessities is also called for, as the population is likely to go on the move and the formation of refugee camps now seems unavoidable.

The Commission already sent out food aid (64 000 t cereals and 2 800 t food supplements) between March and June and, since the first worrying news of the 1987/88 harvest in Ethiopia and the threat of further famine, it has decided on additional food aid (90 000 t cereals and 7 100 t food supplements), bringing the total amount of cereals decided on to date to 154 000 t and other products to 10 000 t.

The Commission reacted immediately to a report received on 16 November following a Member State and other donor mission out to Ethiopia, having just decided on emergency aid worth ECU 10 m. It also plans to grant further aid —ECU 2-4 m to supply storage facilities, bringing Commission emergency and food aid so far in 1987 to ECU 58-59 m.

Further food aid is bound to be needed in 1988 and assistance will also be called for with setting up the refugee camps—although it is not yet possible to say how many people will be involved. o

The Commission has just decided on the following emergency aid (Article 203 of Lomé III) for three ACP countries.

Benin: ECU 250 000

This is to finance the first relief after the flooding which caused a great deal of damage in the provinces of Mono, Atacora, Zou, Ouémé and the Atlantic.

It involves infrastructure schemes, the distribution of medicines and air-spraying of mosquitoes in the swamps.

St Vincent and the Grenadines: ECU 40 000

Hurricane Emily, which hit St Vincent and the Grenadines recently, destroyed 36 houses and damaged 250 more, leaving 200 families homeless and seriously affecting water and electricity supplies. The aid is to reimburse the Government of the islands for its initial outlay on helping the afflicted population.

Jamaica: ECU 180 000

The torrential rain which fell on Jamaica on 30 October and 1 November was a disaster as far as infrastructure and housing was concerned. It caused several deaths and directly affected 5000 people. The aid is for urgent schemes to provide relief for the worst hit.

Mauritania: ECU 100 000

The Commission of the European Communities has responded to an urgent request from the Mauritanian Government by deciding on 100 000 ECU-worth of emergency aid for this country.

The aid will be used for immediate implementation of a vaccination programme (vaccines, syringes, needles etc.) to contain an outbreak of yellow fever (160 cases recorded and 22 deaths by December 1987). It will be run through Médecins sans Frontières (France). o

SYSMIN

Liberia: ECU 50 million for modernising iron ore industry

The Commission has decided on a transfer of ECU 49.3 million to renovate and modernise Liberia's iron ore industry as part of the Lomé III mineral facility.

The iron industry is of vital importance to the Liberian economy, as it represents a major part of the monetary sector of GNP (about 16% in recent years) and the main source of export earnings (about 62%). The official income from iron ore is up at US$ 20 million and the sector employs 4500 Liberians and 400 foreigners.

Four mines were originally worked in Liberia, producing 25 m tonnes of iron ore p.a. (1974). Today, the total output of the two mines still open, Lamco and BMC, is about 15 m tonnes p.a. Lamco could also be forced to close—unless it is decided to work the Mount Nimba deposits on the Guinean frontier. The European Investment Bank has just financed a study for this purpose.

So continuing the functioning of BMC is one of the Government's top priorities as it will mean that the Liberian iron ore industry can weather a critical period and continue BMC until 2006.

The Government feels that BMC absolutely has to go on working to prevent the total collapse of Liberia's economy and finances. Difficulties outside Government and company control are a serious threat to BMC's survival and it will have to be closed in 1996 at the latest if the proposed modernisation project is not carried out. This project involves immediate continuation of activity until 2006 via exploitation of the Bong Peak deposit, which will make it possible to preserve economic and social infrastructure that is essential to Liberia at a time when major structural changes are vital.

The project will:

— further reduce BMC production costs by repairing and replacing old-fashioned equipment—something which the company, with its current financial difficulties, is unable to do for itself;

— supply the necessary resources to continue profitable activity until 2006.

The total volume of project investments is ECU 104.3 million between now and 2006. Some of these investments will be financed by SYSMIN, with ECU 49.3 m covered by a special loan from the 5th EDF. Sysmin investments will be made two years after the financing decision. This intervention will therefore act as a catalyst for the project as a whole. The major part of the other investments, worth ECU 55 m, will be financed by BMC.

African managers return home

The financing proposal for the project to settle African managers back in their own countries (see The Courier No 105 of September-October 1987, pp 90-91) was signed by Vice-President Natali and the Ambassadors of five of the six countries concerned (Ghana, Uganda, Zimbabwe, Somalia and Zambia) and the Director-General of the implementing body, the Intergovernmental Committee on Migration, in Brussels, on 19 November. Kenya was to sign a little later. Mr Natali took the opportunity of welcoming Community financing for this type of project. It was effective in terms of cost and, above all, resulted in development of the human resources of the ACP countries. In his reply, Omar Giama, the Somali Ambassador, who spoke on behalf of the ACPs, said he too was very much in favour of the project. It was an expensive undertaking, obviously, but it made it possible to have specialists who were particularly suited to the situation in the host country because it was their own country. o

Vice-President Natali greeting Ambassador Giama of Somalia at the signing of the Financing Proposal

APARTHEID

Special programme for the victims of apartheid

At the invitation of the Commission a meeting was organised in Brussels on Friday 16 October with representatives of the Commission's South African partners on the implementation of the special programme in support of victims of apartheid in South Africa. Participants on the South African side in this meeting were Mr Chikane, secretary-General of the SACC (South African Council of Churches), Dr Beyers Naude, past Secretary-General of SACC, Br Pieterse, representing the Secretary-General of SACBC (Southern African Catholic Bishops' Conference) and Mr Dangor, director of the Kagiso Trust, as well as a representation of the Standing Committee of European NGOs assisting the Commission in the implementation of this programme.

A meeting was organised in which Member States' experts participated and had the opportunity of a wide-ranging exchange of views on the ways in which the projects financed by the funds of the special programme have been carried out in South Africa for the benefit of the disadvantaged population.

On the European side, as well as on the side of the South African partners, there was great satisfaction expressed with the fact that it had been possible to overcome the problems (identified in April last) in the implementation of this programme which were caused mainly by misunderstandings concerning the procedures to be followed and the interpretation of some of the criteria and guidelines for this programme. The Commission resolved these questions in June of this year and since then the programme has resumed at full speed.

At present, the ECU 10 m on the budget of 1986 has been fully committed and disbursed; of the ECU 20 m on the 1987 budget ECU 8 m has been committed to date. There was general agreement that further projects would be submitted as soon as possible in order to commit before the end of this year most, if not all, the ECU 12 m still left in the 1987 budget. Of the ECU 18 m committed, ECU 3.5 m went to the SACC, ECU 4.5 m to the SACBC, ECU 8 m to the Kagiso trust and ECU 2 m to the trade unions.

The South African partners gave detailed information on the implementation of the projects in South Africa presently approved as well as on the problems they have to cope with in their implementation. They used the opportunity to underline the fact that they are convinced that they can operate to overcome the apartheid system by non-violent means, using, *inter alia* the funds of the special programme. However, their constituencies feel that a more active policy by the western world, including the Community, would accelerate the movement to eliminate apartheid. o

EUROPEAN COMMUNITY

Little progress at the Copenhagen Summit

The Heads of State and Government were reluctant to admit it, but in their two days of meetings in Copenhagen on 4 and 5 December Europe's leaders made virtually no progress on any of the vital questions before them relating to the reform of the Community's finances. The principal stumbling block was — as it has often been in the past — the Common Agricultural Policy and the enduring inability of Member States to agree on the manner in which it should be rationalised.

Failure had been widely predicted. The farm problem should have been solved upstream of the Council, by the Agriculture Ministers, but had not been, and there was little likelihood — with the positions of Britain, France and Germany so far apart — that the Member States would adopt a draft Danish compromise proposal put before them.

The Summit ended, therefore, rather "unusually", as the Danish Prime Minister Poul Schlueter put it, with decisions on the entire proposed reform of the Community's finances adjourned until a special summit to be held on 11 and 12 February in Brussels. A certain *rapprochment* had been made in Copenhagen — particularly on the question of stabilising instruments for agricultural prices, some felt — but it had been insufficient to allow decisions to be taken. The leaders' decision not to wait six months before the fruits of the meeting — however meagre — were gathered was at least something, if only an acknowledgement of the urgency of reaching consensus on issues vital to Europe as a whole. o

Development Council

The European Development Council met in Brussels on 9 November, with Bent Haakonsen, Denmark's Permanent Under-Secretary for Development, in the chair. It dealt with five main points, with the situation in Africa the principal focus of attention.

Two different Commission documents were the basis for discussion of the economic situation and the process of adjustment in sub-Saharan Africa and the special Community programme for certain poor countries with heavy debts (Courier No 106, November-December 1987, News Round-up p. IV). On this last point, pending the opinion of the European Parliament, the Council agreed with the following position.

"The Council approves the Commission's intention to implement a special Community programme to aid certain highly indebted low-income countries in sub-Saharan Africa...

As regards eligibility of countries for Community assistance under this programme, the Council and the Commission consider that the following criteria should be applied:

— low-income countries, i.e. eligible for financing from the International Development Association;

— a debt burden that seriously affects their capacity to import;

— a commitment and action to undertake significant efforts to carry out economic adjustment.

Countries undertaking an IMF or World Bank adjustment programme would clearly have demonstrated that they are making such efforts. However, given the special Community character of this programme, it may be possible to assist countries which currently have no formal IMF or World Bank approved programme, provided that their macro-economic policies or sectoral adjustments are deemed sustainable and that the assistance provided is directly related to the action they are taking in pursuance of such adjustment. Community assistance in the form of general and sectoral import programmes must not run counter to such sustainability and should be planned and implemented in close coordination with the World Bank or the IMF".

Given the Council's approval, the Commission was invited to make contact with other funders with a view to a report on global programme allocations — to be submitted to the Programming Committee before presentation of the specific proposals to the EDF Committee. About 20 ACPs could be interested in this programme. The Council also welcomed the Commission's intention of making the percentage of funds for rapid payment (goods and equipment import programmes, for example) in the Special Programme about 20% of programme aid, with the agreement of each of the countries concerned. Above all, it agreed with the Commission on allocating ECU 100 million to the special programme and said it would be taking the appropriate legal steps (i.e. a formal decision) for this as soon as it had seen the European Parliament's opinion.

Discussion of the difficult problems of Africa's economic situation and the process of adjustment was by no means exhausted and the Council agreed to bring it up again and draw practical conclusions at the next meeting. It did, however, conclude on the need to boost Community-Member State coordination on support for structural adjustment and on the suitability of bringing up these questions in the dialogue between the Community and its African partners and in the coordination meetings with the funders, with a view to making reform effective — and supportable from the political, economic and social points of view. It was also agreed that the Community would do its best to make as flexible use as possible of its instruments of support, so as to improve the structural aspect.

The Council looked at three other matters, women in development, evaluation of development cooperation and the environment. On the first of these, it felt that, if women and development were taken properly into account in projects and programmes, they would be more efficient, so the subject had to be included in all the cooperation agreements the Community concluded with the developing countries. The Council invited the Commission to report again at the first Development Council of 1989, giving the main lines of an action programme. Similar conclusions were reached on the environment and evaluation. These concerns had to be integrated into development schemes, lessons had to be learned from the past and put to use in new schemes, individual experience had to be pooled and the human and material means needed to involve representatives of the recipients at all stages of the schemes and make regular progress reports had to be provided. On the subject of the environment, however, the Council said that the donors should "make a *long-term* commitment in specific regions[1]", but that the "awareness and support of the local authorities, population and enterprises is of fundamental importance", that institutions must be built for this purpose in the developing countries and that contact units should be set up in the donor countries. "Sector-specific and operational guidelines" on how to take account of the environment in the "main aid sectors"[2] should be laid down. It was felt that the main problem was ensuring that the results were properly reflected at the operational stage and that all development schemes should be systematically evaluated.

The Council also held preliminary discussions on the general guidelines for financial and technical aid for the developing countries of Latin America and Asia in 1988. It hoped to make a statement on this before the end of 1987, after seeing the opinion of the European Parliament. As things stood, the President of the Council told the press conference, not all Ministers had been in a position to decide on the Commission's proposed breakdown of aid (75% for Asia, and 25% for Latin America after deduction of a 10% reserve for natural disasters, management, etc., of the requested ECU 230 million — a figure confirmed by Commissioner Claude Cheysson) and some of them (the Spanish, Portuguese, Italian and German Ministers) wanted to see the Latin American funds increased. Mr Cheysson said that instead of an increase, it would be better to envisage increasing investments, opening markets more and running "an appropriate" CAP reform (i.e. one which took account of the specific needs of the countries in question). The Commission also suggested that the Council introduce the possibility of financing infrastructure in the 1988 guidelines, aid to these countries so far having been concentrated on rural development.

(1) Our italics.

(2) The Commission's handbook on the drafting and appraisal of project and programme dossiers systematically includes environmental considerations in its sectoral planning.

Lastly, the Council looked at the food situation in Ethiopia. It underlined the need to maintain close coordination of the various donors and place particular emphasis on solving the logistical problems connected with delivering the aid and running the AIDS control campaign in the ACPs. It was announced that the Commission had proposed an ECU 5 million allocation in the 1988 budget for AIDS control in non-developing countries.

At the press conference that followed the Council, Commission Vice-President Lorenzo Natali was asked about the amount of money planned for the 7th EDF under the ACP-EEC Convention that followed Lomé III, but he was unable to say anything about this o

STOP PRESS

ACP-EEC Committee of Ambassadors

The ACP-EEC Committee of Ambassadors met on 18 December in ACP House. Meetings of this kind, when heads of ACP missions and the Permanent Representatives of the Twelve get together in Brussels, happen twice a year. Most topics of cooperation were on the agenda of the last Committee meeting of 1987 and the ACP Ambassadors and Permanent Representatives discussed questions of trade, relations with GATT and the general implementation of Lomé III, plus South Africa, a question that is increasingly present in the general framework of ACP-EEC cooperation. The trend in ACP trade with the Community does not seem to be entirely satisfactory as far as the Group is concerned and the ACPs once again said how concerned they were with their diminishing position on the Community market where third countries are entering in force — particularly in areas that are of direct concern to the ACPs. But this problem is not entirely new and Dieter Frisch, the Director-General for Development, responded by saying that competitivity was vital and the ACPs had to acquire it if they were not to be overtaken — in spite of the Lomé preferential agreements.

