



The Courier

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CEREALS

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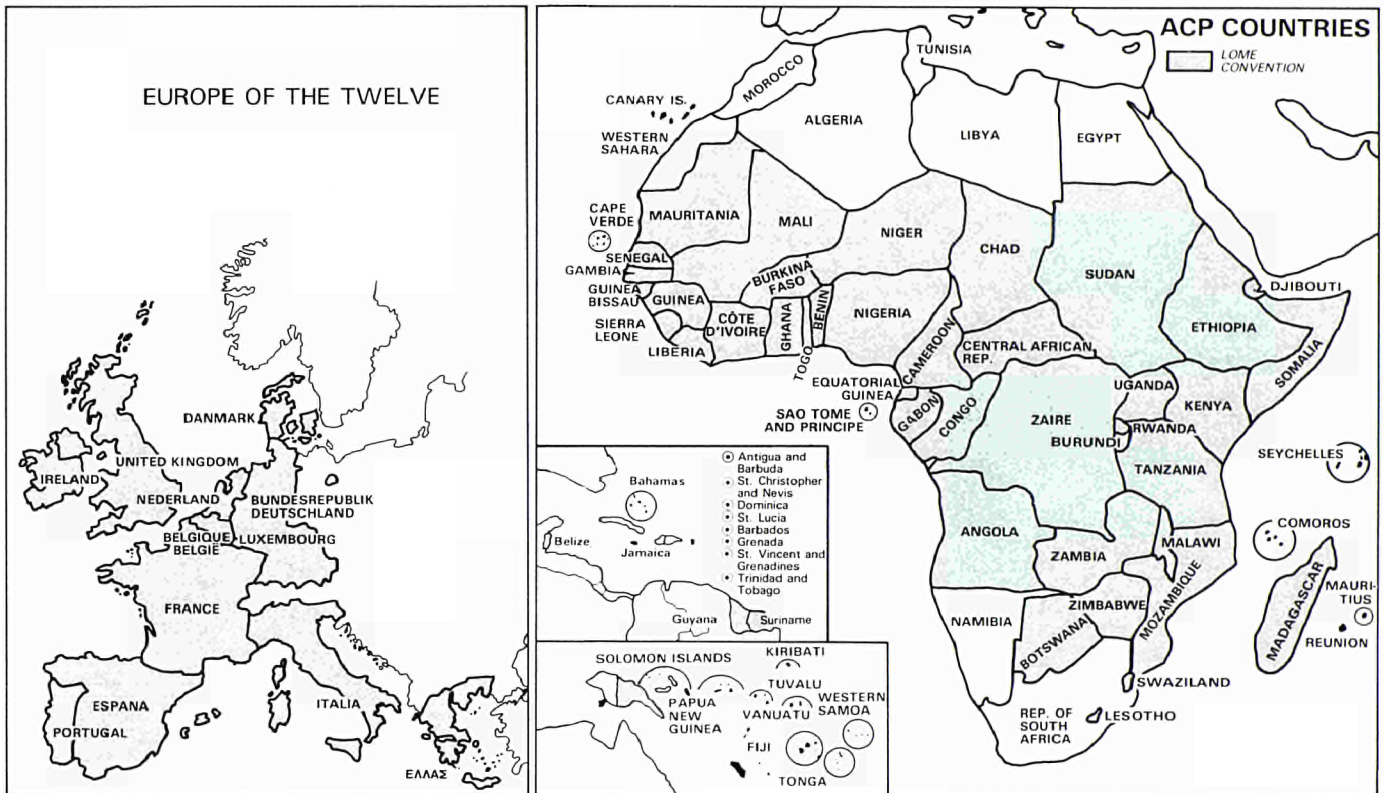
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CAPE VERDE	LIBERIA	TANZANIA
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CHAD	MALAWI	TONGA
COMOROS	MALI	TRINIDAD & TOBAGO
CONGO	MAURITANIA	TUVALU
CÔTE D'IVOIRE	MAURITIUS	UGANDA
DJIBOUTI	MOZAMBIQUE	WESTERN SAMOA
DOMINICA	NIGER	VANUATU
EQUATORIAL GUINEA	NIGERIA	ZAIRE
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GABON	ST. CHRISTOPHER & NEVIS	
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FRANCE

(Territorial collectivities)

Mayotte
St Pierre and Miquelon

(Overseas territories)

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

NETHERLANDS

(Overseas countries)

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

DENMARK

(Country having special relations with Denmark)

Greenland

UNITED KINGDOM

(Overseas countries and territories)

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

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

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

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COUNTRY REPORTS

MOZAMBIQUE: From its troubled birth as an independent state in 1975, Mozambique has never lacked for challenges to its development, and has had to combine economic and military strategies, in what its President Joaquim Chissano calls a "war economy". Now, with increased Western sympathy and support and after a top-level meeting with South Africa's President last September, the tide may be turning to give Mozambique its most treasured wish — peace. **Pages 19 to 36.**



KIRIBATI: The main characteristic of this country is its vastness, despite the small land surface of its islands: 810 km² of land surface as opposed to more than 3.5 million km² of territorial waters. Kiribati has few natural resources, but its inhabitants are marked by a pronounced sense of cultural identity. **Pages 37 to 47.**

TUVALU: With a land surface of only 26 km² in the Pacific Ocean, Tuvalu's economy matches its nominal size. Nevertheless, it is a country where the good life can be found, without resources but also without evidence of poverty. **Pages 48 to 55.**



DOSSIER: Cereals

World cereals production is growing all the time, but the highest yields are not always being produced where the need is greatest. Many developing countries, indeed, though capable of cereals sufficiency, have fallen into the "wheat trap", importing staples rather than cultivating their own or marketing their own adequately. Concerted efforts are now being made to reverse a trend which, for many, is no longer affordable, and in some ACP countries the reward of those efforts are now being reaped. **Pages 62 to 89.**

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SAM NUJOMA

President of SWAPO

“We don’t see how free and fair elections can take place where peace does not exist”



The successful outcome of the tripartite talks between Angola, South Africa and Cuba, leading to the Brazzaville agreements for peace in Angola and independence for Namibia, was finalised by the signing of a treaty in New York on 22 December 1988. 1 April 1989 has been agreed upon by all the parties as the date for starting the implementation of Namibia’s independence as laid out in the United Nations Plan for Namibia which is embodied in the already-famous UN Security Council Resolution 435 (1978). The UN is to supervise and control the process leading to the election, before 1 November 1989, of a Constituent Assembly which will in turn adopt the Constitution of an independent Namibia. The whole process will be monitored by the

so-called UNTAG, the United Nations Transition Assistance Group. Originally UNTAG was to number 7 500 men but the five Permanent Members of the UN Security Council (USA, USSR, China, France and the United Kingdom)—who would finance the bulk of the UN operation in Namibia—have decided to reduce it to a force of only 4 650, in order to cut the costs. This reduction has raised deep concern among the non-aligned countries, as well as within SWAPO, the South West Africa Peoples Organisation, the Namibian liberation movement founded on 19 April 1960. In early February, The Courier met the President (since its foudation) of SWAPO, Sam Nujoma (born May 1929) in Luanda (Angola).

► *Mr Nujoma, after years of struggle for independence and liberation, Namibia seems finally on the verge of true independence. What are your feelings now?*

— We welcome the signing of the agreement of 22 December 1988, in New York, by the tripartite parties, namely Angola, Cuba and South Africa, which opens up the way to the implementation of UN Resolution 435 on Namibia. We are now shifting all our activities to the political mobilisation of the Namibian people, calling upon them to rally behind SWAPO and to vote for SWAPO when elections are held. Certainly there are some obstacles as a result of the insistence of the five permanent members of the Security Council that the UNTAG military component should be reduced as a measure to minimise the cost of the running of the operation. SWAPO feels very strongly that the political and military situation in Namibia is extremely critical and explosive: people are dying, the South African government has over 100 000 troops in Namibia, plus 35 000 of the so-called South West Africa Territory Force, 12 000 men of special units such as the Koevoet etc. In addition, there is a Citizens’ Force, commandos, the white population in

Namibia, including women, are all armed and there is real chaos in Namibia.

So we don’t see how free and fair elections can take place where peace does not exist. Therefore, first of all, SWAPO wants a climate of peace to be created in Namibia so that conditions allowing the holding of free, fair and democratic elections are present. We have had reports from reliable sources that the South African army is now mobilising the people: calling on them, gathering them in their villages, telling them to vote for the DTA⁽¹⁾ and the puppets of the South African interim government in Namibia and not to vote for SWAPO. More disturbing news is the fact that the South African government has already caches of weapons hidden throughout Namibia and some individual Namibians are being trained with the UNITA bandits of Angola. About 40 000 UNITA bandits have already been given Namibian identity cards by the South African regime with a view to their participating in elections as well as disrupting the election process. So this is a very dangerous situation which demands an adequate presence by

the UNTAG military component, in order to create a climate of peace—so that elections can be free and fair. Otherwise we see many loopholes: we will be left with the apartheid regime which will continue to carry out a terror campaign against the population. How could the people vote then? I recall that in 1978, when South Africa had organised a bogus election, people were brought into a tent with a soldier holding a machine gun over the people and were told: “You vote for DTA. If you don’t vote for it we will shoot you.” So the United Nations should not allow such a situation to happen again.

► *Do you think you could reverse this reduction of the UNTAG forces?*

— We believe that if the problem is really the cost of the UNTAG operations—and there are measures to be taken in order to reduce the cost—then SWAPO proposes that the duration of UNTAG in Namibia should be reduced to five months, instead of seven months, so that two month’s cost would be avoided. So this is the best way that I think a solution could be found.

► *By next year, will Namibia be the tenth member of SADCC?*

(1) DTA: Democratic Turnhalle Alliance.

— Yes, sure. A future independent state of Namibia under a SWAPO government will join our regional economic cooperation and development organisation, SADCC, because we believe that our life and strength, in as far as economic development is concerned, lies with unity and cooperation with our immediate neighbours from the SADCC region. This is very, very important. A future independent state of Namibia under a SWAPO government will also join the OAU, with a view to contributing towards the establishment of a united African continent, because we believe that Africa can only be strong once the African people are united. We will also join the United Nations Organisation with a view to contribute in our small ways—a small nation with only about 2 million people—to the maintenance of world peace and security as well as the development and progress of mankind. We would also join the movement of the non-aligned countries of which SWAPO is already a full member. We believe that a non-aligned policy would give us the opportunity, as a small nation, to have an open policy, to have diplomatic relations with other countries that are friendly to a future independent state of Namibia and to cooperate with them economically. A future independent state would also review its policies and probably join other international organisations like the Commonwealth, the Lomé Convention etc.

► *In more economic terms: what sort of country will Namibia become? Will it be a mixed or a socialist economy?*

— Certainly SWAPO believes that as a small country, Namibia under a SWAPO government should adopt a policy of economic development based on a mixed economy and joint ventures with foreign companies. Those transnational corporations which are already exploiting Namibian natural resources under an illegal South African government will certainly have to enter into a new agreement with a future independent state of Namibia and that agreement, will be based on equality, mutual understanding, mutual respect and mutual benefit to all. Certainly our struggle—I must make it categorically clear—is a struggle to regain our land which has been seized by the minority white settlers. We have to put an end to that occupation of our land. Right now, in Namibia, 85% of the land is in the hands of the minority white settlers. So

therefore there will be a land reform. That means even the whites who do not possess land and are not able to make a living from it, would also have a piece of land to be able to live a decent life in Namibia. So we are not going to adopt a racist policy as it exists now with the minority white settlers discriminating against the African majority.

► *What is your view on the future status of Walvis Bay?*

— On this question, I would just want to make a declaration: SWAPO does not recognise South African colonialism over the Namibian territory, nor does SWAPO recognise the British colonisation of our territory, nor does SWAPO recognise German colonialism over Namibia. When the territory was seized in 1879 by the British imperialists and colonialists, while the rest of Namibia was seized by German imperial forces, all this was done without the consent of the African majority in our country. Therefore it is condemned and it must be rejected. Therefore Walvis Bay has been, and will continue to be, an integral part of Namibia.

► *One of Namibia's major natural assets, the fisheries sector, has been heavily overexploited. How do you think that you will be able to get a grip on that and control it?*

— It is absolutely important that a future independent state of Namibia adopts a policy of rehabilitation of our fish resources which have been almost depleted as a result of overfishing under South Africa's illegal occupation of Namibia. This with a view, of course, to ensure that fish are only caught at the time when there is a season for catching fish, and not to catch the fish all the time until the fish are depleted. It is an asset for a future independent Namibia. Already Namibia exports fish and fish products which bring in foreign earnings for the country. So it's very important that we rehabilitate the fish resources along our coasts.

► *How do you view cooperation with the European Community so far, and what prospects will there be for an independent Namibia to cooperate within the framework of the Lomé Convention?*

— A future independent state of Namibia is looking forward to having diplomatic relations with all the EEC countries, as well as bilateral cooperation with the European Community through the Lomé Convention.

► *The EEC is already a partner of Namibia even before its independence.*

— Yes, we are very grateful for the humanitarian assistance which the EEC is rendering to the victims of apartheid of which the Namibian people are the most obvious sufferers.

► *What will the development priorities be, right after independence?*

— Immediately after independence we have to embark upon an increase of agricultural productivity, animal husbandry and rehabilitation of our fish along the Namibian coast with a view to providing adequate food for the Namibian people, as well as for export. A future independent state of Namibia, of course, as I have said, will make a policy that would compel the foreign companies now exploiting Namibian natural resources under South Africa's illegal occupation to enter into new agreements with the Namibian government. I must say that a future independent state of Namibia will also probably have to nationalise some of the mining industries or other enterprises, but this has to be done by a decision of a Namibian National Assembly. If a decision is reached that such an enterprise should be nationalised in the interest of the whole nation, it should be done, but adequate compensation would have to be paid. That is our policy. Of course it has happened in your countries too—national interest comes first.