The Community position on certain products, sugar and rice, for example, had not changed. It reaffirmed that the provisions taken on this were "fair" to the ACPs and that, when it came to rice, which one of the Member States (Spain) produced, the Community had made "significant concessions" to its partners. The ACPs were not, however, satisfied with the situation as the Permanent Representatives had presented it.

The Permanent Representatives and the Commission rejected the ACP requests on Stabex (reconstitution of Lomé I resources and the all-destinations derogation for exports from Sudan, Uganda and Tanzania). The Commission said that these requests were ineligible because they ran counter to the Stabex rules and, in the case of the derogation for the three countries mentioned above, more than 50% of their exports of these products were to the Community, which meant that none of the three requests was eligible.

The ACP-EEC Committee of Ambassadors also listened with particular attention to the speech by the Togolese Ambassador, Ekoé Assiongbon on the consequences for his country and other ACP phosphate exporters of the measures the Community was preparing on restricting the cadmium levels in phosphate fertilisers.

But what was really new at the Committee meeting was the Permanent Representatives' announcement of the Community's acceptance of the idea of a meeting of ACP-EEC Foreign Ministers to discuss apartheid in South Africa, as the ACP Group had been calling for. The Community's Delegation will be made up of a *troika* of Foreign Affairs Ministers from Denmark, the Federal Republic of Germany and Greece, the Chairmen of the Council of Ministers between 1 July 1987 and 31 December 1988. This meeting which, the Danish Chairman of COREPER Mr Jacob Esper-Larsen specified, "should not constitute a precedent" nevertheless met with some reserve on the part of Nigeria. Mr Joshua Iroha, Nigeria's Ambassador in Brussels, let it be known that his country "couldn't accept out of hand" the Community's two preconditions for the meeting. "It is a political matter which should be discussed by the Foreign Ministers of the Twelve" with the ACPs, Mr Iroha added. The ACPs agreed to consider the Community's proposal as formulated before making their position known. o

L.P.

Centre for the Development of Industry
(ACP-EEC Lomé Convention)

Rue de l'Industrie 26-28, 1040 Brussels, Belgium
Telephone : (32 2) 513 41 00 (10 lines) Telex : 61427 cdi b

INDUSTRIAL OPPORTUNITIES

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REGIONAL INDUSTRIAL COOPERATION MEETING

RESOURCE-BASED INDUSTRIES : POTENTIAL IN THE PACIFIC

Bonding wood flakes, desiccating coconuts, canning tuna for export... CDI's second regional industrial cooperation meeting homed in on specifics. The meeting was organized for the benefit of the ACP Pacific region (Fiji, Kiribati, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu, Western Samoa).

The theme of the three-day meeting—"Development of Resource-Based Idustries: Opportunities and Prospects"—was, in the words of Dr. Isaac Akinrele CDI's Director, "topical as well as timely" (in the light both of the sub-region's industrial priorities, and of CDI's priorities under the Lomé III Convention).

CDI is directed under this Convention to assist ACP States to explore the possibilities for the processing of local raw materials. CDI is also required to organize an industrial cooperation meeting in each of the six ACP regions during the lifetime of the five-year Convention.

Responding to these mandates involved bringing some sixty industrial policy makers and practitioners together in the Western Samoan capital, Apia, from October 6th to 8th, last year.

The Hon. Le Tagaloa Pita, (second from left) Western Samoa's Minister of Economic Development, during his speech of welcome to the Pacific Regional Meeting. On his right is Mr. Charles Murdock (representing the EEC Council of Ministers). On the minister's left are (left to right): Dr. Subhas Ch. Mungra Chairman of CDI's Joint Governing Board, Dr. I.A. Akinrele CDI Director and H.E. Mr. Peter Peipul representing the ACP Committee of Ambassadors.

BACKDROP OF CONSTRAINTS

Participants heard of the raw materials available to the eight Pacific countries in question, particularly in the wood and food sectors, during three plenary sessions and a series of round table discussions on themes presented by sectoral, financial and marketing experts.

The performance of the Pacific countries to date, in processing their resources, was assessed against the backdrop of various constraints to their industrial development.

These constraints are related to factors such as:

- The small scales of island economies;
- long distances from external markets and;
- lack of entrepreneurship, management skills and marketing ability;
- various institutional and policy frameworks within which industrialists have to operate.

TRADITIONAL PERFORMANCE

Industrial performance in the region was criticised not because it had been very poor, but because it had been traditional. Little attempt had been made to develop, or experiment with, the best ways of adding value prior to exporting.

Fiji and Papua New Guinea, with the largest domestic markets, had made progress — but on the basis of imported raw materials.

An inventory of locally available raw materials showed that there was ample scope for processing on a scale suitable to the sizes of the island economies.

Fish is an obvious example. Of the huge quantities of tuna available in the Pacific island waters, only 10% of the catch is landed by regional fleets and only 4% is processed within the region.

Resources extend beyond commodities. There are untapped human resources particularly suited to the manufacture of high-value low-volume products in the region.

It is vital to introduce the right kind

Continued on page 2

Continued from page 1

of training, on the management level as well as on the level of skills related to processing technology.

APPROPRIATE SOLUTIONS

The recommendations adopted by the meeting offer feasible options for tackling the problems in a systematic way. These apply not only to the region's policy makers but also to CDI.
The recomendations provide CDI with indications of specific areas of interest for future work in the region, particularly concerning the search for, and identification of, appropriate technologies.

This bringing together of public and private sector representatives from ACP and EEC States, to translate their views into recommendations for future policy, was thought to have been a particularly useful exercise.

Participants afterwards spoke of how "practical, timely and very relevant" the event had been. EEC industrialists who attended the meeting felt that it had been a good introduction to the region.

The meeting was officially opened by Hon. Le Tagaloa Pita, Western Samoa's Minister of Economic Development, following a speech of welcome from CDI Director Dr. I.A. Akinrele. Other speakers at the opening ceremony were Mr. Charles Murdock, representing the EEC Council of Ministers, H.E. Mr. Peter Peipul, Ambassador of Papua New Guinea to the EEC (representing the ACP Committee of Ambassadors) and Mr. Leo Mooren, Resident Advisor, Western Samoa, to the Commission of the European Community.

Eight expert papers were presented in Apia. They formed the basis for three plenary sessions whose individual themes were:

1. Foundation for Resource-Based Industries;
2. Technology and Human Resource Requirements;
3. Markets and Finance.

The texts of seven of these papers, as well as the recommendations arrived at during the various sessions, are summarised below, for the benefit of readers.

In his summing-up at the closing sessions, CDI Director Dr. I.A. Akinrele drew attention to the importance that CDI places on the recommendations arrived at during the meeting.

Dr. Alberto Armani, Secretary to CDI's Joint Governing Board, gave the final vote of thanks.

FOUNDATION FOR RESOURCE-BASED INDUSTRIES

Paper 1

Raw materials: An inventory and analysis of the potential for industrial development

Horst J. Hoertelmann, Consultant

Hoertelmann's inventory lists fourteen raw materials, ranging from coconuts and timber to spices like vanilla and cardamon. It also states the potential of such materials as basic inputs for processing industries.

Coconuts continue to represent the most important produce in all South Pacific island countries, particularly for the production of copra and coconut oil.

Production of copra is expected to decline slowly in the future because the replanting of coconut trees has not been systematic and many plantations are outgrowing their productivity.

Development of hybrids could provide a much needed boost for the industry, said Mr Hoertelmann.

Timber. Another major export item, particularly in Papua New Guinea and the Solomon Islands, is tropical timber in the form of logs. Exports of sawn timber from the region are still negligible and all of the countries realise the need to accelerate processing into sawn wood, veneer, plywood or furniture.

Also, coconut tree stems are an "interesting resource".

Fish. Tuna stocks are the most important fish resource in Pacific island waters (there are standing stocks of 1 to 2 million in the fishing zones of the islands).

Most of the fish is caught under licence by Japanese, Korean, Taiwanese and USA boats.

Canneries operate in the Solomon Islands and in Fiji, but production is insubstantial. The fish industry in Papua New Guinea has folded up.

Tropical fruits (mango, pawpaw, passion fruit, banana, etc.) are another of the obvious resources, available in great variety by natural growth.

Their potential has not been exploited for commercial or industrial use, apart from pineaple estates and citrus fruit plantations in Fiji, Western Samoa and Papua New Guinea.

Miscellaneous. Other raw materials available in varying degrees of abundance with potential for industrial use are: cocoa, palm oil, coffee, tea, sugarcane, marine shells, spices, minerals and limestone.

Paper 1
RECOMMENDATIONS

- CDI should investigate the possibility of increasing the added value of vanilla bean pods and ginger, in addition to studying the European market potential for these products.
- The promotion of national fishing fleets and linking them with licenced fish operators in the EEC, should be pursued.
- The potential for the processing and subsequent export of tropical fruits should be investigated, especially to offset the difficulties sometimes encountered in exporting fresh tropical fruits.

Paper 2

Performance of the regional resource-based industrial sector 1980-1985

Samuel S. Singh, University of the South Pacific, Fiji

Samuel Singh's wide-ranging analysis of five years of industrial performance in the South Pacific, showed that the objectives of the industrial sector were not achieved.

His analysis also underscored the factors restricting industrial growth.

An examination of the development objectives and strategies of each ACP country in the Pacific indicated that, in all cases, there was a tendency to have multiple objectives without any priorities.

Import-substitution, as a strategy, was given greater significance than export-orientation, in all countries except the Solomon Islands.

Investment policies favoured the development of a self-sustainable indigenous private sector, and foreign investment was given a guarded welcome.

Developing and strengthening the industrial sector will involve broadening the range of manufactured goods, exploiting linkages with other sectors and encouraging the transfer of skills and technology to nationals.

Continued on page 4

NEWS IN BRIEF

CDI BOARD ELECTS NEW CHAIRMAN

Newly elected Chairman of CDI's Joint Governing Board Dr Subhas Ch. Mungra (left); and the new vice-Chairman Mr Wilhelm A. de Jonge (right).

Dr Subhas Ch. Mungra, Minister of Finance and Planning of Suriname, has been unanimously elected by CDI's Joint Governing Board to succeed Mr Michel Delefortrie of Belgium as Chairman, for the second half of the Third Lomé Convention (which expires on 28 February 1990).

This follows the decision of the ACP-EEC Council of Ministers requiring that the post of Chairman be rotated between the ACP and EEC members after two and a half years. Mr Wilhelm A. de Jonge of the Netherlands was elected as vice-Chairman to fill the vacancy left by Dr Mungra.

Members of the Executive Committee for the same period were also elected, as follows:

- For the ACP Group: Mr Edgar Makota (Tanzania) and Mr. Wep Kenawi (Papua New Guinea).
- For the EEC Group: Mr Mario Pedini (Italy) and Mr Alan McGarvey (UK).

These elections took place during the meeting of the Joint Governing Board held at CDI, Brussels, from 26 to 27 October 1987. Among other items discussed and approved, were the Work Programme and the Budget of CDI for 1988 (amounting to ECU 8 190 000 of which ECU 8 050 000 represents the contribution of the European Development Fund).

At a dinner in honour of the outgoing Chairman of the Joint Governing Board, Mr Michel Delfortrie, glowing tribute was paid to his distinctive contributions to the work of CDI and the Board, by CDI Director Dr Isaac Akinrele, as well as by the co-Secretary of the ACP-EEC Council of Ministers, Mr Daniel Vignes, and by the new vice-Chairman of the Board, Mr Wilhelm A. de Jonge. It was recalled that Mr Delfortrie had served throughout the life of CDI as vice-Chairman and Chairman of the earlier Advisory Council, and lastly as Chairman of the Joint Governing Board.

SPANISH ORGANISATION SIGNS AGREEMENT WITH CDI

In an agreement signed with CDI in Bilbao, Spain, last November, SPRI (Institute for Industrial Promotion & Reconversion) undertook to contribute to the promotional, pre-investment and implementation costs of Basque Companies involved, or willing to be involved, in industrial projects in ACP countries.

The agreement is similar to those signed with the French Cooperation Ministry, Belgium's Walloon and Flemish Regions, EOMMEX (Hellenic Organisation for Small and Medium Sized Enterprises), etc. The principal features of the agreement are as follows:

- SPRI will keep CDI informed of industries in the Basque Region of Spain which have appropriate technologies and are interested in setting up production in ACP countries.
- SPRI will assess the ability of identified Basque industrialists to provide training and technical assistance.
- CDI will promote appropriate Basque technologies and production proposals, via its publications and its ACP contacts and antennae.
- CDI will keep SPRI informed of industrial opportunities in ACP countries, so that they may be transmitted to Basque industrialists.
- For ACP industrial projects, SPRI and CDI will contribute equally to the costs incurred by Basque industrial firms for the undertaking of feasibility studies, the implementation of pilot projects (with new or appropriate technologies), travel for negotiations, expertise for start-up (management, technical know-how, training), also diagnostic missions, promotion, and technical assistance (for the rehabilitation, diversification or expansion of existing enterprises).
- SPRI will initially set aside the sum of ECU 50 000 for joint operations with CDI in 1988.
- SPRI and CDI will hold review meetings once a year to follow-up joint projects, to exchange information and examine the working of the agreement.

SPRI was established in 1981 to assist industrial reconversion in the Basque country through its support for the innovative investment projects of both existing and newly-installed companies, with finance and contributions towards the cost of feasibility studies, technical know-how and marketing.

The agreement was co-signed by CDI Director Dr I. A. Akinrele and SPRI Director-General Mr Roberto Velasco, in the presence of Mr Gonzalez-Orus, Minister of Industry for the Basque Country.

An information meeting for small and medium sized Basque industrialists was held immediately after the signing ceremony. In his opening speech at this meeting, Mr Roberto Velasco (speaking on behalf of Minister Gonzalez-Orus, Chairman of SPRI), expressed the hope that the agreement with CDI would lead to the creation of successful Basque-ACP industrial projects.

He said that, for the Basque country, the manufacturing sectors which offer most promise for industrial cooperation with ACP countries are:

- light engineering
- electrical goods.