► *Would it be correct to say that you are a man worried about the transitional process towards independence in the short term but optimistic as to the future of Namibia?*

— In fact, I'm not a worried man, I know we are fighting for a just cause. We've been fighting for the last 29 years, and 22 years with arms in our hands. So I'm quite optimistic that when elections will be held in Namibia, the people of Namibia who, for the last 22 years, have been battling with arms in their hands against the South African occupation forces, will certainly come forward and vote for SWAPO. If they could come forward and join the rank and file of the People's Liberation Army of Namibia—SWAPO's military wing—and lay down their lives in the many battles inside Namibia, it will be easy for them to go to the polling stations and put their ballot papers in the correct boxes to elect SWAPO. I have that confidence. ○

Interview by
Roger DE BACKER



Joint Assembly meets in Barbados

The ACP-EEC Joint Assembly held in Bridgetown just recently with Giovanni Bersani and Berhane Ghebray in the chair could easily have been only a transitional session, given the imminent European Parliament elections and the profound changes they bring about on the European side — last time, about half the Euro-MPs on the Consultative Assembly of the time failed to get re-elected — and the very recent arrival of Vice-President Manuel Marin, who replaced Lorenzo Natali in Development, was another reason for thinking so. But, as in Brazzaville five years ago, the current negotiations for renewal

of the Lomé Convention (influenced this time by the effect the single market of 1992 will have on the ACPs and by the Uruguay Round of multilateral trade negotiations) kept the Bridgetown discussions lively. Since the speeches of the co-presidents of the ACP-EEC Council of Ministers, Carl Greenidge (Guyana) and Yanez-Barnuevo (Spain), concentrated on the negotiations, it would have been impossible to forget them and, naturally, the talks focused on two subjects of greatest importance to the effect of the single market of 1992 and commodities and their processing.

Never before had so many Heads of Government come to express their concern at a Joint Assembly. There were three Prime Ministers from Barbados — Eugenia Charles from Dominica, Linden O. Pindling from the Bahamas and James Mitchell from St Vincent and the Grenadines — as well as their host Erskine Sandiford of Barbados and Ratu Sir Kamisese Mara from Fiji who is taking over from Carl Greenidge as President of the ACP Council of Ministers. The Caribbean was represented at such a high level because it is particularly worried about the possible effects the frontier-free Europe of 1992 will have on its economies. Eugenia Charles went straight to the point in her formal statement to the 1992 working group which was set up in Madrid under the chairmanship of Uganda's Mathew Rukiraire with Mr Wurtz (France) as its spokesman, making news as she did so, for this was the first time that a Prime Minister had sat on a Joint Assembly group. Here, and in the plenary session two days later, she concentrated on the defence of Caribbean's banana producers, whose market, the United Kingdom, is threatened now that the present system (based on national quantitative restrictions and compartmentalisation of the markets of the Common Market countries) is scheduled to come to an end in 1992. If the protection offered to ACP bananas by the protocol annexed to the Lomé Convention, whereby they get a guaranteed outlet and remunerative prices were to disappear, these countries would be up against unequal competition from bananas from the dollar zone where production costs are very low. And in this case, even with customs

duties at 20%, Central American bananas would wipe ACP bananas out of the European market, Edwin Carrington, Secretary-General of the ACP Group, made clear.

Bananas are vital to some Caribbean countries such as the Windwards, Dominica, Grenada, St Lucia and St Vincent and the Grenadines. Exports to the United Kingdom alone count for 46.3% of total export value and make up 22% of GDP. If they are to be competitive, maintained Eugenia Charles: "We must be prepared to pay starvation wages, experience runaway inflation, have currencies of no practical value, experience military coups and dictatorships, exploit our working people and generally disregard the dignity and sanctity of human life. We must forget the legacy of democracy which Europe so kindly bestowed upon us and to which we have grown accustomed. We must, God knows how, change the geography of our countries and change our landscape, get rid of our hills, will away erosion, storms and other such naturally occurring phenomena."

Many members of the Joint Assembly, Europeans and ACPs alike, shared Miss Charles' fears. Mr Telkämper and Mrs Focke stressed that Europeans, too, were worried about the social repercussions of the single market. German workers, they said, thought that social benefits would be levelled down. And Mr Wurtz pointed out that bananas were not the only thing under threat. Rum and sugar could well be affected too. He was not sure that the ACPs would be able to benefit from the anticipated extra growth in the EEC by

exporting more. They might well suffer from the tendency to reduce investments in their countries — a movement which the single market could well encourage — and from the liberation of the services trade instead. Although Raymond Chasle (Mauritius) could not yet detect all the effects of 1992, he maintained there were still plenty of pointers to the precariousness of the ACP situation between exaggerated liberalism and greater protectionism. And as the Lomé IV negotiations would be over before the single market of 1992 and the overhaul of the Community's textile policy in 1991, analysis and research had to be taken further now to avoid falling victim to the new measures.

Technical solutions

This unanimous expression of fear and misgiving left Manuel Marin puzzled. The new Commissioner for Development and Fisheries tried to explain the single market's bad press by the fact that the Community had not made a good job of selling its image — unlike the people who presented the Europe of 1992 as a "fortress". "We have to double our efforts to convince our partners that the single market will be positive for them as well as for Europe", he said, admitting that there was a banana problem in the Community where several different systems existed side-by-side, with derogation from the CCT in Germany, protected markets in France, the United Kingdom and Italy, which had their traditional suppliers, and a market supplied by largely national production in the



Opening ceremony at the Joint Assembly with (1 to r) Giovanni Bersani, Erskine Sandiford, the Barbadian PM, Edwin Carrington (standing), Berhane Ghebray, Carl Greenidge and Manuel Marin

Canaries in the case of Spain. Harmonisation of the various systems did not necessarily spell trouble for the ACPs. "If the political will is there", Manuel Marin made clear, "the technical solutions can be found". This was one of the tasks of the permanent joint group which Article 3 of the Banana Protocol set up "to keep under continuous review any specific problems arising from application of this protocol in order to suggest solutions" and which Marin promised to reactivate in accordance with Eugenia Charles' wishes.

The Joint Assembly came down clearly in favour of maintaining what the Banana Protocol had achieved. "Don't touch it", the Dominican Prime Minister said, "unless you are going to improve upon it". And the same attitude prevailed in respect of the other Caribbean products for which national quotas exist in the Community — rum. A great deal was said, about rum, sometimes humorously: Mr. E. Evelyn Greaves, Barbadian Minister of Trade, Industry and Commerce gave a witty history of rum, a drink of which his country not only claimed paternity but also the best brands, and sometimes, on a more solemn note. Prime Minister Erskine Sandiford stressed that: "The Caribbean States place a high premium on the quality and reputation of this product and will spare no effort at ensuring that its integrity remains inviolate in the same manner as our Community colleagues come to the defence of the honour of Champagne, Cognac or Scotch". But the European Council's adoption of the ACP definition of rum as a product distilled from sugar cane has largely defused the bomb. There is no question now of ersatz rum made from distilled potatoes or beet with a drop of real rum to create the taste the Germans like being sold under the rum label and so "rhum verschnit" will not

be in a position to flood the market of a frontier-free Europe.

The politicians may be proving circumspect and wary, but the businessmen do not seem so worried. The head of one of Barbados' best brands of rum told me he saw no cause for concern, as the quality of the product is such that it could win fresh markets.

The ACPs have the interested support of the French Overseas Departments with both rum and bananas. They also produce these products and their representatives will be asking France to put its whole weight behind maintaining the present advantages.

Industrialisation? Yes, but...

The other big subject of discussion at Bridgetown was commodities, which the Joint Assembly dealt with under two headings. It began with a specific point, commodity processing as an instrument of economic and social development in the ACPs, and then listened to the commodity group's report, which gave a complete rundown of the subject. In the introduction, Anzulini Bembe Isilyonyi, First Vice-President of the Legislative Council of Zaire and General Rapporteur for the Joint Assembly, talked about the local processing of commodities, one of the main things the ACP Group wishes to see in the new Convention. Anzulini reminded the meeting of what former Development Commissioner Claude Cheysson had said at Arusha in 1980 ("We haven't really come to grips with the real problems of industrialisation", and "I cannot understand, Mr President of the (EEC) Council, why the European Governments have been so reluctant to invest in industry") and suggested that the answer to the ACPs' development problem was no longer to be found in the present system of trade and aid. "Coop-

eration", he said, "has to be aimed above all at industrialising the ACP countries and reorganising their trade. The experience of the new arrivals among the developed nations shows that a country's development can only begin and continue if there is industrialisation and if local and/or imported products are processed. This is always the case and economic history bears it out. South Korea, Taiwan, Hong Kong and Singapore are living illustrations of the fact. Industrialisation is the driving force and the catalyst of a country's economic and social development. It is a *sine qua non*". But although most ACPs have products that could be processed, he went on, many of them lack the capital and the know-how to do it and the knowledge of the markets that would enable them to sell what they produce. So his report suggests first deciding which commodities can be processed in the ACP countries and then dealing with the financial, technical and human constraints and defining the different kinds of market for each product.

Development and Fisheries Commissioner Manuel Marin, who spoke for the first time in the debate on the general report, shared Anzulini's concern — although he thought that the local processing of commodities "should not be considered as a panacea or even as the only thing to encourage in the industrialisation process". He said that rural development and food security had been given priority over the past few years and that industrial cooperation was already getting an appreciable share of Lomé funds. Looking at the past, he suggested that some failures were due to industrial policies that were unsuited to the ACP socio-economic environment. "The accent on project size and sophisticated equipment is behind over-investment — which is also

based on over-optimistic forecasts that are often backed up by equipment sellers and bankers in the West". Marin then pointed to the main barriers to industrialisation, to narrow markets, expensive inputs, the absence of financial means and industrial fabric, to political constraints such as laws and all the red tape that discouraged investments, to the lack of cooperation between national and foreign firms and to the failure to provide support for the private sector. But two trends augured well — the process of structural adjustment which rationalised structures, and the disappearance of the mistrust of the private sector.

When it came to markets, the Commissioner put people on their guard about having industrialisation almost exclusively export-oriented. National and regional possibilities had to be exploited first. In the discussion that followed, Marin said that, although the Community agreed with the industrialisation in the ACPs, it could not give guarantees of compulsory purchase of manufactures (if that is what the partners wanted), for the whole aim at the moment was maximum liberalisation and the free working of market forces.

A Convention of more than five years

The industrialisation issue came up again during discussion of the report on commodities which, since rapporteur Kwesi Botchwey, Ghana's Minister of Finance and Economic Planning was absent, was presented by J.A. Laryea, Ghana's Ambassador to Brussels, instead. It is generally agreed, it said, that the eighties have seen the worst crisis in the international commodity market since the great depression of the thirties. UNCTAD estimates suggest that the losses the developing countries have incurred because of the slump in the price of products not derived from oil in comparison to the price of manufactures which these countries imported from the international market between 1980 and 1985 were up around the \$50 billion mark. The collapse of commodity prices is one of the main reasons for the present debts of the ACPs — which obtain the bulk of their reserves from their export trade. In 1985, for example, 85% of ACP export revenue came from commodities, with just one or two products accounting for more

than 90% of exports in many cases. More generally, 20 commodities account for 80% of the total ACP export trade (which shows just how dependent they are), the main agricultural ones being coffee, cocoa, cotton, sugar and vegetable oil and the main metals, copper, bauxite and its derivatives, iron and manganese.

The report looked at specific commodity problems and the attempts at market regulation (the product agreements) and then moved on to the functioning of the instruments provided by the Convention (Stabex, whose inadequate resources have been mentioned more than once, and Sysmin, which it is hoped will cover all non-ferrous minerals and metals) and at international level (the UNCTAD common commodity fund due to come into operation soon and the IBRD and IMF facilities). It concluded with a list of possible remedies (repeated in a lengthy resolution adopted by the Joint Assembly), including speedy implementation of Article 45 of the Convention, which is aimed at improving the conditions of marketing and production, helping diversify production, encouraging local processing, facilitating the marketing of ACP products, helping train ACP operators with a view to better utilisation of all the machinery of the international commodity markets, stimulating and stabilising the commodity sector and encouraging a bigger flow of investments into this field. The report also stressed that experience had shown that five years was rather short when it came to applying all the provisions of the Convention... "so we should envisage extending the new Convention beyond that time".

In the debate which followed this presentation, Mr Fairclough, Deputy Director-General for Development at the Commission, said there was no point in looking at the commodity situation from the price angle alone. Prices were important, of course, but it was important to analyse production structures too and to take market saturation, the use of substitute products demanding less energy and the recycling of waste into account. The commission official commented on the commodity resolution, saying that there was no way the ACPs could be excused the necessary adjustments, as the Community could not go on protecting them from all the dangers of the market forever.

Enlargement of the ACP Group?

Before looking at the Botchwey report on commodities, the Joint Assembly discussed ACP-EEC cooperation in the Caribbean. It then gave the floor to various observers, including representative of two countries, Haïti and the Dominican Republic, which have applied to join the ACP Group and the Lomé Convention. Serge Elie Charles, Haïti's Foreign Minister, said that accession could make a great contribution to the irreversible installation of proper democracy in the country and to its development drive. These views seemed to get wide acceptance in the ACP Group, particularly among the Caribbean members. So Haïti's accession would not go amiss.

However, this is not the case with the Dominican Republic for the moment. Foreign Secretary Joaquin Ricardo claimed that accession to Lomé would not harm the other ACPs or serve as a springboard for other countries of Latin America, but in vain. People say that Santo Domingo produces bananas, coffee, rum and, most important, sugar in the Caribbean and it could well look to the Sugar Protocol to replace its dwindling American outlets. The ACPs are worried by the Community's linking of the two applications, obviously, as this seems to preclude them from accepting only one. It is now up to the ACP-EEC Council of Ministers in Brazzaville to say what it thinks — as one of the 30 Bridgetown resolutions suggests.

The Joint Assembly also had its traditional debate on Southern Africa. It was pleased to see recent developments in Namibia, a country it would be proud to welcome in its midst once it was independent, and once more repeated its call for effective pressure to be put on South Africa to get it to put an end to apartheid and free its political prisoners — including of course, Nelson Mandela.

It completed its 1989 agenda by extending the technology group's mandate for a further six months and by deciding to set up a group to investigate transport.

The next meeting of the Joint Assembly ACP-EEC is scheduled for Paris in September. Several members of the European team have privately admitted that they will not be there as they hold out little hope of winning the European Parliament elections in June... A.T.

12th annual meeting of the social partners:

A "genuine participation in the implementation of Lomé"

The 12th annual meeting of ACP-EEC social partners sectors was held last December at the headquarters of the Economic and Social Committee (ESC) in Brussels. A programme for the discussions consisted of an "assessment of the real involvement" of the sectors in the implementation of the Lomé III Convention, "proposals for greater participation" in the application of the Convention and, thirdly, "ways and means of ensuring a better follow-up and implementation of resolutions" adopted at the meetings of the ACP-EEC representatives of economic and social sectors.

The meeting was chaired by Mr Abu Hariera (Sudan), Vice-President of the ACP-EEC Joint Assembly, and Mr Michael McGowan, Chairman of the European Parliament's Development Committee, in the absence of the two Co-Presidents of the Joint Assembly.

The discussions were extremely lively, probably because they were taking place in the middle of negotiations for the renewal of Lomé III, which will be completed at the end of this year. The agenda also lent itself to some special pleading on behalf of the economic and social sectors and fairly stringent criticism of Community action in the ACP States. That was indeed the general impression at the end of the meeting, although it was somewhat mitigated by acknowledgement that the present Convention was a "unique instrument" which had led to many important achievements in the ACP countries.

Point by point examination of the three topics of the meeting more clearly revealed its ambiguous results. The first point, the involvement of economic and social sectors in the implementation of Lomé, was the subject of heated exchanges, partly because of the enormous variety of

social systems in the ACP countries, the absence in some cases of any representation of economic and social interests at national policy-making level, and above all, the incompatibility between the legal arrangements enshrined in the Convention and the status of the economic and social sectors. The Convention was a "government to government or civil service to civil service affair" declared a European employers' representative. How could it then "be expected to be effective when economic forces in the person of their representatives are not party to its negotiation and implementation?" asked another. Most of the comments by European representatives could be summed up by these two points of view, which are going to be the basis for most proposals to involve the economic and social sectors in the various workings of the next Convention.

As for the ACP representatives, their opinions on this topic were as varied as the countries they represented. While some acknowledged that it was sometimes difficult for economic and social sectors to distance themselves from government decisions in their countries, others claimed categorically that "Caribbean countries always involve the representatives of the economic and social sectors in national and regional programmes". It was not difficult for the Commission representative to make the point that "the organisations were weak, unrepresentative and few in number in the sectors where the Community was involved", many having held the Community responsible for the lack of participation by the economic and social sectors in the implementation of the Convention. But he also pointed out that the Community was trying as far as possible to involve local people in its micro-

projects, for example in Burkina Faso in the identification and management of water supply points, in Liberia in agricultural schemes, and in Mali in the Mopti and Ségou rural development programmes and economic interest groupings.

The "proposals for great participation" by the economic and social sectors were many but not always very coherent. They ranged from a request for the creation of an ACP-EEC Economic and Social Committee to inclusion in the new Convention of provisions which would ensure participation in the implementation of development programmes financed by the Community (see extract from the resolutions). The participants at the meeting, however, did not fail to point out the difficulties there would be in appointing the members to such an ACP-EEC ESC. "An ACP-EEC Economic and Social Committee could not consist of independent representatives on one side and civil officials on the other", they declared. "This would make it ineffective", indicated the European representatives in particular. Equally inconclusive was the third item on the agenda (how to ensure adequate follow-up and implementation of their resolutions). There was no equivalent of the ESC in the ACP States as a whole, they pointed out. "Who would be consulted?" they wondered. They called for a "permanent dialogue between the representatives of the Commission, the ACP-EEC Joint Assembly and ACP organisations making it possible to assess to what extent the recommendations made in the final statements from the annual meetings had been followed up" (Resolution 37).

It emerged from the discussions, which revealed wide differences of opinion, that the economic and social sectors "did not have enough information" to assess ACP-EEC cooperation better. The representatives hoped that under the next Convention they would have sufficient information to get a better understanding of the various workings of cooperation and the social and economic organisations in the ACP States. One delegate referred to "the great variety of countries and governments and of the aims of these governments, who felt that they and they alone knew how to plan



Photo Y. SMETS

A view of the meeting. From right to left front row, Mr Marcel Odongui-Bonnard, Ambassador of Gabon to Brussels and Mr Guillaume C. Ahipeaud, Counsellor at the Côte d'Ivoire embassy

and do what was good for their people". It "was accordingly impossible to put forward solutions which would apply to all the ACPs" he concluded, before reaffirming the "need for Europe to provide information to the ACPs" so that they could assess European proposals.

Other subjects were raised informally during the discussion, including debt, the deterioration in the terms of trade, apartheid, of course, and what a European trade union representative called "the capitalist plundering of the wealth of ACP countries".

Mr Daniel Assoumou Mba and Dr I. Akinrele, respectively director of the CTA and director of the CDI, also made comments. The former emphasised "the capital importance of scientific and technical information for agricultural and rural development" in ACP countries. The CTA, said Mr Assoumou Mba, "collected and distributed this type of information". The technical and agricultural cooperation centre was therefore not a "research body" he pointed out.

Dr Akinrele for his part hoped his Centre for the Development of Industry would benefit under Lomé IV from facilities of the type offered by Community to Asian countries, known as the "Cheysson facilities" (after the former Member of the Commission) under which financial establishments provide back-up technical assistance. ○ L.P.

Extracts of resolutions

Stocktaking of effective involvement of socio-economic organisations in the implementation of Lomé III.

The participants at the annual meeting

- stressed that the current Convention, while recognising the principle of involving the economic and social interest groups, has in practice produced only a few timid and inadequate attempts at application and effective involvement; (2)
- observed (...) that many ACP countries fail to inform, consult or involve, or at any rate involve sufficiently, the economic and social interest groups in the preparation and implementation of indicative programmes; (5)
- considered that the current Convention provisions impede the financing of unofficial schemes; (6)
- regretted that the economic and social interest groups concerned frequently do not have the resources required for effective regional cooperation facilitating the collection and exchange of the information essential for their involvement in regional development action programmes; (10)

Proposals for closer involvement of the ACP-EEC economic and social interest groups in the framing and implementation of the next Convention at all stages

The participants

- take the view therefore that cooperation will achieve this aim only if the new Convention creates an adequate framework for action enabling the various economic and social groups of ACP populations to be involved in the preparation, implementation and assessment of indicative programmes and projects; (12)
- suggest that the principle of informing and consulting economic and social interest groups and their concrete involvement is clearly and expressly set out by the new ACP/EEC Convention; this applies to both participation in the formulation of outline programmes and the implementation of specific projects; (21)

Specificity and Universality in Human Rights

— An ACP-EEC Cultural Foundation Seminar —

On the occasion of the 40th anniversary of the Universal Declaration of Human Rights, the Foundation for ACP-EEC Cultural Cooperation (*), last December, held a seminar at ACP House in Brussels on the theme: "Human Dignity and the ACP-EEC Convention". Appropriate in the midst of negotiations for a new Convention, the seminar brought together participants at high level from across Europe and the ACP States, a testimony not only of the high regard in which the Foundation is now held in ACP-EEC circles, but also of the belief in its potential effectiveness in maintaining and strengthening the central position given to Man under Lomé III.

As usual with matters as serious as human rights, the seminar examined

the subject from several angles—historical, political, economic, legal, sociological, ethnological and gender—embracing all the issues that have surfaced in this area in recent years such as the rights of women, the rights of the child and the right to economic development.

With the historic provision on human rights of Lomé III and the heated debate that preceded it fresh in the mind, it came as no surprise that the first major contribution, in the light of the divergent views on the matter between Europe and Africa, was from Mr Isaac Nguema, President of the African Commission on Human Rights and Peoples' Rights.

The African Commission, it should be noted, was set up in November 1987 following the coming into force in October 1986 of the African Charter on Human Rights. Since then it has held three sessions—in Dakar, Libreville and Cairo—and has established its working methods, i.e., in-

ternal rules of procedure in dealing with complaints and violation of human rights in African countries. Following the decision of the last OAU summit, the Commission is to have its headquarters in the Gambian capital, Banjul. With no offices, it is yet to operate effectively, but from the experience it has gained already, the Commission has concluded, that human rights are not respected in Africa, although the speed with which political leaders have moved in this area in recent years is something that deserves commendation.

The "mental barriers"

While the outlook can, to some extent, be described as good, Mr Nguema sees immense obstacles to the realistic application of human rights in "a continent where personal initiatives are rare, and the will to act with a sense of responsibility absent". These obstacles are of a historical, ideological and psychological order as

(*) Foundation for ACP-EEC Cultural Cooperation, 277 Avenue d'Auderghem, 1040 Brussels, Tel. (02) 647 49 37 and 647 45 50.



A familiar scene of human rights violation in South Africa

well as being deeply rooted in the political and economic structures in Africa.

African societies were and are still largely of the oral tradition. Illiteracy is widespread and creating awareness of human rights amongst the people is extremely difficult. In the absence of writing, rules cannot be fixed; the spoken word is grossly inadequate and indeed not valid.

As well as using the above as an argument against the acceptance of the concept of human rights, "African leaders see the notion as being totally alien to the African culture". The Western concept of human rights is one based on the vision of man created in the image of the Christian God. There was no Christian God in the precolonial African societies⁽¹⁾, they argue.

But there is, Mr Nguema said, an ideological reason for African leaders' opposition. They view human rights as part of neocolonialist attempts to tamper with African sovereignty, that political independence which they jealously guard. The tendency therefore is to reaffirm that sovereignty for the sake of dignity, the dignity of the African⁽²⁾.

The colonial division of Africa and the creation of frontiers have meant nationalism and often the consideration of Africans as foreigners in their own continent, Africans being expelled from African countries for economic reasons. Mr Nguema links the current economic stagnation of Africa, the economy of subsistence, to the outrageous colonial exploitation of the continent. Even if political rights are granted under the present circumstances, he concluded, the means for sustaining those rights are absent. The rights to the basic necessities of life are denied.

He went on to outline what he sees as the "mental barriers", linked

(1) Mr Nguema concludes that Christianity can thus be seen as having brought "light to Africa".

(2) Mr Nguema finds this explanation inadequate. It must be emphasised that the President of the African Commission on Human Rights and Peoples Rights is here just analysing a situation. Throughout his contribution he expressed his personal disagreement with some of the reasons he has advanced. Indeed the difficulties already being encountered by his Commission arose from the so-called obstacles.

obviously to the structures of the African societies, those more or less rigid traditional structures that still have considerable impact on the political, economic, social and cultural life of the continent. These are, among others, the "gregarious society of the type found with the pygmies"; the "kinship society" where everything is governed by group relationship and where some tribes dominate others—situations that lead more often to upheavals and brutalities; the "hierarchical society" where the place of the individual is determined by the role he or she plays in the community; and the "nation" society (which is one that is evolving into the western model of the state) where the rules are dictated by the sovereign.

The African specificity

To ask Africans to overcome these "mental barriers" and accept the western concept of human rights is to ask them to make an almost impossible leap. Africa must be open to the world and it "must propose to the world its message of humanity, of love, of friendship towards neighbours and of brotherhood", said Mr Nguema. Africa must retain its specificity and enrich itself with the universal. It must draw from all that is good from the world of animism, Islam and Christianity (the West) in the respect of human rights.

This sterling contribution from the President of the African Commission on Human Rights and Peoples Rights was to receive later in the course of the seminar a legal interpretation from Mr Youssoupha Ndiaye, Secretary-General of the Supreme Court of Senegal. After tracing Africa's evolution in the field of human rights, from the OAU foundation to the constitution of the African Commission, Mr Ndiaye outlined the bases of the OAU Charter on Human Rights and Peoples' Rights. The underlying factors, among other things, were, he said, respect of the African tradition, respect for each State's political option and balance between the rights of the individual and the State. This has meant taking the valid customs and traditions of Africa and fitting them into the universal values, which had been tested elsewhere, to strike a balance between right and duty.

Democracy

But which political system is conducive to the respect of human rights? European contributions to the seminar were unequivocal—democracy with the widest possible participation of the people. There is always a civil community, no matter under which society, they said, that is ready to express itself and such expression should be allowed. Sole political parties are not the answer because, according to Pierre Weiss, Professor of International Relations at the University of Paris VII, they lead to paralysis and quite often to ethnic tension. Saying, as many do, that democracy is a luxury and has nothing to do with development is arguing for the legitimatisation of authoritarianism. Dictatorial regimes are not indispensable to economic progress, according to Pierre Colin, *Chargé de mission* at the French Ministry of Culture and Communications.