Dr I. A. Akinrele, Director of CDI, said that CDI concentrates on small and medium sized industries (SMIs) for ACP States, because these are in need of supplementary technical and financial resources, to cover pre-investment and implementation costs.

They therefore can benefit a great deal from the kind of assistance provided by SPRI. The joint effort envisaged by CDI and SPRI, under this agreement, should no doubt act as an incentive and a support to Basque SMIs, for export initiatives aimed at ACP states.

Mr F. Matos-Rosa, the CDI officer responsible for Spain, explained the different types of industrial cooperation available to EEC and ACP industrialists as well as the assistance CDI can offer.

SPRI nominated Mr Luis Zomarrago, its Deputy Promotion Manager, to act as liaison officer with CDI.

NEWS IN BRIEF Continued on page 4

NEWS IN BRIEF Continued from page 3

PROMOTIONAL MEETING IN DENMARK

On 10 November 1987, CDI organized a meeting in Aarhus, Denmark, in collaboration with the Federation of Danish Industries (FDI), the Industrialization Fund for Developing countries(IFU) and the Jutland Technology Institute (JTI).

The purpose of the meeting was twofold:

1. to promote pre-selected ACP projects;
2. to promote Danish production proposals which CDI has been able to communicate to its ACP antennae, with a view to identifying interested ACP entrepreneurs.

CDI invited to the meeting the heads of seven ACP enterprises (they came from Belize, Ghana, Kenya, Sudan, Swaziland and Trinidad & Tobago), to hold discussions with Danish firms active in their particular sectors.

Following these discussions, the businessmen from Belize, Suriname and Trinidad & Tobago, said that they had identified potential Danish partners for their industrial and commercial activities.

The Sudanese promotor succeeded in presenting his project to DANIDA, the Danish cooperation agency.

A representative of DANIDA also addressed the Aarhus meeting and spoke of his organization's interest in cooperating with CDI, particularly for the training of overseas personnel destined to work in plants established by Danish firms.

The ACP parties all visited the factories of Danish firms potentially interested in their projects.

The Federation of Danish Industries, which has signed a cooperation agreement with CDI, will undertake the follow-up contacts established at this meeting.

It will also sound out Danish industrial milieux with a view to increasing the number of contacts between Danish and ACP industrial operators.

RESOURCE-BASED INDUSTRIES, PACIFIC

Continued from page 2

ANALYSIS OF PERFORMANCE

Singh showed that the manufacturing sector's share of GDP in each ACP Pacific country was static, or had grown minimally, over the period under review.

In all cases, manufacturing contributed less than 10% of GDP (except in Fiji where, although the sector accounted for 12% of GDP, half of this was due to sugar production).

His analysis of export performance showed that exports of non-traditional manufactured goods and articles remained minimal. In some cases (Papua New Guinea, Solomon Islands and Vanuatu), there were products available in sufficient quantities for processing, but most of these products were nonetheless exported unprocessed.

WEAK PLANNING

Two groups of constraints were identified by Singh in his attempt to define what had "gone wrong" in the Pacific Islands' attempts to industrialize.

Problems arose first or all at the planning stage, where there was "no integration between budgeting and planning".

Nor at the time of planning, were any monitoring indicators identified, which would permit targets to be compared to achievements during implementation.

The failure to prioritize objectives was another weakness.

OPERATIONAL CONSTRAINTS

Next, there were constraints which affected firms at the operating level. Limitations were generated, for instance, by a lack of entrepreneurship, high wage costs and shortages of technical and management skills and finance. Industrial infrastructures were also still inadequate, and very dependent on grants of aid and therefore subject to the timing of the aid donor and not to the needs of the recipient country.

Institutional constraints (legal, political and administrative) also weighed heavily on the deployment of investment resources.

Paper 2
RECOMMENDATIONS

- Kiribati and Tuvalu should receive particular attention from CDI due to their particular problems and lack of industry.
- CDI should encourage **export-oriented** industries rather than the self-limiting **import substitution** industries.
- Human resources were identified as being a major local resource of the region; in this context training could be a vital requirement (especially for high-value low-volume products for export).

Paper 3

Policy and framework for industrial development

Surendra Sharma, Director, Fiji Trade and Investment Board

The meeting was told that industrial policy is hampered in the Pacific by five main constraints:

- the smallness of the countries in the region;
- the insignificant domestic markets;
- the isolation and scattered nature of these island nations;
- insufficient natural resources and
- vulnerability to natural disasters such as cyclones.

Local industries aiming at the domestic market, said Sharma, need some form of protection, since import-substitution saves foreign exchange and creates employment.

A degree of balance however, has to be maintained, to avoid inefficiency and ensure that real opportunity costs are taken into account by the investors. The promotion of industries with a high rate of locally added value is important.

Attracting foreign investment into the region requires a package of incentives and concessions. For instance, Fiji is already looking at the possibility of establishing export processing zones, in order to compete for foreign capital with regions such as South East Asia.

In the context of creating a suitable policy framework for the future, a three-pronged approach was advised.

Trade agreements between these small Pacific nations and their trading partners is a first step. An agreement such as SPARTECA linking the Pacific islands with Australia and New Zealand is in the right vein, although there is room for further negotiations.

Secondly, it is vital to develop the infrastructure needed for industrial development and this is the role and responsibility of governments.

Finally, the institutional setting has to be right. This involves the existence of a development bank, a market research organization; an export and investment promotion institution and a body to advise new and small enterprises. These institutions would have to work in close coordination so that unnecessary bureaucracy could be eliminated.

Paper 3
RECOMMENDATIONS

- Incentives are advocated, to encourage the use of local inputs, particularly raw materials and human resources.
- More product specialization by the islands should be developed for that purpose, e.g. the creation of a trading zone between the developing countries of the region.

TECHNOLOGY AND HUMAN RESOURCE REQUIREMENTS

Paper 4
Pacific food sector
David Adair, Overseas Development Natural Resources Institute (ODNRI), UK

An overview of the technologies used to process coconuts and the prospects for the application of recent technological developments to the sector, was given by David Adair.

The advisability of exploiting the scope for the production of **desiccated coconut** was particularly emphasized, given that the world demand for this product is far higher (130 000 to 140 000 tonnes anually) than that for coconut cream.

ODNRI studies have shown that factories with an output capacity of 1 000 to 3 000 tonnes, in the Pacific region, could be commercially viable. Quality, with particular attention to microbiological aspects, and continuity of output, were noted as the prerequisites for success in the marketing of this product.

The commercial production of **coconut oil** by wet processing is also a possible long-term industrial option for the Pacific islands. None of the processes for extracting oil from fresh kernel had yet been put into commercial operation because oil milling, using copra as the raw material, had been more cost-effective. The attraction of fresh kernel as opposed to copra, however, is that it can yield protein rich by-products suitable for food uses.

The production and processing of **copra** which involves traditional drying, often results in the growth of moulds some of which are toxic. One strain produces aflatoxins which are potent carcinogens.

Importing countries, including the European Community, are imposing tighter controls on levels of aflatoxin in coconut products and this bears important economic implications for coconut producing countries.

Coconut shell carbonisation was also mentioned as a possible productive use for coconut waste.

The heat released in the preparation of coconut shell to produce charcoal, could supply the energy requirements of dessiccated coconut production or copra production. This process has been successfully tried in Sri Lanka.

Paper 4
RECOMMENDATIONS

- The acceptability of deodorised coconut oil (made from copra), and undeodorised virgin coconut oil (made from fresh fruit), as cooking oils to substitute for imported fats, should be investigated;
- CDI should also investigate the availability of small scale plants for refining and deodorizing coconut oil;
- Marketing prospects for suntan lotions and cosmetics, should be studied;
- Coconut cream markets should be developed, with CDI's assistance;
- Developments in the activated coconut shell market should be monitored, to move from the production of pure charcoal to activated charcoal, when market conditions are opportune;
- Positive action should be taken to improve the quality of copra in the region with a view of reducing moulding and hence aflatoxin levels. This should have favourable marketing, price and health implications, for the region.
- CDI should carry out an investigation into the availability of low-cost and low-capacity copra expellers and palm oil extraction units, and then possibly prepare adapted technology profiles for circulation in the Pacific region.
- In view of the potential commercial viability of factories (of 1 000-3 000 tonnes output capacity) for the production of dessicated coconut in the region, every assistance should be given by CDI for the setting-up of this resource-based industry in Pacific countries.

Paper 5
Pacific wood sector
Christoph Riechert, consultant

Several interrelated problems exist in the Pacific timber processing sector, said Dr Christoph Riechert wood technology consultant, in his address to the Apia meeting. Promotion therefore has to home in on several different links in the production chain.

Urgently needed, as a basis for all improvements in production, added Dr Riechert, is the creation of training centres for wood working (including coconut wood). The lack of qualified personnel is one of the main constraints to high quality production. Management training courses covering all aspects of production and marketing are also indispensable.

All existing wood processing facilities have to be improved, modernized and completed. Additional processing technologies are also needed. These would include timber drying facilities and equipment for the production of wood-based building materials, to substitute for imported particle board or plywood.

The use of coconut palm wood has been widely neglected, although it is a raw material in which most of the Pacific islands are rich. Introducing the technology to process this timber should, said Dr Riechert, become a priority.

Production facilities for the primary timber industry vary considerably among the Pacific islands, but the whole region lacks the facility to produce sliced veneer (a product which has a high added value and is needed in the furniture and wood panel industries). Even Papua New Guinea, which has the most abundant forestry resources in the region and relatively good processing facilities, sends its logs to Singapore for veneer slicing. It then re-imports the veneers.

Continued on page 6

RESOURCE-BASED INDUSTRIES, PACIFIC

Paper 5
RECOMMENDATIONS

It is vitally important that the following assistance be given to sawmills and wood processing operations in the region:

- A regional training facility fully equipped with machines, hand tools and a design facility, should be provided to develop the high level of craftmanship required for export quality requirements.
- A sectoral survey of companies by country should be carried out, possibly initiated by CDI's antennae, as a basis for a programmed approach to assisting existing industries.
- The processing of coconut wood has not been successful in the region to date (e.g. the Solomon Islands' coconut wood saw-milling operation has closed down). A new technology for this activity has recently been developed and implemented successfully in the Philippines. The possibility of transferring it to Pacific countries should be investigated.
- The paper industry will develop in the region at the finished products end (e.g. boxes and printed items), starting on a small scale to serve the existing local market. The potential should be investigated. The industry might subsequently be integrated up-stream into the manufacture of paper and pulp from wood (or other raw materials), as consumption sumption grows in the future.

MARKETS AND FINANCE

Paper 6
Export Markets: Requirements and Strategy

Donald Moore, International Marketing and Economic Services

Small island states are in a particularly difficult position. They are remote from their target export markets and suffer from maximal transport costs and a lack of market information, as well as from a narrow resource base (often composed of commodities vulnerable to the vagaries of climate, season and world prices).

And yet, for island states in the Pacific, exporting is critical because of the difficulty of achieving economies of scale with such small domestic markets.

A systematic approach to marketing is highly desirable and this involves a number of steps.

Key markets have to be identified and selected and a thorough understanding gained of one or two of them.

Market segments should then be selected, according to the price, quality and end-use of the product.

Following on from this, distribution channels should be evaluated and an appropriate agent or importer approached.

The final step is to implement continuous adaptation of the product to the needs of the market.

Value-added products in the wooden furniture sector could be exploited. For example: specialty furniture (rattan and cane), components for small pieces of furniture, mouldings, joinery items, etc.

Paper 6
RECOMMENDATIONS

- Tuna marketing is extremely competitive. In order to maintain premium product quality, further product development is required e.g. market research into the value of changing to an easy-to-open can. Also, alternative methods of processing such as vacuum packing, must be seriously examined.
- It is important to recognize that abundant high quality raw materials are alone insufficient to ensure the success of a manufacturing company. An analytical approach to marketing and a full appreciation of the customer's requirements is essential. This was clearly demonstrated by the successful marketing strategy developed by the Pacific Fishing Company (PAFCO), which targeted upon the upper sector of the market and its demand for a high quality product.
- Project evaluation should always include a professional evaluation of the market potential for the product, and an appropriate marketing strategy. Resource-based industrial development without this marketing component maximises the risk of failure and is a mis-use of development finance. **Ultimately, the market is more critical than the resource.**

Paper 7
Financing resourced-based industries

Imam Ali & Marilyn Fong, Reserve Bank of Fiji

Industrial development obviously hinges largely upon the availability of finance; and two bottlenecks which impede the flow of financial resources to resource-based industries were identified as being:

1. A lack of financial expertise.
2. The failure of financial institutions to give management support to industries.

The first bottleneck makes it difficult for lending institutions to identify projects, or to subject them to rigorous financial tests to determine their viability.

The second bottleneck means that, in the absence of management advice and other ancillary services, borrowers often see their businesses collapsing because they themselves lack skill in managing financial resources.

Furthermore, countries in the Pacific region are advised to look periodic-ally at the financial structures of their economies since these structure determine, to a large extent, their ability to finance industries.

Financial structures in the region differ widely, reflecting varying levels of economic development and divergent administrative, and legal frameworks and socio-economic backgrounds.

This paper drew particularly on the experience of Fiji where a "reasonable array" of financial services is available.

The Fiji Development Bank (FDB) and the Fiji National Provident Fund look after long-term capital requirements, whilst the commercial banks are there to provide working capital. Equity funds may be raised through the Stock Exchange and the Unit Trust.

RESOURCE-BASED INDUSTRIES, PACIFIC

Beyond this, the Reserve Bank of Fiji provides cheap short-term finance for resource-based exporting industries.

Relationships are also being forged with a number of international financial institutions in order to overcome foreign exchange constraints for the financing of industries.

Paper 7
RECOMMENDATIONS

- In view of the success of the Caribbean Project Development Facility (CPDF) and the implementation of a similar facility in Africa, it is recommended that an international finance institution be requested to set up a similar facility for the Pacific.
- Development banks and commercial Banks should give preferential treatment to resource-based and export-oriented industries, in view of the positive effects this may have on the balance of foreign exchange.
- Project formulation should be the responsibility of a different entity to the lending institution, so that the two functions are kept separate.
- Development banks should be responsible for ensuring that borrowers implement effective systems for the monitoring and control of their projects, during the implementation and operational stages.
- Significant sums of money are remitted back to the Pacific islands each year. For Western Samoa, Tonga, Tuvalu and Kiribati incentives should be considered to encourage the chanelling of more of these funds into productive enterprises.
- Efforts should be made to utilize financial savings in Pacific countries for domestic development projects, either through action by Central Banks and monetary authorities, or through schemes which provide guarantees for lessening the risk for those who provide the funds.