But it is lack of economic growth and poverty in parts of the world such as Africa that provide the climate for the emergence of dictatorships. Debt burden and structural adjustment programmes have wrought havoc. The seminar had on hand Mr Bernard Snoy, Financial and Monetary Adviser to the Belgian Minister of Finance to analyse the situation. Mr Snoy talked of external and internal factors (the crushing burden of interests and debt repayment and economic mismanagement, e.g. imprudent use of borrowed money) and arrived at the conclusion of co-responsibility between creditors and Third World governments for the economic stagnation. In Africa the situation is worsened by demographic growth and agricultural failures. The reduction of poverty, Mr Snoy said, must be a prime concern. Compensatory measures, well targeted on groups, and policies specifically oriented towards the poor must be undertaken. But in his opinion, there is no escaping structural adjustment. The choice is simply between orderly adjustment and chaotic adjustment. Several African participants, of course, did not agree with most parts of Snoy's analysis, but they were not prepared to go into a long debate on the issue.

In Uganda today

Extracts from the contribution of Professor Apolo Nsibambi (*)

"..... In 1986, the National Resistance Movement (NRM) Government set up several *ad hoc* commissions of inquiry into the various Government Departments. Some of these commissions dealt specifically with corruption, a phenomenon which was becoming endemic. The commissions established the extent of corruption and the forms of corruption. It is fitting that the Government should assault corruption because it undermines efforts of rebuilding the economic and institutional foundations of the country. Human dignity cannot be realised unless people are assured of the basic needs. Other commissions were intended to improve the existing institutional and administrative systems.

Second, it set up a Commission of Inquiry into Violations of Human Rights covering the period from 1962 to 1986. It is significant to note that President Museveni himself appeared before it. It had been alleged that while he was Minister of State for Defence, he blessed the massacre of Muslims in Bushenyi in 1979. The problem arose when Muslims were accused of collaborating with retreating Amin soldiers who committed atrocities in Ankole. Consequently, when Amin was overthrown, about 29 Muslims were killed for allegedly being implicated in the atrocities of Amin's soldiers. The President cleared himself of the allegations. Mr P Muwanga, the former Vice-President under Obote II Government, has also appeared before the Commission as well as many other senior civil servants. The inquiries are televised and are open to the public. Some people have already appeared before Law Courts for having violated human rights.

(*) Head of the Department of Political Science and Public Administration, University of Makerere.

The Inspector-General of Government

Third, the post of the Inspector-General of Government was set up. This post is the equivalent of Ombudsman in other countries. His functions include protecting and promoting the protection of human rights and the rule of law in Uganda, and eliminating corruption and abuse of public offices. He inquires into the methods by which law-enforcing agents and State Security Agencies execute their functions. In addition to receiving complaints from the public, he initiates investigations. Already the IGG has disclosed corruption in many Government Departments and these have even appeared in the New Vision, a Government newspaper. This paper has displayed an amazing degree of impartiality and autonomy. Indeed, some Government Ministers have wrongly complained that it is an opposition paper.

It is significant to note that in the IGG's attempt to curb abuse of public office, he has been strongly supported by the Government. For example, Mr Kahinda Otafire, the Minister of State for Internal Affairs, was required to resign from his post because during a heated argument with Mrs Sam Kuteesa at Fairway Hotel, he drew his pistol, cocked it and threatened her. He later apologised. Dr Ajeani, the Deputy Minister of Animal Industry, was also forced to resign from his post because he ordered his security guards to cane a taxi man who apparently blocked his way as he was being driven along Entebbe Road. President Museveni has sternly pointed out that in future such Ministers will not only lose their posts but they will also be prosecuted. These examples were unprecedented in Uganda's history and they demonstrate the Government's determination to restore the dignity of every person regardless

of his rank. They also demonstrate that abuse of office is being systematically assaulted by the Government.

We should mention that the Government has facilitated the work of the International Committee of the Red Cross which has been allowed to visit detention centres.

Disciplining the army and improving its quality

Fourth, the Government has enacted a code of conduct for the National Resistance Army. The soldiers are strictly forbidden to do the following:

- (i) abusing or insulting or beating any member of the public;
- (ii) taking anything from the public without paying for it;
- (iii) developing an illegitimate relationship with any woman;
- (iv) consuming alcohol while the war is going on.

There is a General Court Martial which has tried soldiers and they have been publicly executed for committing grave offences against the public. An Operational Code of Conduct is aimed at ensuring that soldiers are disciplined even under difficult circumstances. There is also a law governing the Internal and External Security Organisations. As already noted, the IGG investigates their operations.

Educated soldiers

One of the major causes of the violation of human rights was that most of the soldiers were semi-illiterate and they had been fed with harmful information by politicians. They had no capacity to evaluate the information. The army was also suffering from an inferiority complex and it made up for its inadequacies by being brutal, especially to the educated people. We have now an educated army. The Army Commander is a graduate and the Director of Military Intelligence is a lawyer. We have also privates with Ph.Ds such as Bajangu..." ◊

The rights of women and of the child

As well as dealing in detail with other problems linked to human rights such as demography, environment, health, science and technology, information and communications, education, training and research during which many interesting contributions were heard⁽¹⁾, the seminar devoted considerable time to two specific aspects of the issue, namely the rights of women and the right of the child.

On women, Mrs Rose Waruhiu, a well-known Kenyan politician, traced their changing status since the United Nations Charter reaffirmed the equality between men and women in Preamble. Over a 40-year period, Conventions have been enacted ensuring, among other things, women's right to vote and to be eligible to hold public office, to have equal pay for equal work with men, and to consent freely to marriage. This period saw the 1976-85 Women's Decade, when the Convention on the Elimination of All Forms of Discrimination against Women was prepared and ratified. It also saw ACP countries "write new constitutions incorporating equality of rights for both sexes".

Mrs Waruhiu said that the effectiveness of the measures taken in the developing nations was, however, reduced by, among other things, the slow pace and low level of development. "The diversity in stages of development, notwithstanding, no country in the world has completely eliminated the gap between men and women", she said. "Women share a sense of inequality and injustices imposed by tradition and by time, in the family and outside, socially, economically and politically". And there are still two areas not covered by UN Conventions, namely the traditional family law on women's status and the physical abuse of women.

Turning to ACP-EEC relations, Mrs Waruhiu proposed that the status of women be tackled simultaneously with the strengthening of socio-economic development. The development goals of Lomé III

accepted this in Article 123. "The most basic problems in ACP countries", she said, "is the lack of financial resources and how to attain these resources for long term survival. In this context, rights for women who lack the basic needs of food, shelter and housing are elusive. Equal rights without education, without proper food, without employment remain an academic pursuit".

The Rights of the Child were dealt with by Olivier Degreef, Coordinator of UNICEF National Committees. Children, he said, suffer an unacceptable injustice of inequality with adults in life and death. They are the first to bear the consequences of bad economic situations, especially of the debt burden. He pleaded for priority to be given to the life and growth of the child, "because there is a direct link between his mental development and the development of his country". He spoke of the UN Convention on the Rights of the Child currently being drafted for approval in December 1989 and urged all nations to support the move.

The debate on the Rights of the Child was given poignancy by the presence of children from Senegal flown in in a plane put specially at their disposal by President Abdou Diouf. They brought a message of humanity, peace, love and an end to racial discrimination in the world to the meeting—a message that was dramatised in songs, dances and declarations.

The children's reference to apartheid in South Africa reminded participants of an emotional contribution made, earlier by Mr Joseph Ndiaye, Conservator of the Museum of Gorée (a transit house for slaves during the slave era that has been carefully preserved in Senegal). Mr Ndiaye had given a graphic account of the inhuman treatment meted out to slaves captured along the West African coast and the brutality and racism under colonial regimes, drawing a parallel between these inhumanities and what is going on today in apartheid South Africa.

Speeches and messages

The three-day seminar came to a close with a series of speeches and

messages presided over by Mr Carl Greenidge, Minister of Finance of the Republic of Guyana and President of the ACP Council of Ministers. Mr Greenidge in his address, remarked on the appropriate timing of the seminar and spoke of how the Lomé III Convention has tried to reflect the concern of Man in projects and programmes, i.e. "the focus on attainment of food security and the fight against hunger, drought and desertification in particular", and how it has highlighted the fact "that there was a basic rethinking of the ACP-EEC relationship after 20 years of interdependence and cooperation." "Our perception of human rights", he pursued, "was no longer restricted to concern with freedom in a political sense, but now consciously encompassed the improvement in the quality of life of the ACP people and thereby the enhancement of their dignity. In doing so we sought to make the ACP-EEC Convention an instrument for the development of our people in terms of their own objectives, values, culture and priorities."

Mr Dieter Frisch, Director-General for Development at the European Commission, for his part, laid stress on the respect of the personality and freedom of the individual and of groups, pointing out the exceptional cases where the European Community has been forced to suspend non-humanitarian aid to governments which seriously violated these basic freedoms. The Convention, however, provided enough possibilities to act if necessary. "We do not need the sanction weapons. Discreet moves and frank explanations have proved on several occasions much more effective and in accordance with the spirit of our cooperation than in spectacular public declarations. The Joint Assembly for its part has shown how to approach delicate problems of this nature in a reasonable and positive manner while respecting the strict equality of partnership without anyone being able to pretend to have the monopoly of virtue," he said.

Among messages received were those of Presidents Dawda Jawara of Gambia, Eyadema of Togo and João Bernardo Viera of Guinea Bissau, and of the UN High Commissioner for Refugees, Mr J.P. Hocke. ◊

Augustine OYOWE

(1) It is not possible in this article to quote from or refer to all the very good contributions made during the seminar.

Kenya's youth employment crisis: is transitional education the answer?

by S. Kichamu AKIVAGA (*)

The problems of unemployment and in particular youth unemployment have, over the past decade, become the major concerns of most governments. It is now generally accepted by policy-makers, planners and academics alike that, given the high and rising rate of population growth in Africa as a whole and the diminishing opportunities for wage employment, the problem of youth unemployment provides the one major single challenge to the social and political stability of nations in the coming decade and beyond.

In Kenya, statistics indicate that at the end of 1988 there will be close to 5 million youth (4 957 700) leaving primary school. By the year 2000 this figure will have risen to 7 million. At secondary school level, there will be 553 200 pupils leaving school in 1988. By the end of the century the figure will have risen to 1 032 500. Hence, by the year 2000, Kenya will have a projected output of over 8 million young people with a general education of up to primary and secondary school level. Yet, of these, judging by the opportunity index in wage employment, only about 8.5% of the primary and about 21% of the secondary school leavers will be absorbed by wage employment (see table). Government preoccupation with unemployment issues goes beyond what is described as mere "moral panic": high youth unemployment in particular, raises fears about the quality of future society as a whole.

These variables have put to severe test the rather hastily conceived policies in educational planning at the time of independence. In the 1960s in Kenya, as in most developing countries, the emphasis was on formal

education, or more specifically on quantitative expansion of the schools, i.e. on the broadening of school opportunities, improved facilities, etc. Education was seen as a remedy to major social ills — unemployment, social inequity etc. The 1970s ushered in an era of disenchantment with the capacity of formal education to yield the anticipated results.

In the first place, the expansion of education had not been matched by a corresponding economic growth rate. In fact, according to the World Bank figures, in the years 1972-1980 alone, Kenya's economic growth rate slowed down by an average of 4.1%. Secondly, the provision and expansion of schools without a reappraisal of the economic structures had tended to exacerbate issues of unemployment, equity, structural inequalities and social injustice.

It is possible to argue that in the early 1960s planners, educationalists and politicians were perhaps rightly

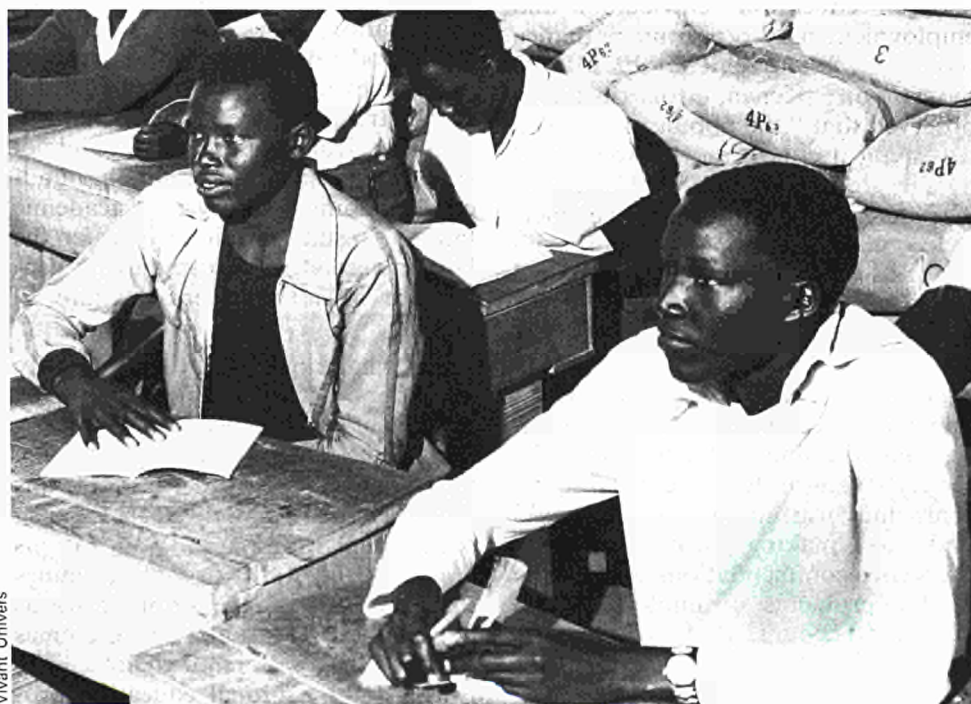
preoccupied with the need to train Africans to fill the high and middle-level positions vacated by the colonial officials. The realities of the 1970s and '80s indicate that there is need to reconsider policy planning priorities in the educational sector.

The shift to vocational skills

In Kenya, the official educational policy since the early 1970s has shifted from a general academic education to more a vocational, skill-oriented form of education designed to equip young people with skills, understanding and values for gainful self-employment. In this respect the government attaches considerable significance to the Youth Polytechnics⁽¹⁾ and Harambee Institutes of Technology⁽²⁾ — the official institutions designed to prepare youth for self-employment. In May 1982, the Kenya Government announced the formation of a Presidential Commission to examine the problem of unemployment in the country and consider a form of education to prepare the youth for self-employment. As one of the outcomes of the Commission's recommendations, the government

(1) Low-cost centres designed to train youth to become gainfully self-employed, especially in rural areas.

(2) Higher technical education institutes.



Vivant Univers

Kenya's official education policy has taken a more vocational, skill-oriented form, designed to equip young people for employment

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Absorption of primary and secondary school-leavers in wage employment (Kenya, 1975 and 1985)

	1975	1985
Number of school leavers: primary	140 000	500 000
secondary	50 300	105 000
Absorbed by wage employment: primary	30 000	45 000
secondary	6 000	7 700
Unabsorbed either by wage employment or other studies: primary	110 000	455 000
secondary	44 300	97 300
	154 300	552 300

has recently restructured the educational system to what is now commonly referred to as the 8:4:4⁽¹⁾ system, with its emphasis on technical and vocational education to "ensure that students graduating at every level have some scientific and practical knowledge that can be utilised for self-employment..."

A "proper" educational curriculum that leads to self-employment obviously sounds eminently sensible for policy and planning purposes. The experiences of the Youth Polytechnics indicate however that, as sensible as it sounds, the concept of education and self-employment is still a far cry from reality. Secondly, more seriously thought-out reports on education and employment suggest that the equation between education, curriculum and employment may be no more than a piece of folklore. The 1972 ILO report on Kenya, for instance, observed that "the populism attached to technical education as exemplified by the mushrooming of Harambee institutes of technology and the emergence of the village polytechnics did not correspond to any clearly defined employment assessment either in the formal or informal sectors, in rural or urban areas". Accordingly, the ILO regarded the ritualisation of vocational and technical types of education and training as "symptoms of a society's failure to conceptualise its goals and institutions" which would lead to making work carefully checked recommendations which take all the problems of implementation fully into account.

(1) 8 years of primary education; 4 years of secondary education and 4 years in higher education.

Is transitional education the answer?

Given these challenges, will transitional education provide the solutions? The concept of transitional education is not an educational innovation. It is, however, a new terminology that describes an on-going process.

Within the European context transitional education is described as a process of changing the status of a child for that of an adult. The key for many young people to the independent world of adulthood has been a job — which not only provides financial independence but also adult identity and status. In African society, the social and cultural context of the traditional African environment merged socialisation, work and growth into adulthood. Because of the patterns and values inherent in the indigenous social structures, the sense of 'failure' resulting from failure in the school system was uncommon. In the modern economy, however, "academic failure" results in failure to enter the labour market, thus leading to a generalised sense of overall failure in life.

But what happens, then, when there are no jobs? It is a fact that, for the foreseeable future, there will be few jobs in formal sectors for young school-leavers. It is because of this that in Africa, as well as in Europe, educational reforms and innovations are inclined towards new programmes that prepare young people towards alternative educational programmes leading to self-employment. The European transitional education programmes emphasise mainly the transition from school or skill acquisition

to work. Within the African context, a form of transitional education would lay emphasis on education for self-employment within the informal sector. A variety of factors dictate this. The groups being dealt with in the African context are varied and include: young people who move from no schooling at all to subsistence in agriculture; young people who dropped out of the educational system without any formal qualification, without any vocational skills to the informal sector; young people who have had a general education but no special skills for the informal sector, and those who have a general education, vocational training but lack the entrepreneurship or attitude for setting up business in the informal sector.

To see whether transitional education could respond to the challenge of youth unemployment, the Board of Adult Education in Kenya and the Friedrich Ebert Foundation organised the first national Seminar on Transitional Education in Nairobi, Kenya, in June 1988 to consider conceptual and implementational problems related to education, training and employment in selected countries from the East African region.

There was a general consensus among those present that a transitional education programme designed to prepare young people to move from the dependent, protective school or training environment to confident, independent adulthood requires more than mere policy statements. There is a need for a follow-up with a clearly defined, localised community-based educational programme.

One of the central problems with the Youth Polytechnic movement, for example, is that it has continued to foster the school mentality of training, certification and wage employment. An educational innovation that enables youth to master a skill or craft, makes him/her feel free and at ease with himself, and *not* a failure in life, motivates his sense of initiative and teaches him some "art of living" in the harsh, independent world of adulthood, will without any doubt be of incalculable value. This is the challenge that faces educational planners, and in particular the practitioners of transitional education in Kenya in the 1990s and beyond. ○ S.K.A.

Congo: a village for rural people

by C. GUÉRIN (*) and H. OKEMBA (**)

There is nothing inherently new about implementing a rural development policy with the help of the communities concerned: several governments and non-governmental organisations have been involved in operations such as this in the Third World, and especially Africa, for years.

In Congo, the imbalance between towns and countryside has reached such proportions that the public authorities are mounting an "Operation Village Centres" to try to break the physical and psychological isolation of the rural population and to improve their living and child-rearing conditions, while at the same time helping to reorganise land use (the Outline of Land Use Planning [Esquisse d'Aménagement du Territoire] provides for some 400 village centres around the country).

For a number of reasons, the Congolese authorities attach a great deal of importance to this programme of rural development and planning. This can be explained by the situation obtaining in Congo before the first Five-Year Plan for Economic and Social Development (1982-86), a situation characterised by:

- a major population drift away from the countryside⁽¹⁾, accompanied by a rising rate of urbanisation: 60% in 1980 and over 80% forecast for the year 2010;

- a very high concentration of population and economic activity in 7% of the country's territory between Brazzaville and Pointe-Noire⁽²⁾, known as the "polarisation axis";

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(**) National Coordinator for the 6th EDF.

(1) Estimates in the Outline of Land Use Planning show that between 1960 and 1988 around 10 000 young people a year moved from the country into towns.

(2) Brazzaville, capital of the People's Republic of the Congo, and Pointe-Noire, a port accounting for most of the country's industrial activity. Two other towns (Loubomo and Nkayi) lie along this axis, which is also the zone of most of the country's agricultural and agro-industrial activity.

- an acceleration of the rate at which villages are disappearing⁽³⁾, linked to the abandonment and very pronounced isolation of the hinterland over a number of years.

Operation Village Centres intends to remedy the situation with a modernisation strategy for the rural environment, providing the rural population with the means to undertake and sustain the modernisation process.

The central philosophy of the strategy is that the Operation is the business of the people themselves. The programmes must be determined and implemented in collaboration with the rural population and with the support—and not the domination—of the technical services.

Operation Village Centres pursues two closely-linked groups of objectives:

- rehabilitation of land, whereby the public authorities are attempting to plan the land use of the country so as

(3) Estimates from the Outline of Land Use Planning show the disappearance between 1960 and 1980 of around 4 000 villages, and, of the remaining 4 000, almost half have less than 150 inhabitants and therefore no long-term prospects.

to reduce significantly the glaring imbalance between urban and rural society;

- modernisation, particularly of agriculture and the living conditions of the people, without which the first group of objectives will not be secured on a permanent basis.

Achievement of these objectives will mean implementing the following operations and programmes:

- stepping up of manufacturing, agricultural or other activity;

- establishing the necessary socio-economic infrastructure (e.g. tracks storage facilities, water, schools, clinics, village shops and pharmacies);

- strengthening of decentralised institutions and technical services and coordinating their implementation through the drafting and joint monitoring of the programmes and methods used;

- back-up action (e.g. marketing, credit, training, organisation, management, assessment) vital to the lasting success of the sectoral operations and programmes.

This operation differs from previous rural development projects in Congo in the following aspects:

- the consideration and integration from the outset of the technical, social, economic, cultural and institutional factors involved in the planning and development of an area;

- the approach to land use, in which the central and permanent unit is the



Maternity unit in the village of Kinkembo

The village centres are provided with a socio-economic infrastructure: schools, pharmacies, shops, etc.

“rural area”, defined as the whole of the areas covered by the “village centres” and their “satellite villages” orbiting around a rural centre;

— the stress laid on the close involvement of the communities concerned at every stage of the operation, placing an essential value on the methodological and institutional aspects of integrated programmes in rural regions.

Implementation of guidelines such as these in 1982 was by no means straightforward. They had to be translated into an operational strategy; methodologies had to be tested, programmes worked out in detail, provision made for the management and monitoring of a complex operation of a type not seen before in the country, mobilising major human, technical and financial resources.

Since 1984 two experimental projects have been under way with the help of bilateral cooperation from France and the French Association des Volontaires du Progrès. The EEC has provided funds for the latter to finance the building and equipping of a dispensary and the supply of water to a village centre, within the framework of NGO cofinancing.

The projects have served to ease fundamental constraints (water, infrastructure, improved communications, etc.) and to prepare an environment (health, motivation, productive activity) which is more conducive to the recovery of the rural economy in the areas of Mindouli, in southern Congo, and Lékana, in the centre of the country.

After four years of work and a number of evaluations we can draw some initial conclusions on this philosophy as embodied in a project and the way it meets with the reactions and realities of the communities concerned.

There are still grounds for caution, however, since:

- (a) more time is required to control and then assess the overall impact of such a strategy in the medium and long term;
- (b) the results achieved vary between the projects and sectors involved in Mindouli and Lékana;
- (c) the country's economic and financial situation, which has worsened since 1985, weighs heavily on the

macro- and meso-economic environment of the operation as a whole.

Aside from, and in spite of these reservations, however, there are positive aspects, and even successes, which would seem to confirm:

— the usefulness of this planning-development approach as a means, if not of reversing the rural exodus, then at least of containing or stabilising it. Some population flow, including young people, has been observed in the direction of the village centres, both in the form of internal migration within the region and from the urban centres;

— the importance of linking the area through a network of rural centres, village centres and satellites, but where selection and implementation will have to take ever greater account of the diversity of the social, economic, technical, financial and cultural situations of regions and peoples;

— the paramount importance of the target group having a full methodological and operational command of the programme. This approach requires a good deal of groundwork and guidance both before and during the operations. This testing exercise in decentralised and participative planning goes far beyond the usual “awareness campaigns” advocated in books. It is an exercise involving the techniques and instruments of diagnosis, drafting, programming, organisation, execution, monitoring and evaluation, where motivation is no longer the talk held by the “extension worker” but a “communication system” based on negotiation between partners. Information spreads the idea and training prepares the ground for, and backs up, the operation;

— the vital mobilisation and strengthening of the institutions involved; as a regional planning and development project, the operation cannot dissociate itself from the validity of the institutions involved in its conception, management, execution and evaluation and which sustain the momentum created thereby. Whether they are peasant, technical, administrative or political institutions, they must be fully committed;

— that fact that this strategy, which also aims at increasing internal and external trade, cannot be reduced to a juxtaposition of sectoral components.

It is equally incapable of application to all sectors at once. Finally, it seeks to reconcile the satisfaction of local needs with regional and national requirements. It must coordinate the use of land (infrastructure) and growth needs (production). Researching and maintaining these balances and ensuring their coherence presents major difficulties.

Drawing on the experience gained in previous national and foreign experiments and on new ideas produced in Congo, Operation Village Centres is trying to capitalise on the lessons learned:

— interdependence of land use planning and rural development;

— planning and implementation of local projects rather than imposition of a single overall solution;

— operations removing obstacles to modernisation rather than handing out technical packages;

— multidisciplinary operations concentrated in a specific area;

— recognition of the social, cultural and institutional environment, mobilisation of people and services.

Such are the guiding lines of this approach, which is not, however, put forward as a model. Which is just as well, since there is no denying the ground still to be covered, the obstacles to be overcome, the ambiguities to be resolved, the limits to be defined, the failures to be avoided. Yet the operation is already under way and its results merit attention. The vital momentum which today enables yesterday's observers to consolidate or match Congo's step forward has been established.

One such observer is the Commission of the European Communities, which, through the “FEDAR” programme (FED – Actions Régionales), has just signed a ECU 36 million financing agreement with the national authorities to help open up new areas and improve living conditions and agricultural development there.

Finally, mention must be made of the visit to Operation Village Centres in Mindouli by the President of the Republic, whose presence and comments gave clear support and expressed the country's political will to pursue and step up the programme.

○ C.M. and H.O.

Rural sound libraries: a new window on the world for illiterates

par Michèle DUMEZY (*)

In 1982, Mali's Ministry of Sports, Art and Culture, together with UNESCO and the UNDP (United Nations Development Programme), launched a programme of rural sound libraries. These, it was hoped, would represent an efficient, readily-available way of providing rural communities with a flow of information and educational materials, as well as a means of gathering, circulating and publishing orally-transmitted traditional lore.

In many countries, rural development projects have failed because they overlooked the "human dimension" and attempted to impose "outside" technology on village communities which had been given no real opportunity of learning about their usefulness.

So one of the main purposes of the Malian project

The importance of oral communication skills

Sound libraries are one way of meeting this need. Radio would appear another obvious one, and indeed the two are complementary, but the radio is broadcasting information for an entire language group, region or country. It lacks the purely local appeal of a village sound library.