INDUSTRIAL POTENTIAL SURVEYS

For over one year now, "Industrial Opportunities" has been carrying summaries of some of the industrial potential surveys undertaken by CDI in all ACP States.

In this issue we publish a summary of the survey undertaken in the East African State of Djibouti.

These surveys describe the natural and human resoures of each ACP country. They also provide information on infrastructural facilities, local and regional markets, economic strengths and weaknesses, the extent of existing industrial activity, local sources of finance and the industrial policy of the Government (especially as regards fiscal incentives).

The surveys are a form of assistance to the ACP States and include recommendations on how best to promote industrial development.

Each survey also proposes industrial projects, suited to the local economic situation, which may benefit from CDI's assistance.

Djibouti: foreign investors not aware of attractive incentives offered

With a population of 456,000, Djibouti is a small State situated at the Horn of Africa.

An arid country, the republic depends on the outside world to meet its requirements for food, energy, and manufactured goods.

It has no agro-food industry; and although the country has a continental shelf of 228 km, the fishing sector does not as yet use modern techniques.

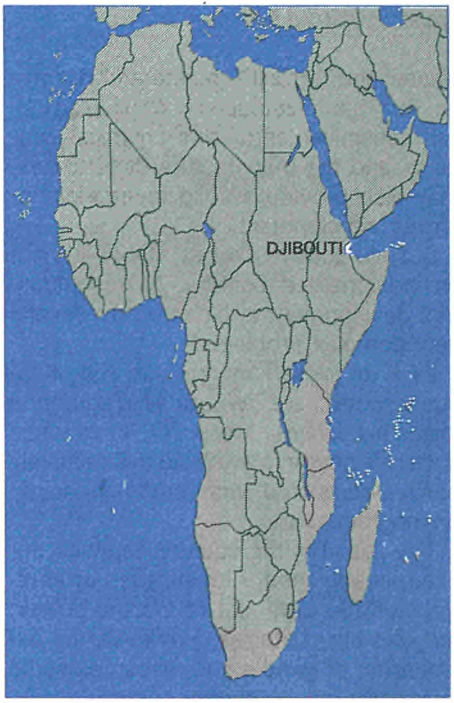
However, its advantageous geographical situation and its privileged economic relationships with Arab countries, provide Djibouti with considerable assets for industrial development.

There are also sizeable mineral resources which offer promising prospects for future industrialisation.

Deposits of copper, manganese and radioactive minerals, have already been discovered.

Gypsum (used in the production of

Continued on page 8



INITIAL ASSISTANCE TO DJIBOUTI UNDER LOMÉ III

Below we list some of the projects already assisted (or about to be assisted) under CDI's initial programme for Djibouti under Lome III.

Some of these projects were derived from the industrial potential survey undertaken by CDI in Djibouti.

- **Stone cutting and polishing** – The promoter received travel assistance to enable him to select an equipment supplier in Italy, following a CDI feasibility study undertaken by an Italian consultant (who will also provide technical assistance for start-up).
- **Tyre retreading** – CDI is considering financing an in-depth evaluation focussing mainly on a market appraisal.
- **Infusion solutions** – CDI is helping in the search for finance.
- **Stationery and printing** – The French Ministry of Cooperation and CDI are co-financing a 6-month technical assistance programme for the improvement and diversification of an existing plant.
- **Hollow bricks** – The promoter received travel assistance to visit a French supplier of new equipment, for the expansion of production.
- **Oxygen acetylene** – CDI is considering sponsoring an in-depth evaluation of the project.
- **Project substantiation** – CDI financed a mission by a consultant to substantiate a number of Djibouti projects.

Djibouti: continued from page 7

plaster and fertilizer), perlite and diatomite (for the manufacture of insulators), salt, chemical and petro-chemical products and the manufacture of fertilizers, may also provide a solid foundation for further development.

Despite such resources, Djibouti is not an industrialized country. Indeed industrial development is hindered by several very complex problems.

Lack of skilled manpower and managerial staff, are two of the country's major headaches. Moreover, even when such manpower is available it is relatively costly, compared with costs in neighbouring countries.

The fact that the country depends on external sources for its supplies of energy, plus the high cost of electric power, are also big obstacles. However, the exploitation of geothermal resources could eventually reduce energy costs.

A feasibility study to determine the potential offered by geothermal resources was undertaken as early as 1970; and a project is underway (which consists of sinking four pits 2000 m deep) to determine the extent of existing geothermal reserves.

Unfortunately, measures taken by the government to attract foreign investors, which include tax exemption, the absence of any foreign exchange restrictions and the freedom to transfer profits overseas, are practically unknown abroad.

LIBERAL INVESTMENT CODE

The Investment Code, which came into force in 1984, provides guarantees and fiscal advantages to private entrepreneurs, including exemption from import duties on raw materials and equipment.

There are also exemptions from tax on profits (provided that the profits are re-invested, in the form of public subscriptions or shares).

Private banks have developed since the country's independence in 1977. However, medium- and long-term loans are provided by the Caisse de Developpement de Djibouti (CDD) which was set up in 1983 and is active in all sectors, except commerce.

In 1985 alone, CDD granted 77 loans, estimated to total Ecu 2.8 million. This shows a 50% growth compared to 1984.

INDUSRIAL DEVELOPMENT STRATEGY

To overcome the problems that stem from Djibouti's limited internal market, the five year plan (1986-1990) tries to identify industries aimed at regional markets.

Some of the measures envisaged are the extension of the Boulos industrial zone of in the south, the publication of an investor's handbook and the follow-up of some existing projects.

Government strategy favours projects which contribute greater added-value to the country's resources, which enhance sectoral and intersectoral integration and foster the country's technological development.

The existence of a well-developed infrastructure is an important asset for the survival and growth of industry in Djibouti.

The port of Djibouti handles almost all import and export trafic. In in the port's free zone, one paper manufacturing plant is already operating and there is plenty of capacity to absorb other small industrial units.

There is also a well-equipped international airport.

The Djibouti-Ethiopian railway line plays an important role in the economic life of the country; and a modern and efficient telecommunications system provides reliable telex and telephone services.

OFFERS FROM ACP SPONSORS
EEC INDUSTRIAL PARTNERS WANTED

EEC industrialists are invited to contact CDI, quoting the reference number, in response to any offer outlined in this section. However, CDI will reply to enquiries only if EEC industrialists give brief descriptions of their current operations and are prepared to provide the kinds of cooperation requested by the ACP sponsors.

Organisations reprinting these offers in their own publications, are asked ALWAYS to include the corresponding CDI reference numbers.

PHARMACEUTICAL PRODUCTS

GHANA **662.GHA.2.CHE**

An existing private pharmaceutical company specialized in the production and packaging of pharmaceutical products (analgesics, vitamins, anti-malaria tablets, etc.), wishes to extend its production.

It seeks a joint venture partner able to provide technical, management, and marketing assistance. The company would like to export its increased production, mainly to ECOWAS regional markets.

LEATHER GOODS

ETHIOPIA **662.ETH.03.LEA**

The National Leather and Shoe Corporation of Ethiopia requires assistance for the rehabilitation of a factory situated on the outskirts of Addis Ababa, which produces handbags, briefcases, footballs and small leather goods.

A technical, marketing and joint venture partner is required to increase production both for the local market and for export. The first phase will include a diagnostic study of the existing plant. This will be followed by the implementation of recommendations for the anticipated rehabilitation and expansion.

Leather goods. Ethiopia. A view of the handbag production line in the Addis Ababa plant in need of an EEC technical, marketing and joint venture partner.

OPERATIONAL SUMMARY

No. 43 — January 1988

(position as at 29 December 1987)

EEC-MEDITERRANEAN
EEC-ACP
EEC-ALA
DEVELOPING COUNTRIES

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**
A1A	Administrative buildings
A1B	Economic planning and policy
A1C	Assistance to the normal operations of government not falling under a different category
A1D	Police and fire protection
A1E	Collection and publication of statistics of all kinds, information and documentation
A1F	Economic surveys, pre-investment studies
A1G	Cartography, mapping, aerial photography
A1H	Demography and manpower studies
A2	**Development of public utilities**
A2A	Power production and distribution
A2Ai	Electricity
A2B	Water supply
A2C	Communications
A2D	Transport and navigation
A2E	Meteorology
A2F	Peaceful uses of atomic energy (non-power)
A3	**Agriculture, fishing and forestry**
A3A	Agricultural production
A3B	Service to agriculture
A3C	Forestry
A3D	Fishing and hunting
A3E	Conservation and extension
A3F	Agricultural storage
A3G	Agricultural construction
A3H	Home economics and nutrition
A3I	Land and soil surveys
A4	**Industry, mining and construction**
A4A	Extractive industries
A4Ai	Petroleum and natural gas
A4B	Manufacturing
A4C	Engineering and construction
A4D	Cottage industry and handicraft
A4E	Productivity, including management, automation, accountancy, business, finance and investment
A4F	Non-agricultural storage and warehousing
A4G	Research in industrial technology
A5	**Trade, banking, tourism and other services**
A5A	Agricultural development banks
A5B	Industrial development banks
A5C	Tourism, hotels and other tourist facilities
A5D	Export promotion
A5E	Trade, commerce and distribution
A5F	Co-operatives (except agriculture and housing)
A5G	Publishing, journalism, cinema, photography
A5H	Other insurance and banking
A5I	Archaeological conservation, game reserves
A6	**Education**
A6A	Primary and secondary education
A6B	University and higher technical institutes
A6Bi	Medical
A6C	Teacher training
A6Ci	Agricultural training
A6D	Vocational and technical training
A6E	Educational administration
A6F	Pure or general research
A6G	Scientific documentation
A6H	Research in the field of education or training
A6I	Subsidiary services
A6J	Colloquia, seminars, lectures, etc.
A7	**Health**
A7A	Hospitals and clinics
A7B	Maternal and child care
A7C	Family planning and population-related research
A7D	Other medical and dental services
A7E	Public health administration
A7F	Medical insurance programmes
A8	**Social infrastructure and social welfare**
A8A	Housing, urban and rural
A8B	Community development and facilities
A8C	Environmental sanitation
A8D	Labour
A8E	Social welfare, social security and other social schemes
A8F	Environmental protection
A8G	Flood control
A8H	Land settlement
A8I	Cultural activities
A9	**Multisector**
A9A	River development
A9B	Regional development projects
A10	**Unspecified**

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

Sectoral Import Programme. Resp. Auth.: Ministère du Plan. 35 mECU. Supply of seeds (maize, potatoes, for market garden crops) fertilizers, tools, vehicles, raw materials, rural equipment. T.A. and evaluation. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF ANG 6005 A3a

BAHAMAS

Rural economic infrastructure (Family Islands Energy). Resp. Auth.: Bahamas Electricity Corporation. 2.5 mECU. Works, installation, supply of generators, cables, renewable energy systems. Project on appraisal. ★ ***Date foreseen for financing January 88.*** 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. ***Project on appraisal.*** 6th EDF.
EDF BEL 6002 A8b

BENIN

Upgrading of health service infrastructure. Resp. Auth.: Ministère de la Santé Publique. Estimated cost 14.3 mECU: renovation and construction of the hospital building and equipment. Project on appraisal. ★ ***Date foreseen for financing January 88.*** 5th and 6th EDF.
EDF BEN 5010 A7a

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 already drawn up. Project in execution. 6th EDF.
EDF BT 6005 A3a

Manpower development for sustainable resource utilisation. Resp. Auth.: Ministry of Finance and University of Botswana. 4.4 mECU. T.A. and training for basic science, ground water exploration and management, environmental resource and sustainable agriculture. Project on appraisal. ★ ***Date foreseen for financing January 88.*** 6th EDF.
EDF BT 6003 A6

BURKINA FASO

Rural water supply. Comoé, 3rd phase. Resp. Auth.: Ministère des Ressources Financières. 3.1 mECU. 210 bore-holes and rehabilitation of 30 water-points. Supply of ★ handpumps and equipment. ***Project in execution.*** 4th EDF.
EDF BK 4023 A2b

Rural integrated development programme in the provinces of Sourou, Yatenga and Passoré. Resp. Auth.: Ministère de l'eau, Ministère de l'Agriculture et Elevage, Ministère de la Santé, Ministère de l'Education Nationale. 44 mECU. Development and security of rural production, land capital protection, drinking water supply, rural health improvement, training and monitoring, planning and coordination at regional level. Works for water control, training, T.A., supplies, coordination and follow-up. Project on appraisal. Date foreseen for financing 4th quarter 87. 6th EDF.
EDF BK 6001 A3a

BURUNDI

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 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'Elevage and Département des Eaux et Forêts. 34.815 mECU. Improvement of the feeder roads and secondary roads, rural hydraulics, rural stock-farming and reafforestation development. Support to cooperatives. Feasibility study for secondary roads and hydraulics: short-list done. Date financing December 87. 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 already drawn up. Project on appraisal. 6th EDF.
EDF BU-REG 6305 A2d

Rehabilitation of the R.N. 2 (Bugarama-Gitesa). Resp. Auth.: Ministère des T.P. Estimated cost 6 mECU. Works and supervision. 68 km. Project on appraisal. 6th EDF.
EDF BU 6006 A2d

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 already drawn up. ***Date financing December 87.*** 6th EDF.
EDF CM 6002 A3a

CAPE VERDE

Groundwater research. Resp. Auth.: Ministère du Développement Rural. EDF part 2.2 mECU. Cofinancing with France 0.5 mECU, Kowait 1.3 mECU. Construction of a gallery in Bota Rama, supply of drilling equipment. T.A. Project on appraisal. Date foreseen for financing December 87. 5th EDF.
EDF CV 5001 A2b

| ***Town development of Praia.*** *Estimated cost 15.5 mECU. Works and supply of equipment, T.A. and supervision of works. Project on appraisal. Date foreseen for financing February 88. 6th EDF.*
| *EDF CV 6001 A2d*