When the project was first conceived, UNESCO sent an ethnologist and rural communications expert, Elvia Restrepo, into the field. Her preliminary survey of 20 villages, carried out in October 1981 with the help of a senior official, Mamadou Diallo, and a Malian research team, showed

how little say peasant farmers were given in planning their own futures, and how unsatisfactory communications were.

A year later the first twenty rural sound libraries were set up, "genuine oral learning centres" where literate and illiterate together could teach and learn, as well as being collection and transmission points for oral documents.

Lively and informal, village sound libraries are also cheap, robust and easy for everyone, groups or individuals, to use. The equipment is basic: a radio-cassette, a dozen blank tapes, fifty or so recorded tapes, a stock of batteries and a box or cupboard to store it all. In addition, there will be

was to end this inevitable isolation and lack of information. The idea behind the project was simple: since cassette players are already present even in the furthest-flung villages as a means of entertainment, they could equally well be used to disseminate technical information and to record the oral traditions and legends handed down by the village elders, giving them a fresh currency. If this ancestral lore is "preserved" only in written form it may well die out, since 80% of Malians are illiterate.

"But so-called illiterates have always been the living force of the culture, and in any case they too are keen to learn everything they can... learning does not necessarily mean reading. So oral communication skills have to be seen as a prime objective of any education and development measures". (1)

simple office equipment so that information slips on the cassettes can be filled out and classified.

A Central Sound Library in Bamako has more advanced equipment and acts as a coordination unit. It distributes technical information cassettes in the national languages, collects, copies and edits the cassettes from the villages, publishes back-up literature, stores the cultural material in its sound archives and library, and trains recording and maintenance staff, etc.

In the rural areas, village "librarians" are selected and undergo simple training in the use and maintenance of the equipment, recording techniques and organisational and interviewing skills. The success of the sound libraries depends on their individuality, enthusiasm, personality and hard work. There may be as many as five or six of these organisers; the minimum is two, a man and a woman. Having a woman is important; it means the other village women do not feel left out, as they do with so many of the educational projects. The sound libraries are meant for everyone, of all ages, unlike written material, to which only a very few in each tribe have access.



The village "librarian" with a discussion group

(*) A Paris-based journalist.

(1) Rahneba Madjid in UNESCO *Rusiba*, Vol. IV, July 1982 (unofficial translation).



Elvia Restrepo at the Bamako Central Sound Library

A village headman in Kati told Elvia Restrepo: "It's much better to have a voice to listen to, rather than a fancy letter. A voice is much more sultry, precise, moving and communicative".

Local Knowledge Committees

The "librarians" are backed up by "Local Knowledge Committees", which have a vital role to play. Their members include the village headman, senior women, healers and *griots*, sources of ancestral teaching, and those with modern skills such as schoolteachers and nurses. It is this combination of modern and traditional that gives the discussions, following tape sessions, their value; people are able to air their different opinions on day-to-day problems they may never before have discussed together. The range of subject matter is vast: tales and legends, craft techniques, herbal medicine and preventive medicine, agriculture, animal husbandry, fishing, forestry, water resources, technical developments, etc. Said Elvia Restrepo: "We told the elders it was important for them to hand on all their knowledge to the younger generation, and even if they were unable to write, they could pass on their message using the recorder. And the young people would record what they had learned in the cities so that they could listen in turn. The elders were extremely pleased to be taken seriously, as people with their own contribution to make, because they've had enough of interviewers firing questions at them, recording the answers and then disappearing so that they never knew what became of the cassettes".

"We're used to the young people deafening us with music from these

machines", said a village headman from the Kolokani group, "but I never knew they could teach us so much as well."

The welcome given to the sound libraries is largely due to their ease of operation and local interest. But if everyone can have his say in this way, is there not a danger that mistakes will be passed on, superstitions confused with traditions, and valuable modern teaching on health and hygiene, for instance, obscured? Elvia Restrepo explains: "In Mali, experts check that the information in the cassettes is accurate before they are distributed to other villages. But I believe it is very important to preserve the ancestral lore as a way of enriching the young people's culture. They're well taught at school and university, but they often know nothing about the folk wisdom accumulated over hundreds of years and handed on by word of mouth."

Houses of learning

The "houses of learning", as a notable of the Youwarou group called them, have even enriched social life, and the high proportion of women involved shows that habits are changing.

The Malian health services and agroforestry and livestock organisations find this an ideal way to get their message across, as well as a prime source of useful information for their development and educational programmes. A self-managing rural microproject may prove more suitable than a costly large-scale operation which the foreign donors will not allow the peasant farmers to manage.

The two-way flow of information

made possible by this scheme has proved extremely valuable in Mali, as it allows for interaction. Since all concerned can both receive and transmit information, it encourages the exchange of traditional and modern ideas and provides an incentive to literacy.

"In Mali we have set up this two-way traffic", confirms Elvia Restrepo, "between the authorities and the villages. That is the vertical flow, and there is also the horizontal flow from village to village, among communities speaking the same language and facing the same problems, or even outside the country."

She went on: "A lot of development projects seem to be video-based, which is a good method in itself, but it isn't possible for many Third World villages. It's expensive, and not all villages have electricity."

An intercontinental scheme

The budget for the Malian sound library project was a comparatively modest \$ 594 000 (from the UNDP) to pay for the equipment and transport facilities — cross-country vehicles, motorbikes and canoes.

In view of its cost-effectiveness, Elvia Restrepo has proposed wider "research and action" on local communications and development, using cassettes. Supported by the *Groupe d'Etudes et d'Echanges Technologiques* (GRET), she has begun an extensive review of the use of cassettes in popular culture throughout the world. The initial investigatory stage is now complete and she is about to start work in the field. Her hope is that the big international organisations will use her findings in their rural development programmes for Third World countries in Africa, Latin America and Asia. "I am more and more convinced of the need to take account of local knowledge and aspirations before embarking on development programmes," she says.

"The radio cassette is the latest and most popular means of oral communication and the most effective way of acquiring and transmitting knowledge"⁽²⁾. As the African proverb says: "The future begins in the past".

M.D.

(2) Rahnama Madjid, *ibid.*

MOZAMBIQUE



AIM - Alpedo Reveche

“Where are the sleepers you are meant to be laying?”

“They were on the train that was attacked and derailed last night just above...”

○○○

“What are you doing in Maputo? You are Médecins sans Frontières, you are supposed to be in...”

“Yes, but the town was attacked by bandits, and we fled into the bush. Luckily, we had the radio, so we could call for help. So here we are.”

○○○

“What is that heap of junk?”

“That was a metal extrusion plant for the manufacture of pipes out of sheet steel. Last year the bandits attacked the plant and we are waiting to get this repaired.”

○○○

During the short period in which your correspondent was in Mozambique, the three cases above were just a few of the remarks made which brought home the fact that Mozambique is not a “normal” developing country. It is not even normal by the standards of the last few decades in which wars and genocides have ravaged many developing countries, from Kampuchea to the Caribbean. Even the wars of African countries have normally been geographically concentrated, so that life goes on even while the central government fights the “rebels” in the south, or the “secessionists” in the north, or there is border tension in the east or west against a predatory neighbour. But in Mozambique the armed bandits render insecure the whole of this large, fertile, rich and populous country, with the exception of the major towns.

That Mozambique is no stranger to violence only makes the story more poignant. During Europe’s Middle Ages, when great African kingdoms rose and fell in what is now Zim-

If you wish for peace



AIM - Joel Chiziene

.... prepare for war

MOZAMBIQUE



The Courier

Maputo's oldest building — dating from the 18th century

babwe, the coast of eastern and southern Africa was settled by Arabs from Oman and the Persian Gulf whose sheikdoms and city-states thrived on the gold and ivory that were brought from Africa's interior and which fought each other as well as the smaller African kingdoms for commercial advantage and territorial mastery. Towards the end of the 15th century, as "Os Lusíadas", the Portuguese national epic by Camoens (*) relates, Vasco da Gama landed in Mozambique and departed after a skirmish with local Mohammedans.

Neither Angola nor Mozambique were bright stars in Portugal's amazing far-flung empire (Camoens himself served in Goa and in Macao where he was Administrator of the Estates of Dead and Absent Persons) and, apart from maritime footholds, Mozambique was left to private people or religious bodies to develop. The most notable of these were the Jesuits, who, as in Latin America, combined religion and economic development and ended by identifying too closely with their charges for the liking of the home government. In the late

(*) Camoens (died 1579) is considered to be Portugal's national poet, and his poem "Os Lusíadas" (the sons of Lusus) as Portugal's national epic.

18th century, the Jesuits were expelled from the Portuguese Empire, and their extensive estates were handed over to lay people. These wealthy landowners, left largely to themselves by a hard-pressed home government, soon became kings in their own right and made war and peace with African and Mohammedan chiefs and kings to their right and left. They also achieved local status by their wealth and by intermarriage, and laid the foundations for one of Mozambique's most lasting and endearing qualities—a genuinely multiracial society, in which talent plays a much larger role in success than pigmentation.

Portugal could not, however, keep pace with the economic giant of the 19th century, Britain, and Mozambique developed to service its economic hinterland of South Africa and Rhodesia, its ports providing outlets for their goods and its people providing "chibalo", or forced labour, at home or contract labour in the mines of South Africa. The capital of Mozambique was moved to Lourenço Marques (now Maputo) not because it made sense for the colony but because it was the most convenient port for South Africa, and if Portugal had not moved swiftly, Britain might have laid claim to it. When Portugal set about the task of colonising, it found itself engaged in incorporating and controlling all the chiefdoms (local and

settler) which had grown up during the centuries of neglect, and the fighting that followed lasted until the 1930s. Colonial Mozambique was marked, from a century ago, by the twin features that affect it today—internal clashes and external economic dependence on South Africa.

Traumatic birth

The story of modern Mozambique begins with the paradox of a principled liberation movement taking up arms at the moment when Portugal at last became seriously interested in the economic development of the country. By the 1960s, Portugal had been shorn of her major imperial possessions and Angola and Mozambique were the last of any consequence, vaster and with far more potential than the metropolitan power. Sugar, cotton, tea and sisal plantations were developed, the ports of Beira and Maputo reequipped, the great Cahora Bassa Dam constructed, while Maputo (still Lourenço Marques in those days) became the entrepot and playground of white Southern Africa—a beautiful and cosmopolitan city devoted to pleasures and refinement. If Mozambique had a golden age in economic terms, it was during the period of Frelimo's armed struggle (1964-75). The freedom fighters were principled, and besides attacking only



AIM - Antonio Muchave

Destruction by Renamo in Zambezia Province — Frelimo's inheritance



Refugee child in Tete Province — victim of banditry

still in some measure a localised and partly-urban movement which had taken to the bush and its aims were not understood in much of the countryside.

One of the first actions of the new movement when it became the government was to close its borders with the Rhodesia of the Smith regime in response to the international call for sanctions. That regime's response was swift and deadly. Rhodesian Special Forces, which had a good knowledge of western Mozambique gained from pursuing ZANU guerillas into their hideouts there, began to arm and train disaffected Mozambicans and turn them against their own government. This was the genesis of the "armed bandits", and it was the Rhodesians who found them the name with which they were to make a bid for international respectability — Renamo.

Thus the Frelimo government inherited a despoiled and deserted industrial sector, a confused countryside and a cynically-created "guerilla" movement. Its first priority was to develop agriculture to foster self-sufficiency in food and to run the estates deserted by those numerous Portuguese settlers frightened by the change of government or resentful of the change in their fortunes. To do this, the young government had at its disposal the migrant labourers in South Africa whom a hostile Pretoria began to send home, a sign of disapproval of the new government. Much of the Mozambican government's revenue had stemmed from the remittances of these workers and their return was economically disastrous. From about 140 000 legal migrants in 1975, the figure dropped to some 56 000 by 1980. Not only had these people to be trained and equipped, but some payment had to be made to them, since their families had always been dependent on their cash remittances. To this heavy burden one must add the cost of closing the frontier with Rhodesia—lost transport revenue alone was estimated by the UN as being over \$100 m, and the government's own estimate of the direct and indirect costs of closing the border was put at \$556 m. As Mozambique's hostility to the white supremacist regimes became obvious, these latter retaliated. In 1978 South

Africa ceased selling gold to Mozambique at the fixed price of 39.75 Rand, which enabled it to make a good profit on the world market. By 1980, South African traffic through Mozambican ports was at 61% of the 1975 level. And, most cynical of all, South Africa, in 1980, took over the operational responsibility for "running" the Rhodesian-backed Renamo guerillas, seeing in them a useful tool for the destabilisation of their neighbours.

The cost of all this has been immense. Four to five years of drought in the early 1980s, added to the picture of economic sabotage and guerilla violence, means that today Mozambique counts about 3 million displaced persons, 300 000 orphans and 100 000 dead due to violence. In the post-independence period, and even before then, there was a structural food deficit of about 150-200 000 tons of cereals, but the figure today is over 700 000 tons. Transport and power-generating infrastructure may be considered as legitimate "military" targets by supporters of Renamo dits, but how do they explain the 2433 primary schools destroyed since 1981, 700 health centres, and countless small shops, the economic lifelines of farming communities? Manuel Jorge Aranda da Silva, the former Minister of Commerce and National Authorising Officer was understandably bitter: "There is nothing to indicate to us that we shall have peace in the short term. If South Africa really stopped supporting the bandits, it would be all over in one year." And on the cost, he said: "Our losses total something like 5½ or 6 billion dollars; what we receive from donors now is less than 10% of what has been destroyed. We would rather have no development aid at all from Europe if they would put the money to stopping South Africa's support for the bandits."

Green Zones in a green land

Mozambique's 15 million people live in 800 000 sq.km of lush country, ranging from tropical in the north to sub-tropical in the south, its coastline on the Indian Ocean indented by magnificent natural harbours and the coastal waters teeming with fish. Apart from the wealth of agricultural

MOZAMBIQUE

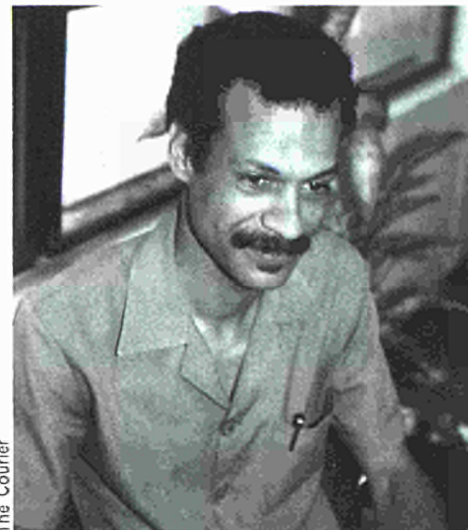


The Courier

Rui Ribeiro, Director of Agriculture

potential—tea, citrus, cotton, cashew nuts (now the major export), sugar and a variety of fruits and vegetables, there are the underground resources which have simply not been tapped—vast coal reserves being the only ones to have had any pre-independence interest shown in them. There are gold, graphite, silicates, phosphates, oil and natural gas reserves waiting for investors, who, despite a liberal investment code, are still unwilling to invest in what President Chissano calls in his interview (see page 27) a “war economy”. Today, Mozambique’s exports, at around \$ 100 m a year, are a third of what they were in 1981 and are one-seventh of the country’s imports. The main export is cashew nuts, followed by shrimps, refined petroleum products, and tea.

Agricultural policy is the key to national wellbeing, and Rui Ribeiro, Director of Agriculture at the Ministry of Agriculture outlined the problems. “Apart from the general economic and political situation, about which everyone can tell you, there are specific problems which we must overcome. There is the problem of being an exporter of raw materials at a period when prices are down; there are plenty of short-term donors but a lack of long-term credit; there is a lack of skilled personnel—we have only 200 graduates working in agriculture—and a drastic lack of basic and middle-level technicians.” As in many socialist countries, land was nationalised after independence, but this was not because the State felt that it had a vocation. It was because most agricultural land was in the hands of colonial concessions, and these have remained in State hands. But peasant farmers get title to their lands as soon as they work them, and may build up and pass on holdings to their descendants. State farms, explained Rui Ribeiro, are not always viable as farms, but they perform valuable service as extension centres. The only extension services set up by Portuguese were for cotton and rice, and in Nampula the work is continuing for cotton and in Chokwe for rice, using the State farms. The Economic Rehabilitation Programme is, in any case, drastically changing the role of the State farms and they will be able to lease out their facilities in future.



The Courier

João Carillo, Director of Rural Development

The Ministry, explained João Carillo, Director of Rural Development, looks after 330 000 farming families with 1200 extension staff and the main aim is to transform a subsistence-level agriculture into a viable commercial system. “The centres of the rural economy were the privately-owned “cantinas” which were, in effect, trading posts,” he said. “When the Portuguese fled, the State took over these shops, but it was never our idea that the State should be a shopkeeper. However, somebody had to do the job until Mozambicans could learn, since shopkeeping is not a local tradition. Now, with the increased availability of consumer goods and with incentive pricing, people are beginning to adapt favourably.” Distribution of inputs and consumer goods remains difficult, and the network is not large enough. Nor are shops immune to bandit raids. But Mozambique’s agricultural policy is firmly geared to family farming, to paying incentive prices, ensuring an improved flow of inputs and extension services, to credit and marketing.

One remarkable agricultural innovation in Mozambique, born of war and economic necessity, is the establishment of Green Zones round the major towns. Luciano Sambane is Director of the Maputo Green Zone, 13 000 ha. of both dry and irrigable land supporting over 25 000 farmers, which provides 55% of the urban population’s fruit and vegetable requirements. “The zones were set up” he explained “to slow down



The Courier

Fresh from the Green Zone every day — market in Maputo

makes his living on the land and takes his pleasures in the city.

Guns along the Limpopo

If agricultural development is one of the country's two main priorities, transport infrastructure is undoubtedly the other. "Before Independence", explains Maputo Port Director Issufo Mussagy Amarcy, "80% of our foreign exchange earnings came from the ports and railways, and a good proportion of them (50-60%) still do." Mozambique possesses three excellent harbours on the Indian Ocean, Maputo, Beira and Nacala, each of which is the terminus of a railway line linking the interior of southern Africa with the outside world. 95% of the exports leaving Maputo are non-Mozambi-



Rui Fonseca, Director of the Beira Corridor Authority

can, and Beira is the principal inlet for Zimbabwe's petrol, oil and lubricants and a major outlet for its exports. Naturally enough, the transport infrastructure is one of the main targets for destabilising activity. The Goba line to Swaziland is out of action for 30% of the year, according to Mr Amarcy, and the Ressano Garcia line to South Africa is constantly subject to bandit attack, as is the Limpopo line to Zimbabwe, despite the presence of Mozambican and Zimbabwean troops all along it. Despite the military precautions of the government and its foreign military advisers, despite the assistance of troops from Tanzania, Zambia, Malawi and Zimbabwe, despite shipments of non-lethal military aid from the most unlikely sources (two of the unlikeliest being Renamo's main backers South Africa and the highly



Rehabilitating Maputo Port — the first crane will also be overhauled

urban drift, to give returning miners from South Africa something which they could do, and to increase food supplies near the towns which risked being cut off by bandit activity." The Green Zones now have a triple mandate: to increase their production, to bring more land under cultivation and to train farmers. The farmers are allowed to create their own structures. There are four main types, of which one is the farmer from outside the zone itself. Mr Sambane estimates that there are 60 000 such, who come to the Green Zone to sell off surplus produce and buy the inputs and consumer goods available there. There are also 400 private farmers in the Green Zone itself, as well as 203 cooperatives with 11 000 members and

72 associations with 14 000 members. Cooperatives operate on a system of communal ownership of the land and its products, while associations group together private landowners in cooperation for marketing and input purchase. Even for those not in some form of association, the Green Zone administration has set up the Casa Agraria, extension and input supply centres with demonstration plots for any farmer interested in new methods or varieties. "The aim of the Casa Agraria" said Mr Sambane, "is to raise the level of the poorest peasants. The Green Zones are neither private nor public," he went on, "but places where we bring the State to the peasant and the peasant to the State." Green Zones are now established or being set up in Beira, Nampula, Quelimane and Xai-Xai and there are the beginnings of a policy of using the Green Zones as secure bases from which farmers can go out during the day and farm some distance away, returning to security at night. The Green Zones are a favourite target for overseas NGOs, and the EEC has cofinanced an ECU 5 m seed multiplication and land preparation programme in the Maputo Green Zone with some Portuguese NGOs. They are a pointer to what many African governments will have to do to halt urban drift and to make agriculture seem like a worthwhile alternative to stagnation on the streets. After all, the farmer in Maputo's Green Zone can see the bright lights of the city, and get on a bus to take him there. But he doesn't come as a hopeless vagabond; he comes as a man who



Issufo Mussagy Amarcy, Maputo Port Director

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The Courier

Restoring the Limpopo Line

unmilitary EEC) the Beira, Tete and Limpopo corridors are the main targets of bandit activity. As Mr Amarey said, "Our main problem is the periodic destruction of the railway." Nevertheless, ports and railways are a major target for investment, only partially explained by the political and security climate which make investment in agriculture difficult and relatively unrewarding. At the World Bank consultative group meeting in Paris in November 1988, Mozambique put forward its investment plan for the period 1988-91, and road, rail and ports were second only to agriculture as the investment target, with \$200 m earmarked in the period. This is, of course, on top of what is already in the pipeline. For example, the whole Beira Corridor project, according to its Director, Rui Fonseca, is going to cost \$450 m up to 1991, "and somewhat less over the five years after that." The Maputo Port rehabilitation scheme is costed at \$70 m over the next five years, which will raise the port's capacity to 12 m tonnes from the 7 m current capacity. On a normal day at present, 15 trains, with an average of 35 wagons, come into the port which has specialised terminals for sugar, coal, molasses, POL (petrol, oil and lubricants), meat, citrus fruits and grain. Eighteen ships can load or unload at the same time along its 3½ km of quays and there is a specialised container berth and an oil jetty. At the moment, the port does 2.4 m tons of international, and 600 000 tons of coastal loading



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Packing tiger prawns for export

and unloading each year, but once the railways are secure, this amount could triple. Beira handled 1.4 m tons in 1986, increased this by 44% in 1987 (± 2 m tons) and this year 1988 will be up to around 2.3 m tons. After reconstruction, the port should have around 7 m tons capacity.

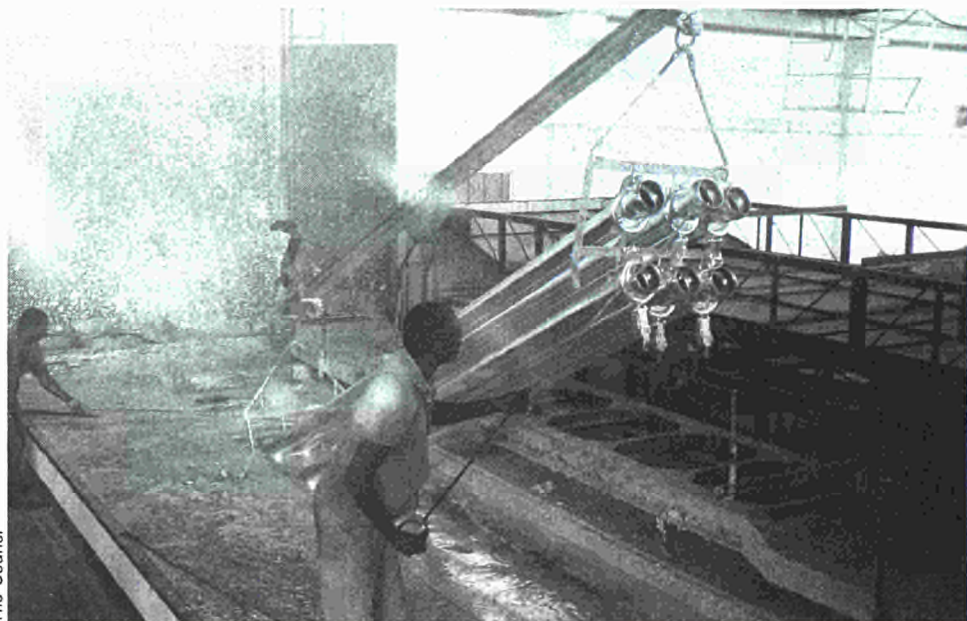
Mozambique has always lived on its capacity as an entrepot, from the far-off days when the Arabs in Sofala traded for gold with the interior. Its position as a natural outlet has been enhanced by its membership of SADCC, the aim of all whose members is to decrease dependence on South Africa. Hence the vital nature of its ports and railway system, and why so much investment, moral and



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Mamade Soleimane, Director of Fisheries

physical, is going on them. But one element of investment is lacking—defence. In his interview (see page 27), President Chissano made the valid point that, in a country like Mozambique, the physical security of infrastructure or agricultural projects needs to be costed into the projects from the outset, and suggests at 10% or 15% "surcharge" to cover the cost of arming and training local forces to do the job. The fact that the bulk of Mozambique's armed forces are equipped and supplied by the socialist countries should not be taken as a pointer to the government's alignment politically. Both President Chissano and his predecessor, the late President Machel, made it plain



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Galvanising pipes at the IMA factory, Maputo

that they would welcome help from whatever source. During the liberation struggle, arms came from the Soviet Union and training from China, despite the chill relations between those two countries, and President Chissano has said that he would welcome the opportunity to send people for training to the USA. Up to now, the state of great-power relationships has made it difficult for any direct "competition" to take place in the sphere of defence, but EEC Member States are beginning to follow the suggestions of President Chissano. The UK has pledged financial support for the Limpopo line, and to safeguard its "investment", it is training Zimbabwean and Mozambican troops to be deployed in its defence. France, which is "backing" the Nacala railway, will be sending military specialists to train Mozambican troops deployed to guard that line. Even South Africa, known to be the principal backer of Renamo, has sent non-lethal military supplies in earnest of its desire to safeguard the reconstruction of power transmission lines from Cahora Bassa to South Africa, a project in which it is investing heavily. Thus, slowly, Mozambique is becoming an entrepot for military specialists, where a hundred different military flowers bloom, all with the aim of making peaceful development last more securely. Rui Ribeiro, Director of Agriculture, put it all in perspective when he said "In the eyes of many Europeans, Mozambique is Apocalypse Now. But there are a lot of projects and activities in the rural areas which are going on, and extension and technical staff are out there. Even without them, we could make a go of it, but what we do need is a revival of the infrastructure." That is what the variegated military advisers are doing.

Developing the land, harvesting the sea

In the secure zones, Mozambicans have demonstrated amply that they can face up to the challenges of peaceful development. Since much of the coastal zone is considered secure, a great deal of interest has focussed on fisheries, as Fisheries Director Mamade Soleimane explained.