CENTRAL AFRICAN REPUBLIC

National Livestock Programme. Supply of agricultural inputs, monitoring training, T.A. Feeder roads. EDF part 10 mECU. Cofinancing with France, EIB, local, IFAD. Project in execution. 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 in execution. 6th EDF.
EDF CA 6002 A3a

Development programme of the Central and Southern region. Resp. Auth.: Ministère du Dév. Rural. 20.3 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 reafforestation. Short-lists already ★ drawn up. ***Project on appraisal. Date foreseen for financing February 88.*** 6th EDF.
EDF CA 6005 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

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 in execution. 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. 12 mECU. Supply of essential medicines, training programme and T.A. Project in execution. 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 in execution. 5th EDF.
EDF COM 5017 A3d

Moroni port. Resp. Auth.: Ministère du Plan et de l'Equipement. 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) launched in September 87. Project on appraisal. Date foreseen for financing January 88. 6th EDF.
EDF COM 6001 A2d

CONGO

FEDAR (EDF regional action for the Pool and Cuvette). Resp. Auth.: Ministère du Plan. Estimated cost 36 mECU. Roads, wells, rural infrastructure, supervision of works, line of credit, monitoring. Project on appraisal. 6th EDF.
EDF COB 6002 A3a

COTE D'IVOIRE

Rural oil palm plantations for the 2nd palm plan. Resp. Auth.: Ministère de l'Agriculture. EDF 20.850 mECU. 22,945 ha in rural areas. Project in execution. 6th EDF.
EDF IVC 6001 A3a

Research and development of the orcharding in the savannah region. Resp. Auth.: Ministère de la Recherche Scientifique (MRS) I.R.F.A. EDF 1.120 mECU. Works by direct labour or direct agreement. Supply of scientific equipment, vehicles, agricultural equipment and office equipment. Fertilizers, pesticides, laboratory products. Supplies by ★ int. tender. ***Date financing October 87.*** 5th EDF.
EDF IVC 5020 A3a

Strenghtening of the research capacities for the "Institut des Savanes" (IDESSA). Resp. Auth.: Ministère de la Recherche Scientifique (MRS). IDESSA. EDF 2 mECU. Works by direct labour or direct agreement. Supply of scientific equipment, vehicles, rural equipment, furnitures, laboratory products, fertilizers, pesticides. All by ★ int. tender. Date financing decision October 87. 5th EDF.
EDF IVC 5020 A3a

DJIBOUTI

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, already 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. 4 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 already drawn up. ★ ***Project on appraisal. Date foreseen for financing January 88.*** 6th EDF.
EDF DI 6002 A2d

Health programme. Resp. Auth.: Ministère de la Santé Publique. Estimated total cost 1.016 mECU. EDF 0.855 mECU, France 0.116 mECU, local 0.045 mECU. Building of the training centre for health care staff, and of Rural Health Centres. Supply of mobile health care equipment, T.A. to the Health and Epidemiological service. Project on appraisal. Date foreseen for financing December 87. 4th and 6th EDF.
EDF DI 6003 A7a

EQUATORIAL GUINEA

Rehabilitation of the cacao-tree plantation in the Bioko Island. *Resp. Auth.: Ministère de l'Agriculture, de l'Elevage et du Développement Rural. 0.900 mECU. 2nd phase. Supply of agricultural inputs. Project on appraisal. 5th EDF.*
EDF EG 5008 A3a

ETHIOPIA

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, reafforestation, rural infrastructure development and feeder roads. Works, supply of equipment, vehi- ★ cles, T.A. and line of credit. ***Project in execution.*** 6th EDF.
EDF ET 6001 A3a

GABON

Experimental rural rubbertree cultivation programme Mitzic/Bitam. Resp. Auth.: Ministère de l'Agriculture et du Développement Rural. 2.3 mECU. Special loan to support development of rural rubber tree cultivations in the concentration area assisted by the EEC. Works, supplies and T.A. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF GA 6004 A3a

Audit and diagnosis of the public and semi-public sector. *Resp. Auth.: Haut Commissariat au Plan, au Développement et à l'Economie. 2 mECU. T.A. Project on appraisal. 5th and 6th EDF. Date foreseen for financing February 88.*
EDF GA 6006 A1f

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

Development of the non-industrial fisheries. 3 mECU. Works and supplies. ★ ***Date financing October 87.*** 6th EDF.
EDF GM 6003 A3d

GHANA

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. Project in execution. 6th EDF.
EDF GH 6004 A4g

Rehabilitation of Dawhenya smallholder rice irrigation scheme. 2,4 mECU. Rehabilitation works over 244 ha. Provision of agricultural equipment and other inputs. ★ ***Date financing November 87.*** 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 on appraisal. 6th EDF.
EDF GH 6006 A3a

Transport infrastructure programme. Phase II. Resp. Auth.: Ghana Highway Authority. 5 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 already drawn up. Project in execution. 5th EDF.
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 already 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

Pilot project. Model farm. Resp. Auth.: Grenada Model Farms Corporation (GMFC). 0.275 mECU. Access roads, drainage, irrigation, supply of equipment. ★ ***Date financing October 87.*** 6th EDF.
EDF GRD 6002 A3a

GUINEA

Rural development programme in Upper-Guinea. Resp. Auth.: Coordination team composed by representation from: Ministère du Plan et de la Coopération internationale, Ministère du 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 in execution. 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 in execution. 6th EDF.
FED GUI 6001 A3a

Strenghtening of health infrastructure. Resp. Auth.: Ministère de la Santé. Estimated cost 9.4 mECU. Continuation and achievement of the Ignace Deen hospital rehabilitation. T.A. and training. Project on appraisal. ★ ***Date foreseen for financing February 88.*** 6th EDF.
EDF GUI 6005 A7a, e

GUINEA BISSAU

Minor bridges. Resp. Auth.: Ministère de l'Equipement 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. 23.8 mECU. Improvement of the food and fishery production, line of credit, micro-projects, T.A. and training. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF GUB 6001 A3a

GUYANA

Economic infrastructure sector support programme. Resp. Auth.: Ministry of Finance. 14.5 mECU. Rehabilitation of sea defences, quarries, transport, water supplies. Supply of equipment, training. First int. tender for supplies foreseen in the 1st quarter 88. Project on appraisal. 6th EDF.
EDF GUA 6003 A2b, d

JAMAICA

Jamaica Public Service Company (JPSCO). Training centre. Resp. Auth.: JPSCO. Estimated total cost: 2.710 mECU. EDF part 0.540 mECU, Italy 1,350 mECU, local 0.730 mECU, JPSCO 0.090 mECU. EDF part: supply of laboratory equipment, pedagogical equipment and T.A. Project on appraisal. Date foreseen for financing December 87. 5th EDF.
EDF JM 5014 A6d

Rural water supplies. Phase I. Resp. Auth.: National Water Commission. 5.750 mECU. Extension, upgrading of five existing water supply schemes: South Manchester, Lionel Town/Kempshill, Elderslie/Niagara, Castleton, South Chapelton. Works and supplies. Project on appraisal. 6th EDF.
EDF JM 6003 A2b

Montego Bay airport. Charter terminal. Resp. Auth.: Airports Authority of Jamaica. 7.1 mECU. Works and supply of equipments. Works by acc. tender. Supplies by int. tender. Supervision. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF JM 6004 A2d

KENYA

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. 20 mECU. Soil and water management research. Soil fertility and plant nutrition. Civil works and libraries. Project in execution. 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 already drawn up. Project stage: identification. 6th EDF.
EDF KE 6004 A5de

LESOTHO

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. 4.75 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 in execution. 6th EDF.
EDF LSO 6003 A3a

Manpower development project to support Lesotho's natural resources sector. *Resp. Auth.: National Manpower Development Secretariat (NMDS). Ministry of Planning Economic and Manpower Development. 7.7 mECU. Construction of schools, class-rooms, laboratories, supply of T.A., scholar-ships and training. Project on appraisal. Date foreseen for financing February 88. 6th EDF.*
EDF LSO 6007 A6b

LIBERIA

Rural health training centre. Estimated cost 2 mECU. Provision of services, supplies and equipment (including drugs), T.A. for management and training. ★ ***Project in execution.*** 5th EDF.
EDF LBR 5020 A7a

Bong Mining Company. Rehabilitation project. Resp. Auth.: Government and BMC. 49.3 mECU. Supply of specialized equipment, shovels, conveyor belts, dumpers, locomotives, spare parts. ★ ***Date financing November 87.*** 5th EDF.
EDF LBR/SYS 0000 A4a

South-East development programme. Estimated cost 27 mECU. Works, supplies and T.A. Date financing October 87. 6th EDF.
EDF LBR 6002 A3a

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

Soalala 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. *Date financing November 87.* 5th EDF.
EDF MAG 5032 A4a

Water supply in the South (phase III). Improvement of water supply conditions for population and livestock. EDF part 5.1 mECU, local 0.700 mECU. Wells, boreholes, supply of specialised equipment, T.A. and evaluation. Project in execution. ***Supplies: Int. tender launched in December 87.*** 6th EDF.
EDF MAG 6003 A2b

Rehabilitation of the R.N. 4 road (PK 58 to PK 177). Resp. Auth.: Ministère des Travaux Publics. 10 mECU. Int. tender for rehabilitation works. 119 km. Supervision. ***Project in execution.*** 6th EDF.
EDF MAG 6005 A2d

Small irrigated areas in the North: rehabilitation and support programme for rice-growing in the region of Antsohihy. Resp. Auth.: For rural part: Ministère de la Production Agricole et de la Réforme Agraire (MPARA) for feeder roads: Ministère des Travaux Publics. 12.8 mECU. Works by acc. tender. Supplies by int. tender. Feeder roads by int. tender. Supervision of works: restr. tender. T.A. and training. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF MAG 6007 A3a

Maize development programme in the Middle West.*Resp. Auth.: Ministère de la Production Agricole. EDF part 11.3 mECU, local 1.717 mECU. Building of a nursery and farmers training. Works, supplies, T.A. evaluation and training. Project on appraisal. 6th EDF.*
EDF MAG 6006 A3a

MALAWI

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 III. Resp. Auth.: Sedom secretariat. EDF 2,2 mECU. T.A.: GITEC (D). Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF MAI 6008 A4e

Smallholder agricultural input support programme. Resp. Auth.: Ministry of Agriculture. 28.2 mECU. Establishment of fertiliser buffer stock of 70 000 tons, building of 3 warehouses + auxillary facilities, T.A. Project in execution. 6th EDF.
EDF MAI 6005 A3a

Rural health programme. Resp. Auth.: Ministry of Health and Ministry of Community Services (MOH and MOCS). 9.3 mECU. Construction of an hospital, two health centres supply of equipments, T.A. Works by acc. tender. Supplies by int. tender. T.A.: short-list not yet drawn up. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF MAI 6009 A7a, e

MALI

Support programme to the food strategy. 19.5 mECU. ***Date financing November 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 in execution. 5th EDF.
EDF MLI 5026 A7a

Stock-farming in North-East Mali. Resp. Auth.: Ministère des Ressources Naturelles et Elevage. 2.2 mECU. Improvement of water points, building construction for cooperatives, supplies, training, follow-up, logistics. Project on appraisal. Date foreseen for financing February 88. 5th EDF.
EDF MLI 5006 A3a

Rice-growing intensification programme in the large irrigated areas. Resp. Auth.: Ministère de l'Agriculture. 66 mECU. Improvement of the irrigated areas, roads. Supply of equipment for maintenance and for agriculture, study, T.A., training and experimentation. Study: short-list done. Project on appraisal. 5th and 6th EDF.
EDF MLI 6004 A3a

Water resources improvement programme in the Mopti region. Resp. Auth.: Gouverneur de la région. 24 mECU. Soil and ground water resources, rehabilitation of Bamako. Mopti road. Works, supplies, supervision, study, T.A. training. Project on appraisal. 5th and 6th EDF.
EDF MLI 6005 A2b, d

MAURITANIA

Aioun El Atrouss hospital. Resp. Auth.: Ministère de l'Equipement. 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

Rehabilitation of Nouakchott National Hospital. Resp. Auth.: Ministère de l'Equipement. 4 mECU. Renovation and upgrading for building, supply of medical-technical and surgical equipment. Project on appraisal. Date foreseen for financing 4th quarter 87. 6th EDF.
EDF MAU 6003 A7a

Road maintenance programme. Resp. Auth.: Direction des Travaux Publics. 15 mECU. Upgrading strenghtening of the road Nouakchott-Rosso (93,5 km) and 78 km of the road Boutilimit-Aleg. Supply of equipment for a road maintenance brigade. Supervision, T.A. and training. Works and supplies by int. tender. ***Project in execution.*** 6th EDF.
EDF MAU 6004 A2d

Rehabilitation programme for the "SNIM". *Resp. Auth.: Société Nationale Industrielle et Minière (SNIM). 18 mECU. Renovation of railway track equipment and wagons. Modernization of the repair-shops. Supply of equipments and spare parts by int. tenders. Project on appraisal. Date foreseen for financing February 88. 6th EDF.*
EDF SYS MAU A4a

MAURITIUS

Development of Ile Rodrigues — Phase II. Resp. Auth.: Ministry of Agriculture. 3.250 mECU. Development centred on agricultural production. Works and supplies. ***Project in execution.*** 5th EDF.
EDF MAS 6003 A3a

Programme to diversify productive sectors to improve, employment prospects (1st part: industry). 10 mECU. Actions to strengthen export and industry promotion institutions, actions to incite development of small enterprises. ***Project in execution.*** 6th EDF.
EDF MAS 6002 A5e

MOZAMBIQUE

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 in execution. 6th EDF.
EDF MOZ 6008 A1c

Eduardo Mondlane University. Basic science courses. Resp. Auth.: Universidade Ed. Mond. (UEM). 2.3 mECU. Construction works, supply of furnitures and pedagogical equipment. T.A. Works by acc. tender. Supplies by int. tender. T.A. by restr. tender. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF MOZ 6015 A6b

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

Rehabilitation project for the medical district of Mainé-Soroa. 0.779 mECU. Supplies and T.A. ***Date financing October 87.*** 4th EDF.
EDF NIR 4021 A7e

NIGERIA

Kaduna afforestation project. Resp. Auth.: Federal Department of Forestry. 9.4 mECU. Works, supplies and T.A. Project in execution. T.A.: Hedeselkabett (DK). 5th EDF.
EDF UNI 5001 A3c

PAPUA NEW GUINEA

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

Food strategy support programme. Resp. Auth.: Ministère du Plan. 51 mECU. Development of the rural activity, monitoring, training, maintaining of natural environment stability. Infrastructures, supply of agricultural inputs, vehicles, T.A. studies and training. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF RW 6001 A3a

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

Mabouya valley development project. Resp. Auth.: Central Planning Unit. Estimated cost 2.6 mECU. Works and supply of equipment and T.A. Project on appraisal. 6th EDF.
EDF SLU 6002 A3a

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 ★ ***1st quarter 88.*** 6th EDF.
EDF STP 6002 A2ai

Improvement of the Port of São Tomé. *Resp. Auth.: National Authorizing Offices of STP. 3.3 mECU. Supply of fixed equipment and off-shore equipment. T.A. Project on appraisal. 6th EDF. Project partly regional.*
EDF STP-REG 6202 A2d

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 88. 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 97 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. Int. tender for works launched in July 87 and int. tender for supplies launched in September 87. Project in execution. 6th EDF.
EDF SE 6002 A3a

SEYCHELLES

Craft industry development programme. Resp. Auth.: Ministère du Développement National. 1.2 mECU. Renovation works and supply of furnitures. Supply of equipment, T.A. and training. Works by acc. tender. Supplies by direct agreement and ★ int. tender. ***Project in execution.*** 6th EDF.
EDF SEY 6003 A4d

SIERRA LEONE

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

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

Construction of the road Fadugu-Kabala. Resp. Auth.: Ministry of Public Works. 17,5 mECU. Bituminised road, 35 km. Project on appraisal Int. tender (conditional) launched in August 87. Date foreseen for financing December 87. 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 in execution. 6th EDF.
EDF SOL 6003 A3a

Small holder development project. *Resp. Auth.: Ministry of Agriculture. 3.32 mECU. EDF 3 mECU, local 0.320 mECU. Works, supplies, T.A. and training. Project on appraisal. Date foreseen for financing February 88. 6th EDF.*
EDF SOL 6006 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

Upgrading of the road Afgoi-Shalambot-Goluen. Resp. Auth.: Ministry of Public Works. Works by int. tender in 88. Supervision of works. Studies: AIC. PROGETTI (I). Project on appraisal. 5th EDF.
EDF SO 5017 A2d

Animal feed by agricultural sub-products. Resp. Auth.: Ministry of Livestock, Forestry and Range. 1.9 mECU. Rehabilitation of a part of a dairy farm, supply of equipment and vehicles, T.A. Project on appraisal. Date foreseen for financing 4th quarter 87. 5th EDF.
EDF SO 5027 A3a

Mogadishu dairy. Phase II. Resp. Auth.: Ministry of Industry. 1.570 mECU. T.A., ★ training and supply of equipment. ***Date financing December 87.*** 6th EDF.
EDF SO 6004 A3a

SUDAN

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. Int. tender for supplies launched in October 87. Project in execution. 6th EDF.
EDF SU 6002 A3a

Programme of assistance to spontaneoysly settled refugees in Sudan. *Resp. Auth.: Commission of Refugees (COR). 16.33 mECU. Rehabilitation of 12 hospitals, 48 schools and construction of one school. Supply of equipment, T.A. and training. Project on appraisal. Date foreseen for financing February 88. 6th EDF.*
EDF SU 6104 A8a, b, c

Sectoral import programme for the subsector: irrigation. *Resp. Auth.: Sudan Gezira Board (SGB). 17.8 mECU. Supply by int. tender of ± 100 000 T of urea. T.A. Project on appraisal. Date foreseen for financing February 88. 6th EDF.*
EDF SU 6010 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. Int. tender for supplies launched in November 87. 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

Artisanal fishing centre Nickerie. Estimated total cost 1.3 mECU. Works for offices, repair shop, jetty, cold stores. Supply of ice making unit, vehicles, fishing gears, spare parts for engines. Training and evaluation. ★ ***Date financing November 87.*** 5th EDF.
EDF SUR 5013 A3d

Sectoral import programme. Estimated cost 5 mECU. Creation of a revolving funds for imports of inputs (fertilizers and chemicals for the rice sector). Project on appraisal. 6th EDF.
EDF SUR 6001 A3a

New Nickerie Secondary School. Estimated cost 1 mECU. Construction and supply of equipment. Project on appraisal. 5th EDF.
EDF SUR 5014 A6aß

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. Project in execution. 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 already drawn up. ★ ***Project in execution.*** 5th and 6th EDF.
EDF SW 6005 A5c, d, e

T.A. to the S.I.D.C. Swaziland Industrial Development Company Ltd. Resp. Auth.: Board of S.I.D.C. 1.220 mECU. Continuation of the existing T.A. Training. ★ ***Date financing December 87. 6th EDF.***
EDF SW 6001 A5b

Rural water supplies programme. *Ministry of Natural Resources. 2.5 mECU. Works and supply of equipment for village drinking water supply scheme. Project on appraisal. 6th EDF.*
EDF SW 6008 A3a

Human resources development programme. *Resp. Auth.: Ministry of Education. 8 mECU. Works and supply of educational equipment, T.A. and training. Project on appraisal. 6th EDF.*
EDF SW 6010 A6a, b

Rural dam rehabilitation programme. *Resp. Auth.: Ministry of Agriculture. 2.5 mECU. Works and supervision. Project on appraisal. 6th EDF.*
EDF SW 6012 A3a

TANZANIA

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 in execution. 87. 5th EDF.
EDF TA 5029 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

Incentive goods production programme. *Estimated cost 4 mECU. Provision of imported row materials and other inputs, spare parts, bibycles. Project on appraisal. 6th EDF.*
EDF TA 6003 A4b

TOGO

Support to the draught animals cultivation. Resp. Auth.: Ministère du Développement Rural. EDF 5.47 mECU. Extension of the Adelé ranch, introduction of new techniques, line of credit. Works: feeder roads, bridges, wells, housing. Supply of vehicles, equipments, veterinary products, T.A. and training, research. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF TO 6005 A3a

Rural development programme in the Savannah region. *Resp. Auth.: Ministère du Développement Rural. 6.784 mECU. T.A. for training, research, vulgarization and farmers responsabilization. Works by direct labour, supplies by direct agreement. Project on appraisal. Date foreseen for financing January 88. 6th EDF.*
EDF TO 6003 A3a

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 chromatographs, spectrometers) by int. tender. launched in December 87. 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

TUVALU

Coastal protection. Phase II. Resp. Auth.: Public Works Department (PWD) 0.800 mECU. Works, supplies and T.A. Project on appraisal. Date financing November 87. 6th EDF.
EDF TV 6001 A3c

UGANDA

Support to emergency relief and rehabilitation programme. Resp. Auth.: Government of Uganda. EDF 3.860 mECU. Project in execution. 6th EDF.
EDF UG 6104 A8e

Forestry rehabilitation programme. Resp. Auth.: Government of Uganda. Estimated total cost 32 mECU. EDF part 9 mECU. Natural forest protection and management; reafforestation; improved charcoal production, fuel wood plantation preparation. Works, supplies, T.A. and training. ★ ***Date financing November 87.*** 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 auxillary materials for hoe production. T.A. and evaluation; supplies by int. tender. Project in execution. 6th EDF.
EDF UG 6005 A1c

Makarere university renovation. Resp. Auth.: University and National Authorising Officer. 8 mECU. Renovation of 9 faculties, staff housing, supply of printing and library equipment, supervision. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF UG 6006 A6b

VANUATU

Fisheries extension service and training centre. Resp. Auth.: Fisheries Dept. Estimated total cost 2.1 mECU. EDF 1.7 mECU, local 0.4 mECU. Work construction by acc. ★ tender. Supplies by int. tender. T.A. ***Project in execution.*** 6th EDF.
EDF VA 6002 A3d

Smallholder cattle development project (phase II). Resp. Auth.: Livestock Service of Ministry of Agriculture. 0.228 mECU. ★ Supply of vehicles and training. ***Project in execution.*** 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

Goma-Beni high-voltage transmission line. Technical study to be done. Short-list already drawn up Project on appraisal. 6th EDF.
EDF ZR 0000 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

Kivu programme. 40 mECU. Action for crops (coffee, corn, palm-tree, rice) environment (Parc de la Virunga), lines of credit. Project in execution. 6th EDF.
EDF ZR 6002 A3a

Kinshasa hinterland programme. Estimated cost 35 mECU. To improve crop production. Project on appraisal. 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 49 mECU. EDF 29.5 mECU, KfW (D) 19.5 mECU. Int. tender (conditional) launched in April 87. Project on appraisal. Date foreseen for financing December 87. 6th EDF.
EDF ZR 6004 A2d

Matadi-Kinshasa-Kenge road. Resp. Auth.: DG Travaux Publics et Adm. Territoriale. 22.5 mECU. Road rehabilitation and training for the staff of "Office des routes". Project on appraisal. Date foreseen for financing December 87. 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. 9.6 mECU. Works, supplies and work supervision. Project on appraisal. Date foreseen for financing decision 4th quarter 87. 6th EDF.
EDF ZA 6007 A3f

Zambia Centre for Accountancy Studies (ZCAS). 4 mECU. Training and management. 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. 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. 2 int. tenders for fertilizers launched in July 87. Project in execution. 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 in execution. 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 in execution. 5th EDF.
EDF ZIM 5017 A3a

Land Use Project for Kanyati and Gatshe-Gatshe Communal Lands. 3 mECU. Cultivation and development and proper utilisation of wildlife potential. Works, supply of vehicles and rural equip- ★ ment and T.A. ***Date financing November 87.*** 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

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. Int. tender launched in June 87. Project in execution. 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 ontwikkelingssamenwerking. 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. 6 mECU. EDF. Sewage, road works, piping, supervision. Project on appraisal. 5th EDF.
EDF NEA 5013 A5c

ARUBA

Aruba Airport Extension. Resp. Auth.: Airport Authority 6 mECU. Supply of navigational aids, equipment and construction of a service road. Int. tender (conditional) launched in August 87. T.A. Project on appraisal. ★ ***Date foreseen for financing February 88.*** 5th EDF.
EDF NEA 5014 A2d

MONTSERRAT

Water Supply Project. Resp. Auth.: Montserrat Water Authority and Ministry of Public Works. 0.966 mECU. Project planning: SCET Int. (F). Date financing July 87. 4th and 5th EDF.
EDF MON 5001-4001 A2b

NEW CALEDONIA

Creation of a coconut seedling nursery unit. *Resp. Auth.: Direction du Développement de l'Economie Rural (DIDER). 0.350 mECU. Project on appraisal. Date foreseen for financing February 88. 5th EDF.*
EDF NC 5010 A3a

Installation of compost units. *Resp. Auth.: Direction du Développement de l'Economie Rurale (DIDER) 0.240 mECU. Works: acc. tender. Supplies: direct agreement. Project on appraisal. Date foreseen for financing February 88. 5th EDF.*
EDF NC 5011 A3a

WALLIS AND FUTUNA

Electrification of Futuna. Resp. Auth.: Administration Supérieure de Wallis et Futuna. 1 mECU. Supply of cables and pylons for L.T. and M.T. Project on appraisal. 6th EDF.
EDF WF 6001 A2a

Regional Projects

MEMBER COUNTRIES OF CEDEAO

Actions to inform and promote investments in West Africa. (West Africa Industrial Forum, Dakar). 2.7 mECU. T.A. Project in execution. 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 reafforestation 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 Kompienga Dam. Resp. Auth.: Ministère de l'Environnement du Burkina. EDF 5.9 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 in execution. 6th EDF.
EDF REG 6102. A3c

ZAIRE — CONGO — GABON — SAO TOME AND PRINCIPE — EQUATORIAL GUINEA — CAMEROON

Fishery development in the Gulf of Guinea. 6.7 mECU. T.A. to prepare these projects: Short-list done. ★ ***Date financing October 87.*** 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) launched in July 87. Project on appraisal. ★ ***Date foreseen for financing February 88.*** 5th EDF.
EDF REG 5157 A2a

PACIFIC ACP COUNTRIES

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

PIACC — Pacific Islands Association of Chambers of Commerce. Stage 2. *Resp. Auth.: PIACC, Suva, Fiji. 0.800 mECU. T.A. and training. Project on appraisal. Date foreseen for financing February 88. 6th EDF.*
EDF REG 6021 A5e, g

Regional agriculture development programme. *Ten pilot project. T.A. works and supplies. Project on appraisal. 6th EDF.*
EDF REG 6704 A3a

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

Improvement of permanent diagnostic instruments for regional food security. *Resp. Auth.: Secrétariat Exécutif Ouagadougou. EDF and Italy cofinancing. EDF 7.705 mECU, Italy 2.795 mECU. Supplies, T.A. and running costs. Project on appraisal. Date foreseen for financing February 88. 6th EDF.*
EDF REG 6110 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

Inventory and study of medicinal and aromatic plants. *2.2 mECU. T.A., training and evaluation. T.A. and training already in place. Project on appraisal. Date foreseen for financing January 88. 6th EDF.*
EDF REG 6501 A3a

Regional assistance to the handicraft. *3.5 mECU. T.A. training, supply of equipment. Project on appraisal. Date foreseen for financing January 88. 6th EDF.*
EDF REG 6502 A4d

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. Int. tender for supplies launched in October 87. 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 mECU. EDF 4 mECU, DLCO-EA 2 mECU. Research rapid survey, control and spraying of insects. ★ ***Project in execution.*** 5th EDF.
EDF REG 5348 A3a

BURUNDI — RWANDA — TANZANIA — UGANDA — ZAIRE — KENYA

T.A. to the Central Corridor. Estimated cost 13 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. Works: int. tender (conditional) launched in November 87. Supplies of a crane: int. tender launched in November 87. ★ ***Date foreseen for financing February 88.*** 5th EDF.
EDF REG 5341 A2d

Northern Corridor: Masaka-Mbarare-Kabale Road Rehabilitation. 48.5 mECU Reconstruction of 277 km of road including drainage work lime stabilised base course and double surface dressing. Supervision. ★ ***Project in execution.*** 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 in execution. 6th EDF.
EDF REG 6303 (KE...) A2d

Central corridor (emergency programme for T.R.C.). Resp. Auth.: Tanzania Railway Corporation. T.R.C. 13 mECU. Supply of railway equipment. Wagons, locomotives, spare parts, T.A. ★ ***Date financing October 87.*** 6th EDF.
EDF REG 6306 (TA 0000) 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

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

KENYA — TANZANIA — UGANDA

Victoria Lake. Fishery research. Resp. Auth.: Committee composed by Directors of Nationals Research Institutes and/or by National Directors for fishery. 1.5 mECU. Supply of equipment and fishing gears, vessel, laboratory equipment, T.A. training and ★ evaluation. ***Project in execution.*** 5th EDF.
EDF REG 5316 A3d

GHANA — KENYA — SOMALIA — UGANDA — ZAMBIA — ZIMBABWE

Qualified nationals reinstatement. Resp. Auth.: International Committee for Migration ★ (ICM) Geneva. 7.3 mECU. ***Project in execution.*** 6th EDF.
EDF REG 0000 A8b

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 in execution. 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 in execution.
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 in execu- ★ tion. ***Int. tender with pre-qualification launched in December 87.***
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 in execution.
SEM AL A4g

Integrated training programme on forestry. *Resp. Auth.: Ministère de l'Hydraulique, de l'Environnement et des Forêts. 2.5 mECU. T.A. long-term and short-term, equipments, scholar-ships. Project on appraisal. Date foreseen for financing February 88.*
SEM AL A3a

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 1st half 88. 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 ap- ★ praisal. ***Date financing December 87.***
SEM EGT A3e

Agricultural storage Daqahlia. Phase II. *Resp. Auth.: Principal Bank for Development and Agricultural Credit (PBDAC)). 4 mECU. Construction of 31 warehouses, repair of existing warehouses, supply of equipment. Works by acc. tender. Supervision by NOOR (Egypt). Project on appraisal. Date foreseen for financing February 88.*
SEM EGT A3a

LEBANON

Lebanese University, Faculty of Medicine. Resp. Auth.: Université du Liban. 0.500 mECU. Purchase of specialized equipment for the faculty by int. tender. Project ★ on appraisal. ***Date foreseen for financing 4th quarter 87.***
SEM LE 0000 A6b

Printing plant for school books. *Resp. Auth.: Council for Development and Reconstruction and Centre de Recherches et de Développement Pédagogiques (C.R.D.P.). 28 mECU. Procurement of machinery and consumables for a printing plant. All by int. tender. Project on appraisal. Date foreseen for financing February 88.*
SEM LE A6i

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 in execution. Int. tender for supplies launched in July 87.
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

Upgrading Primary Health Care Services in Kerak Governorate. Resp. Auth.: Ministry of Health (MOH). EEC Contribution ★ 1 mECU. *Date financing December 87.*
SEM JO A7b

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. Project in execution.
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

Improvement of rural enquiries system. *Resp. Auth.: Ministère de l'Agriculture. Direction de la Planification, des Statistiques et des Analyses Economiques (DPSAE). 0.400 mECU. Purchase of micro-computers by direct agreement. T.A. by the CESD with the responsability of the OSCE. Project on appraisal. Date foreseen for financing February 88.*
SEM TUN 3001 A1b

TURKEY

Geothermal energy in Western Anatolia. *Resp. Auth.: MTA — Institut de Prospection et Recherches Minérales. EEC contribution 8 mECU. Supply by int. tender of specialized equipment for wells, boreholes and for laboratory analyses. T.A. and training. Date financing December 87.*
SEM TU A4a

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 in execution. Int. tender for supplies launched in October 87.
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. Project in execution.
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

Flood control and drainage. IV. Resp. Auth.: Ministry of Irrigation, Water Development and Flood Control (MOI) and Bangladesh Water Development Board (BWDB). EEC contribution 2.080 mECU for T.A. and stu- ★ dies. *Project in execution.*
ALA BD 8702 A8g

Cyclones protection project. Phase II. ★ Estimated cost 1.5 mECU. Date financing November 87.
ALA BD 8705 A8g

Rehabilitation after floods. *6.5 mECU. Repairing of health centres, schools reconstructions, road repair, supply of "bailey" bridges, trucks, ambulances four wheels drive, follow up and supervision. Supply by int. tender. Project on appraisal. Date foreseen for financing December 87.*
ala BD 8803 A3a, A8g

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

Regulation-prevention programme of the TDPS basin. *Resp. Auth.: CORDEOR for urgent works. 5 mECU. T.A. by EEC expert for 2 years for works and T.A. by a multidiscipline team for TDPS study. Purchase by int. tender of 2 dredgers, equipments and specialized equipment for study. Works by direct labour. T.A. direct agreement after restr. tender. Project on appraisal. Date foreseen for financing February 88.*
ALA BO 8723 A3a

BURMA

Foot-and-mouth disease fight project. *Resp. Auth.: Ministry of Agriculture. Animal Husbandry Dept. EEC contribution 3.45 mECU. Purchase of equipment, vaccins, vehicles, T.A. training and evaluation. Project on appraisal. Date foreseen for financing December 87.*
ALA BA 8718 A3a

CHINA (PEOPLE'S REP.)

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 in execution.
ALA CHN 8610 A3a

Pilot project to develop irrigated sector in the Gansu Province. Resp. Auth.: Water Resources Bureau of the Gansu Province. EEC contribution 3 mECU. Supply of equipment, T.A. training, evaluation. Supplies by ★int. tender. ***Project in execution.***
ALA CHN 8631 A3a

Assistance to the EEC food aid dairy development project. *Resp. Auth.: Ministry of Agriculture, Animal Husbandry and Fisheries. Bureau of Animal Husbandry. EEC contribution 4.5 mECU. T.A. by restr. tender after short-list. Specialized equipments and semendoses ±30 000 by int. tender. Evaluation. Project on appraisal. Date foreseen for financing December 87.*
ALA CHN 8711 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. Project in execution.
ALA EC 8701 A3a

EL SALVADOR

Programme for the Development of Handicrafts in deprived areas. Resp. Auth.: Interministry Committee with the leadership of the Ministry of Culture and Communication. EEC 6 mECU. T.A., studies and supply of equipment and vehicles. Project on appraisal. Date foreseen for financing 2nd half 87.
ALA ES 8710 A4d

Construction of a hospital in Zacamil. *Construction and equipping of a 200 beds hospital. 12 mECU. Works and supplies by int. tender. T.A. for supervision and management. Project on appraisal. Date foreseen for financing December 87.*
ALA ES 8712 A7a

GUATEMALA

Support to smallholder farmers. 12 mECU. Supply of equipment, line of cre★dit and T.A. Project in execution. ***Int. tender for supplies launched in November 87.***
ALA GU 8612 A3a

Support to the rural diversification in the Pacific Region (Montellano and San Carlos Malaga. EEC 5.5 mECU. Supply of equipment, infrastructural works, lines of ★credit. T.A. and training. ***Date financing November 87.***
ALA GU 8707 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. ***Int. tender for supplies launched in December 87.***
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. Project in execution.
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

Stock-farming development in Tamil-Nadu. Resp. Auth.: Animal Husbandry Dept. of the Government of Tamil Nadu. EEC contribution 6.1 mECU. Works and supplies, T.A. and evaluation. Supplies by int. tender. ★***Project in execution.***
ALA IN 8704 A3a

Coconut development, Kerala. Resp. Auth.: Kerala Kera Karshaka Cooperative Federation (Kerafed). EEC 45 mECU. Supply of equipments, oil plants, T.A. and evalua★tion. Project on appraisal. ***Date foreseen for financing December 87.***
ALA IN 8709 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. Rehabilitation 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

Seed production and marketing. EEC contribution 10 mECU. Project on appraisal. Date foreseen for financing December 87.
ALA IND 8621 A3a

Evaluation of the pelagic fishery in the Java Sea. *Resp. Auth.: Agricultural Agency for Research and Development (AARD) and RIF. Cofinancing with France. EEC contribution 2.20 mECU, France 1.20 mECU, local 0.45 mECU. Supply of equipment, T.A. and training. Project on appraisal. Date foreseen for financing December 87.*
ALA IND 8717 A3a

Rural electrification project (hydroelectric micro-power stations). *Resp. Auth.: Ministry of Energy and Mines. Electricity and new energy Dept. EEC contribution 18.9 mECU. Works, supply of turbines, generators, adjusters of 10 KW, 25 KW and 100 KW, vehicles and other equipment, T.A. and training. Project on appraisal. Date foreseen for financing December 87.*
ALA IND 8719 A2a

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 in execution.
ALA LA 2623 A3a

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

Rural Development in Gulmi. Resp. Auth.: Ministry of Panchayat and Local Development (MPLD). EEC 2.710 mECU. Works, supplies and T.A. Project on appraisal. Date foreseen for financing December 87.
ALA NEP 8706 A3a

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

Crop production development in the La Meseta region. *EEC contribution 5.6 mECU. Works, supplies, T.A. and training. Project on appraisal. Date foreseen for financing December 88.*
ALA NI 8630 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. Project in execution.
ALA PK 8615 A3a, A9a

Buner development project. *EEC contribution 10.6 mECU. Works, supplies and T.A. Supplies by int. tender. Project on appraisal. Date foreseen for financing December 87.*
ALA PK 8715 A3a

Primary education in rural areas. *Cofinancing with CIDA and IDA. EEC contribution 15 mECU for works, T.A. and scholarships. Project on appraisal. Date foreseen for financing December 87.*
ALA PK 8716 A6a

PANAMA — COSTA RICA — NICARAGUA — HONDURAS — EL SALVADOR — GUATEMALA

Regional programme of technical cooperation for food security. Resp. Auth.: CADESCA (Comité de accion para el desarrollo economico 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 A3a

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 A7a

Regional programme to strenghten cooperatives. *Cofinancing with Spain. EEC contribution 22 mECU. Spain 2.5 mECU, local 15.5 mECU. Supply of T.A., lines of credit, training. Project on appraisal. Date foreseen for financing December 87.*
ALA REG 8714 A5f

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. Project in execution.
ALA REG 8625 A8c

PERU

Lake Titicaca. Reconstruction-prevention programme. Resp. Auth.: Corporacion de Desarrollo de Puno (CORPUNO). EEC contribution 5 mECU. Studies, works and supplies. Project in execution.
ALA PE 8603 A3a

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, reafforestation, supply of equipment and T.A. Project in execution.
ALA PHI 8525 A3a

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. Project in execution.
ALA PHI 8616 A3a

SRI LANKA

Integrated rural development of the Mahaweli right bank region. System B. EEC contribution 25 mECU. Works and supplies. Prequalification for works foreseen in December 87. Project in execution.
ALA CE 8703 A3a

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 A3a

Huai-Mong. Phase II. 5.6 mECU. Works and supplies. Project in execution.
ALA TH 8613 A3a

Mae Kok water resource study. *Resp. Auth.: Electricity Generating Authority of Thailand. EGAT and Royal Irrigation Dept. (RID). EEC contribution 2.8 mECU, local 0.45 mECU. T.A. and training, supply of equipment. Project on appraisal. Date foreseen for financing December 87.*
ALA TH 8708 A3a, A9a

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. Project in execution.
ALA YAR 8611 A2d

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 A3a

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).

DELEGATIONS OF THE COMMISSION

In ACP countries

Angola
Rua Rainha Jinga, 6
Luanda C.P. 2669
Tél. 39 30 38 - 39 12 77 - 39 13 39
Télex 3397 PROQUIM AN

Barbados
Sunjet House, Fairchild Street
P.O. Box 654 C, Bridgetown.
Tel. 427-4362 / 429-7103
Telex 2327 DELEGFED WB
BRIDGETOWN

Benin
Avenue Roume, Bâtiment administratif
B.P. 910, Cotonou
Tel. 31 26 84/31 26 17
Telex 5257 DELEGFED — COTONOU

Botswana
P.O. Box 1253
Gaborone, Botswana
Tel. 4455 - 4456 - 4457
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Burkina Faso
B.P. 352
Ouagadougou
Tel. 307 385/307 386
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Burundi
Avenue du 13 Octobre
B.P. 103, Bujumbura
Tel. 234 26/238 92
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Cameroon
QUARTIER BASTOS
B.P. 847, Yaoundé
Tel. 22 13 87/22 33 67/22 21 49
Telex DELEGFED 8298 KN
YAOUNDE — CAMEROON

Cape-Verde
Prédio «Galeries»
4° andar,
apartamento D-C.P. 122 – Praia
Tel. 61.37.50
Telex 6071 DELCE CV

Central African Republic
Rue de Flandre
B.P. 1298, Bangui
Tel. 61 30 53/61 01 13
Telex 5231 RC DELCOMEU — BANGUI

Chad
Concession Caisse Coton. Route de Farcha
BP 552, N'Djamena
Tel. 51 59 77 — 51 22 76
Telex DELEGFED 5245 KD
N'DJAMENA — CHAD

Congo
Av. Lyautey
near Hotel Meridien
B.P. 2149, Brazzaville
Tel. 81 38 78/81 37 00
Telex 5257 KG DELEGFED — BRAZZAVILLE

Côte d'Ivoire
Immeuble "AZUR" Bd. CROZET, 18
B.P. 1821, Abidjan 01
Tel. 32.24.28 — 33 29 28
Telex 3729 DELCEE — ABIDJAN

Djibouti
Plateau du Serpent
Boulevard du Maréchal Joffre
B.P. 2477 Djibouti
Tel. 35 2615
Telex 5894 DELCOM DJ

Ethiopia
Tedla Desta Building
Africa Avenue (Bole Road) 1st Floor
P.O. Box 5570, Addis Ababa
Tel. 15 25 11/15 20 92/15 22 18/15 22 52/
15 26 72
Telex 21135 DELEGEUR — ADDIS ABABA

Gabon
Quartier Batterie IV
Lotissement des Cocotiers
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Tel. 73 22 50
Telex DELEGFED 5511 GO — LIBREVILLE

Gambia
10 Cameron Street
P.O. Box 512, Banjul
Tel. 777 — 87 69
Telex 2233 DELCOM GV — BANJUL

Ghana
The Round House – 65 Cantonments Road,
Cantonments, Accra
Tél. 774 201 – 774 202
Télex 2069 DELCOM — ACCRA

Guinea-Bissau
Rua Eduardo Mondlane 29
Caixa Postal 359, Bissau
Tel. 21 33 60/21 28 78
Telex 264 DELCOM BI

Guinea
Commission
Central Mail Department
(Diplomatic Bag Section — B 1/123)
Rue de la Loi 200, 1049 Bruxelles
Tel. 46 13 25/46 13 82
(Conakry/Guinea)
Telex 628 DELEUR CKY

Guyana
64 B Middle Street South Cummingsburg
P.O. Box 10847, Georgetown
Tel. 63 963 – 62 615 – 64 004 – 65 424
Telex 2258 DELEG GY — GEORGETOWN

Jamaica
Mutual Life Center, 2nd Floor
Oxford Rd/Old Hope Rd
P.O. Box 435, Kingston 5
Tel. 92 - 93030/92 - 93031/92 - 93032
Telex 2391 DELEGEC KINGSTON 5

Kenya
National Bank Building
Harambee Avenue
P.O. Box 45119, Nairobi
Tel 33 35 92
Telex 22302 DELEGFED — NAIROBI

Lesotho
P.O. Box MS 518
Maseru, 100, Lesotho
Tel. 313 726
Telex 4351 LO DELEGEUR — MASERU

Liberia
34 Payne Avenue Sinkor
P.O. Box 3049, Monrovia
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Madagascar
Immeuble Ny Havana - 67 hectares
B.P. 746, Antananarivo
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ANTANANARIVO

Malawi
Lingadzi House
P.O. Box 30102, Capital City
Lilongwe 3
Tel. 73 02 55/73 01 73/73 05 93
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Mali
Rue Guégau - Badalabougou
B.P. 115 Bamako
Tel. 22 23 56/22 20 65
Telex 526 DELEGFED — BAMAKO

Mauritania
Ilôt V, Lot 24
B.P. 213, Nouakchott
Tel. 527 24/527 32
Telex 549 DELEG MTN — NOUAKCHOTT

Mauritius
61/63 route Floreal Vacoas
P.O. Box 10 Vacoas
Tel. 86 50 61/86 50 62/86 50 63
Telex 4282 DELCEC IW VACOAS

Mozambique
C.P. 1306 — MAPUTO
522/533 Avenida do Zimbabwe — MAPUTO
Tel.: 74 44 73 — 74 40 92/93/94
Telex 6-146 CCE MO
Atençao Sr. Antonio Marongiu
Delegado da Comissao da CEE
NA RPM

Niger
B.P. 10388, Niamey
Tel. 73 23 60/73 27 73/73 48 32
Telex 5267 NI DELEGFED — NIAMEY

Nigeria
4, Idowu Taylor Str. Victoria Island
PM Bag 12767, Lagos
Tel. 61 78 52/61 08 57
Telex 21868 DELCOM NG LAGOS — NIGERIA

Pacific (Fiji, Samoa, Tonga, Tuvalu and Vanuatu)
Dominion House, 3rd Floor
Private Mail Bag, GPO, Suva, Fidji
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Papua New Guinea
Pacific View Appartments
8th Floor
Pruth Street, Korobosea
P.O. Box 1264, BOROKO
Tel. 25 92 22
Telex NE 22307 DELEUR — PORT MORESBY

Rwanda
Avenue Député Kamuzinzi, 14
B.P. 515, Kigali
Tel 755 86/755 89
Telex 515 DELCOMEUR RW KIGALI

Senegal
Avenue Pompidou 57 (2e étage)
B.P. 3345, Dakar
Tel. 21 13 24/21 57 77
Telex 21665 DELEGSE — DAKAR

Sierra Leone
Wesley House
44 George Street
P.O. Box 1399, Freetown
Tel. 239 75 — 230 25
Telex 3203 DELFED SL — FREETOWN

Solomon Islands
NPF Plaza
P.O. Box 844 — Honiara
Tel. 22 765
Telex 66370 — DELEGSI

Somalia
Via Makka Al Mukarram, n° Z-A6/17
P.O. Box 943, Mogadiscio
Tel. 21 118/21 049/811 18
Telex 628 EURCOM — SO

Sudan
11, Street No 13, New Extension, Khartoum
Tel. 444 85/445 10/449 10/412 43
Telex 24054 DELSU SD — KHARTOUM

Suriname
Wesley House 4, George Street
Dr S. Redmondstraat 239
P.O. Box 484, Paramaribo
Tel. 993 22
Telex 192 DELEGFED SN

Swaziland
Dhlan'ubeka Building, 3rd floor
Cr. Walker and Streets
P.O. Box A.36
Mbabane, Swaziland
Tel 42908/42018
Telex 2133 WD
DELEGFED MBABANE

Tanzania
Extelcoms House, 9th Floor
Samora Avenue
P.O. Box 9514, Dar es Salaam
Tel. 311 51/311 52
Telex 41353 DELCOMEUR —
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Togo
Rue de Calais 22
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Telex 5267 DELEFEDTO-LOMÉ

Trinidad and Tobago
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Telex 22421 DELFED WG

Uganda
Uganda Commercial Bank Building,
Plot 12
Kampala Road, 5th Floor
P.O. Box 5244, Kampala
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Telex 61139 DELEUR — UGA — KAMPALA

Zaire
71, Av. des Trois Z
B.P. 2000, Kinshasa
Tel. 327 18
Telex 21560 DECEKIN ZR KINSHASA

Zambia
P.O. Box 34871
Plot 4899
Brentwood Drive
Lusaka
Tel. 25 09 06 - 25 07 11 - 25 11 40
Telex 40440 DECEC ZA — LUSAKA

Zimbabwe
P.O. Box 4252
NCR House (10th Floor)
65 Samora Machel Ave.
Harare
Tel. 470.7 1.20/39/40/43
Telex 4.811 ZW HARARE — ZIMBABWE

In the OCT

Netherlands Antilles
Mgr Kieckensweg 24
P.O. Box 822
Willemstad, Curaçao
Tel. 6250 84 — 6264 33
Telex 1089 DELEG NA — WILLEMSTAD

Aruba
Paardenbaaistraat 12, (P.O. Box 409)
Oranjestad
Tél. 34131 Telefax 34575

In the Mediterranean Countries

Algeria
36, Rue Arezki Abri
Hydra-16300 Alger
Tel. 59 08 22 — 59 09 25 — 59 09 42
Telex 52246 EURAL DZ — ALGERIE

Egypt
4 Gezira Street, 8th Floor
Cairo-Zamalek
Tel. 340 83 88 - 349 93 93
Telex 94258 EUROP UN CAIRO — EGYPT

Israel
2 rehov ibn gvirol, Eliahu House
10th floor TEL AVIV
Tel. 03-26 62 12/26 62 13
Telex 34 21 08 DELEG — IL

Jordan
Shmeisani Wadi Sagra Circle, Amman
P.O. Box 926 794
Tel. 66 81 91/66 81 92 Amman
Telex 22 260 DELEUR JO AMMAN
JORDAN

Lebanon
Immeuble Duraffourd, Avenue de Paris, Beyrouth
B.P. 11-4008, Beyrouth
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Telex DELEUR 23307 LE BEYROUTH

Morocco
4 Zankat Jaafar As Sadik
B.P. 1302, Rabat-Agdal
Tel. 742 95/739 15
Telex 32620 - RABAT

Syria
73 rue Rachid
P.O. Box 11269, Damascus
Tel. 24 76 40-24 76 41
Telex 412919 DELCOM SY

Tunisia
Avenue Jugurtha 21
B.P. 3, Belvédère - Tunis
Tel. 28 85 35
Telex 13596 — TUNIS

In A.L.A. countries

India (HQ of the Delegation in South Asia)
YMCA Building 5th floor
Jaisingh Road
New Delhi 110001
Tel. 34 42 22 — 35 04 30
Telex 31/61315 EURO-IN

Indonesia
Wisma Metropolitan I, 3rd floor
29, J.P. Jend. Sudirman
P.O. Box 34 KBYMP Jakarta 12 920 B
Tel. 578 24 74/5
Telex 62 788 DAMORE IA

Thailand (HQ of the Delegation in South-East Asia)
Thai Military Bank Bldg,
9th & 10th Flrs
34, Phya Thai Road
Bangkok
Tel. 282 1452
Telex 82764 COMEUBK TH

Venezuela (HQ of the Delegation for Latin America)
Quinta Bienvenida
Valle Arriba, Calle Colibri
Distrito Sucre
Caracas
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Telex 26336 COMEU VC

Offices of the Commission

In ACP countries

Antigua & Barbuda
c/o Antigua Commercial Bank
St. Mary's and Thames Streets
St. John's, Antigua W.I.
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Telex 2074 DELCEC AK

Bahamas
Frederick House, 2nd floor, Frederick Str.
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Belize
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Old Fort
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São Tomé & Principe
B.P. 132 - São Tomé
Tel. (239) 21780
Telex (0967) 224

Seychelles
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Telex 2213 DELCAM SZ

Tonga
MAILE TANA
Taufa'ahau Road
Nuku Alofa
Tel 21820
Telex 66207 (DELCEC TS)

Vanuatu
Pilioko House 1st floor,
Kumul Highway
P.O. Box 442, Port-Vila
Tel. 2501
Telex 1093

Western Samoa
c/o Private Mail Bag
Chief Post Office, Apia
Tel 20070
Telex 204 CECOF SX

In A.L.A. countries

Pakistan
House n° 8, Margalla Road, F 6/3,
Islamabad
P.O. Box 1608
Tel (051) 82 18 28 — 82 26 04
Telex 54044 COMEU PK

Bangladesh
House CES E 109
Road 128, Gulshan — Dharka - 12
Tel. 60 05 64
Telex 642501, CECO BJ

EEC Information Office

Turkey
15, Kuleli Sokak
Gazi Osman Paça, Ankara
Tél. 27 61 45/27 61 46
Télex 42819 ATBE TR

Guy SORMAN — **La nouvelle richesse des nations** (The New Wealth of Nations) — Fayard, Paris — 1987 — 98 FF

"Economists are the only ones who seriously wonder, when something works well, whether it works in theory too". So said Ronald Reagan, archly, to the International Monetary Fund... but it in no way applies to Guy Sorman. Is he an economist? If the answer looks like being yes, then you still have to add that this is no drawing room economist, nor an academic theorist either.

Sorman, a 43-year old Frenchman, trained at the ENA (Ecole Nationale d'Administration) now teaches at the Institute of political studies in Paris —while also directing his own press company. He is a founder member of "Action internationale", the humanitarian organisation, and has written three other books—"The American conservative revolution" (1983), "The liberal solution" (1984) and "The minimal State" (1985). These titles, and the one inspired by Adam Smith's famous work of 1776, make it fairly clear that his ideas tend to make him unenthusiastic about the merits of authoritarian planning and dogmatic socialism—although he does not reject measured, useful State intervention in well-defined fields and particular situations.

He spent three years investigating 18 countries, six in Latin America, seven in Asia and five in Africa, meeting not just political leaders but businessmen, economists, philosophers, writers, and ordinary citizens too. His analyses are helped by alert writing and precise, up-to-date and practical resource material, making the book easy to read and portraying the author as a reporter in the mould of Albert Londres or Joseph Kessel with a thorough knowledge of basic economic phenomena.

If I have managed to make the reader want to know more, I should perhaps stop there. But anyone who cannot obtain Guy Sorman's book quickly needs to know more now. It is in three parts—the politics of poverty, the defeat of ideologies and getting rich in 25 years. Sorman does not go easy on the Third World ideology or the ideas of Paul Prebisch, who, back in the '60s, projected growth through systematic industrialisation, import substitution and protectionism. Nor on the Chicago Boys, or what he calls the "kleptocracies", that astonishing word coined by the English economist Peter Bauer. But he is severe in his judgement of certain countries of black Africa whose weakening cohesion, poor land, difficult climate and recent efforts—which as the UN Secretary-General's October '87 report "One Year After" underlined—he underestimates. However, it is clear that his pragmatic and very up-to-date analysis leads him to think—and this is his fundamental finding—that "the poverty of nations is not fatal. It is more the consequence of bad policies, based on a wrong idea. And this wrong idea, under a variety of labels, always involves thinking that the political leaders and everything that enhances them—a powerful State, a single party, the army, State firms etc.—are a factor of progress. Conversely, the individual, anything private, dissidence, a critical outlook, will always be penalised".

He has said it all—or nearly. Guy Sorman is no doubt reflecting the current fashion of denouncing "national industrialism", the refusal of the market incentives and competition that rehabilitates the peasant, personal effort and a spirit of initiative. Cuba is the only country in Sorman's analysis which has a rigorously collectivist régime—but one which is carried by the Soviet Union, which pours $ 4 billion, half the national income, into it every year. And read the subtle comments on China, whose move towards a lightening of constraints is underlined with a clear indication of the limits of the change.

Although the case of Argentina, 7th in the world for per capita GNP in 1939 and 40th today, is a typical example of what not to do (until its recent efforts at recovery), there are, fortunately, others that suggest optimism is called for. Taiwan, Singapore, Hong Kong and South Korea are turning the Pacific into the world's most dynamic development zone. And famine has gone from India, China and Indonesia and from everywhere in Asia except Bangladesh, Cambodia and Vietnam.

Why should this not happen in other parts of the world too, with a return to civil peace, a stable international monetary system, peasants motivated by fair prices and Governments enlightened by experience and reality? The new wealth of nations would perhaps then be within the scope of many people outside Asia... ○

Alain LACROIX

Change of address

For administrative reasons, the editorial department of "The Courier", has moved temporarily to a new address. With effect from the end of July, it is located at:

10-12 rue Guimard
(2nd floor)
B - 1040 Brussels
Belgium

Visitors are, as always, welcome.
Telephone numbers remain unchanged.

THE COURIER

AFRICA - CARIBBEAN - PACIFIC
— EUROPEAN COMMUNITY

PUBLISHER
Dieter Frisch

Commission
of the European Communities

200, rue de la Loi
1049-BRUSSELS
(Belgium)

Tel. 235 11 11 (switchboard)
Telex COMEURBRU 21877

EDITOR
Marie-Hélène Birindelli

DEPUTY EDITOR
Lucien Pagni

ASSISTANT EDITORS
Roger De Backer
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Viviane Jacquet (235 27 19)

CIRCULATION
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