Licensed fishing by foreign vessels will, in due course, be phased out, to be replaced by industrial fishing by national companies operating as joint ventures, by small, wholly national semi-industrial and artisanal fisheries and by aquaculture. Three joint ventures, Efriperl with the Japanese, Mosopesca with the USSR and Pescamar with Spain, are already in operation. The most attractive foreign exchange earners are the giant tiger prawns, famous throughout Southern Africa, of which over 11 000 tons a year are captured, frozen and marketed all over the world, with Mozambique's own fleet of 59 shrimp boats well to the fore. But the shrimps have probably reached the limits of their exploitation whereas pelagic and demersal species of fish represent a vast, barely-tapped potential. Here, the objective is to implant small enterprises on a project basis up and down the coast, with inputs for extension work, marketing, handling, new boat designs and creating maintenance and repair facilities. These "Combinados pesceiros", of which there are now 13, involve about 50 000 people and the objective is to create an enterprise-based fisheries sector. Credit has been available to the "Combinados" for some time, and efforts are being



Maputo is waiting for the tourists to return

made to ensure that the money filters, right down to the smallest fisherman. "Fisherman only believe what you say" explained Mr Soleimane, "when the profitability can be shown to them." And some new ideas are definitely profitable, such as fishing for shark or raising prawns by aquaculture, and, for the larger private fishermen, there is a ECU 600 000 project to get tuna fishing started, part of the EEC-Mozambique fisheries agreement.

If fisheries has excellent potential, so has industrial development. While it is true that the exodus of so many Portuguese caused very severe problems, not all of them went, and not all of their skills were lost. At the IMA plant, outside Maputo one can see, in the company's handbook, the narrative of the painful road back to prosperity and viability. The company was founded in 1967 to assemble, sell or rent scaffolding. By 1969, it was bought by a Portuguese group and turned to the manufacture of galvanised pipes and drains. In 1972, a corrugated sheet press was added, and by 1975 a coil cutting line was added. Then, with independence, came collapse, despite a revival in 1977, and nationalisation followed in 1979. By 1985, talks with the former owners led to a satisfactory new joint ownership agreement and that in turn led to reorganisation and rehabilitation of the plant. Today, 300 nationals and six expatriates work at IMA, turning out 15 000 tons of gas and water pipes, 15 000 tons of corrugated steel sheets and up to 7 000 tons of irrigation pipes when operating at full capacity. A new line for IMA is prefabricated housing and in 1988 it won an EEC tender for housing for contract staff on the Nacala Railway; the original design looks set to win IMA some handsome export sales in the future. The fact of IMA's survival, against all the odds, and in the face of neglect by Portuguese shareholders, attacks by the rebels and expropriation by a harassed government, shows that the will to survive and compete is very strong indeed.

Economics and finance: holding the line

The government must bear a certain responsibility for the country's

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economic state, though not as much, perhaps, as proponents of the free market economy would care to impute. Certainly, the first five years of Frelimo government did not indicate a turn for the worse. Massive education and public health programmes were launched, illiteracy dropping from 92% to 70% today, 47% of the population having access to minimum sanitary facilities in 1980, compared with 3% in the early 1970s. The State agricultural sector pushed export crops beyond their pre-independence limits, with exports worth \$281 m in 1981 (compared to \$86 m in 1987). GDP at constant prices (1980) went from 71 bn Meticalis in 1975 to 84 bn Meticalis (*) in 1981, before slumping to 54 bn in 1985. If the economy was in a poor state by the mid-1980s, that can be imputed more to the hostility of South Africa and the activities of the bandits than to mismanagement. But it is certainly true that, given the flight of financial and human resources at Independence, the Frelimo government's insistence on socialising the entire economy was perhaps over-ambitious. There can be no doubt that peasant agriculture is almost impossible to socialise without vast resources, and attempts made without those resources will lead to apathy, if not hostility, and falling surpluses. In a country with a structural food deficit of 150-200 000 tons, such a policy was near-disastrous. The new political structures were hardly secure in the countryside, although the old ones (religions and chieftainships) were suppressed. A series of poor harvests due to drought and flooding merely made the incursions of armed bandits even more easy. Trained manpower was scarce, and yet was supposed to be in control of all economic activity. By 1985, there were no goods in the shops, no food in the urban markets and no progress in the countryside. In 1983 the 4th Frelimo Congress had adopted a new, gradualist line, which, without deviating from the original aims of the party and government, offered alternative methods of achieving those goals. Land was distributed to small farmers, prices were liberal-

ised, industrial rehabilitation started in certain consumer sectors like textiles, footwear and housing materials. A new investment code was drawn up to attract foreign capital and public finances were overhauled. Despite these efforts, national production fell by 30% between 1981 and 1986, per capita income halved and exports fell by 60%.

In January 1987, the government launched its Economic Recovery Programme, devaluing the metical in four stages from \$1=39 to \$1=580. The fight against inflation also took off, with inflation down to 43% in 1988, despite price controls being relaxed on all but 25 specific items. Internally, too, the move is towards freer trade, the government maintaining its monopoly of only six products, and privatising, divesting or winding down 40 state enterprises, 25 industrial, 15 agricultural. Public sector salaries have been frozen in real terms and while government revenues have grown by 3%, expenses have been cut. All this has been painful medicine, made even more painful by rising public debt and a worsening balance of payments situation, the former standing at \$1.2 bn and the latter at \$653 m in 1988. And yet the hopeful signs are there: economic growth was 1.5% in 1986, 3.6% in 1987 and 4.2% in 1988, goods are once more in the shops and food in the urban markets. But all progress will have to be bought with external assistance and any real improvement can only come about if the donor community seriously relaxes conditions, reschedules or cancels debt and stimulates investment. It is not possible for such a beleaguered government to fight on three fronts: economic and military destabilisation and a commercial rate of debt servicing.

The government of Mozambique is aware of the stakes. The emphasis is now on national unity, on patriotism and on respect for tradition—the breach between the government and the major religious groups, Moslem and Catholic, is now largely healed, and the Pope's visit in September 1988 (and the creation of a Mozambican cardinal, in May) was most auspicious. Greater use is made in the countryside of traditional

sources of authority, and the private sector is being actively encouraged. All this is new, but Frelimo insists that it is what was aimed at all along. During the colonial period, the religious hierarchy was European—now there is a Mozambican cardinal. During the colonial period the entrepreneurial class was Portuguese—now it is Mozambican, whether white or black. With sympathy and help from its external partners, and with a cessation of support for Renamo by South Africa, Mozambique could be a model of a mixed economy and a multiracial society.

No report on Mozambique would be complete without a mention of the country's unique atmosphere. Country reports in *The Courier* are not meant to be subjective, but a mere compilation of economic and political (and, alas, military) statistics do not serve to portray a country which, though at war and under huge economic stresses, is an essentially humane and civilised country. The capital, Maputo, is one of the most beautiful cities of Africa, grand without megalomania, modern without impersonality, orderly without regimentation. It was a tourists' paradise, of course, and all the restaurants, cafés, bars and hotels are waiting for the war to finish and the "British" (South Africans) to return, with which the government would be perfectly happy if only apartheid could somehow be abolished. But even in the midst of a war, there is a flourishing intellectual life; books and newspapers are avidly read, the local television features sophisticated programmes (and interminable Brazilian soap operas!) and there is an atmosphere of courtesy, almost courtliness about all the citizens. Black officials talk without reserve about their white "brothers and sisters", while in the local market, local remedies for diseases are displayed next to cabinets of western patent medicines. And Europe is never far away from people's minds: it is still their reference point, for good or ill. As former Trade Minister Aranda da Silva put it: "Europe has a more human experience of development...". If that is the case, nowhere more so than in Mozambique is that human experience needed now. ○

Tom GLASER

(*) The Metical is today valued at \$1 US=580 meticalis.

“We don't want to emphasise multiracialism; we emphasise an anti-racist society”

Interview with President Joaquim Chissano

Joaquim Alberto Chissano was born in 1939 and studied in Mozambique, Portugal and France. He was a founder member of the Mozambican Liberation Front (Frelimo) in 1962 and was secretary to its first President, Dr. Eduardo Mondlane. During the 1974 independence negotiations with the Portuguese Government, he was an active participant and was Prime Minister of the transitional Government of 1974-1975. He became Foreign Minister in the first Government of the People's Republic of Mozambique in 1975 and held this post for 11 years. Following the tragic death of President Machel in 1986, Joaquim Chissano was elected President, with the dual mandate of crushing the armed bandits, and restoring the economy. A quiet, pragmatic man, he is nevertheless possessed of great eloquence and humour, and *The Courier* was fortunate in obtaining this face-to-face interview, which he gave in English, which shows those qualities to the full.

AIM — Antonio Muchave



► *Your Excellency, Mozambique is a multiracial society with cultural roots both in Africa and the wider lusophone world. How significant is this for the future of multiracial societies in this Southern African region?*

— When the Mozambican people started the struggle for their liberation, their objectives were very well defined: we were fighting against a system, a colonial system, and not fighting against men, even the men who were practising it. Of course the men who were conducting it were foreigners, were Portuguese, but by settlement here (some whites were born here) some Portuguese had become Mozambicans and we were ready from the beginning to recognise them as such. It will be the same for any race. We always thought about majorities and minorities in the sense of options, of where one wants to stand, and not through the colour of skin or race, etc. During the struggle we had a minority, those who were fighting against the people of Mozambique, and a majority, those who were fighting with the people. And among those we counted people of Indian and European origin; they were within our movement, and today they are still in the leadership of the Party at the very highest posts. None of them feels guilty about what their

ancestors did as settlers or as colonialists because *they* are not colonialists, *they* don't feel like that. When we came to the transition government in 1974 we made the point again that we wanted everybody to feel free in Mozambique, and safe. But there was a big campaign to persuade settlers to leave the country, mounted in Lisbon in such a way that the Portuguese government had to launch an air-bridge to transport the refugees. We could have started here with a big number of Europeans who would have taken Mozambican citizenship if they had not been frightened by those who were opposed to independence. Even so, if we take the whole of Africa, we are proud to say that we are one of the few countries who have in the leadership a number of Whites, including those who are elected by the people in their Committees and Assemblies. It suffices to say that it gives us pride when we have as an interlocutor between our Government and the South African Government, a white Minister who is a member of the Politburo, who fought for the independence of Mozambique. It gives us pride because it's a gesture, a symbol of what we would like to see happen in South Africa. We, in Mozambique, don't want to emphasise multiracialism; we emphasise an anti-racist society, whereby we go

beyond the representativity of the races in the activities of society or political or cultural life. And I will tell you that this is not very easy; our first President had to die for this, for the fight to bring this concept forward and to defend it. Who knows whether some of those who are fighting us still are fighting this concept which we defend and will continue defending. They utilise racial lines, tribal lines. Even here, after the revolution, people would ask “Why is that White taking this post, why not that Black, etc.?” But today this question is no longer asked. The question is, how one behaves, be he white or black. It took time and it needed the courage of Whites and Blacks to forget about some past resentments. And they are forgotten now because our Party has taught people that we are fighting a system. This is again what we wish to see happen in South Africa. So, in short, we feel that we could in many aspects be taken as an example to be followed although we acknowledge that this demands the goodwill of all the parties involved in society.

“Neither puppets of China nor of Moscow”

► *You have managed to forge new and constructive relations with capital-*

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ist countries whilst not abandoning your ties to socialist ones. Is this a shift in foreign policy or merely in economic policy?

— Here again I could trace the answer to this question to the days of the struggle for independence in Mozambique. And actually I would start from the early days when, in Mozambique, there was no liberation movement at all, but people already thought about independence. And what they thought was that one day the country which fought for its independence, which is today a big power, would come to liberate us; and that was referring to the United States of America. The first contacts were made with the West and it is not by chance that the Ford Foundation of America built the Mozambique Institute. We trained our men to fight in Algiers, not necessarily because it was a socialist country but because it was an African country; and also we sent our men to Israel to be trained for telecommunications and for first aid. It was about this time that we also started contacting socialist countries and sending some cadres to be trained there in very small numbers. The door was open for the whole world to participate in supporting Mozambique in the struggle for liberation, and our view has always been that of cooperation with the whole world on the basis of common objectives. But soon we had to start the armed struggle and we noticed it was from that time that the West drew apart from us, though we never ceased going there; we tried to convince governments, social organisations, people, and we certainly had sympathisers in the West. We had big movements in support of our struggle. I remember that big demonstration which took place in London during

Dr. Caetano's (*) visit. There were thousands of people in the streets. I remember that in Italy we succeeded in having very big conferences comprising all parties, including the Christian Democratic Party. It's not by chance that Italy is today at the forefront of cooperation with Mozambique because of the solidarity of all the parties which started years ago, even before independence. So our will to cooperate with the West was always there. I was the first man to be called to make a statement, after Independence, at the United Nations and I said that we were ready to cooperate with all, including those who did not support us during the struggle. We had achieved our aim so we had no quarrel with anybody. Relations with the socialist countries were immediately continued because during the struggle they supported us in other ways, humanitarian or military, and that just continued. For economic development, they were there on the spot while the West was still hesitating and studying what way we would follow, whether we would become puppets of Moscow or puppets of China. But it should have been obvious we were neither, because we came with Chinese instructors and with Soviet weapons, and in those days China and the Soviet Union didn't have good relations. It was not only on the military side that the West hesitated. Even in the field of economic cooperation they didn't come immediately to help us rebuild the country. Well, when I speak about the West, I must say that I exclude some countries who always cooperated with us such as the Nordic countries and Holland. Now, since our independence—and I am very well

(*) Portuguese President, successor to Dr. Salazar, overthrown in 1974.

placed to say it because I was Foreign Minister—it was our job to try to improve relations with Western countries. We did all that we could to explain our position and we started from the point of independence and non-alignment because we always believed that we should cooperate with everybody. We had some success in some countries starting with Italy and later France, and much later Great Britain, and today we see the United States of America coming fourth—this is since 1983. But our offer of cooperation with the West could be illustrated by one thing. In 1976 or 1977, when Ian Smith started attacking us very strongly, massacring people and destroying infrastructures utilising armed bandits incorporated in his army, President Machel called two Ambassadors; one was the British Ambassador and the other one was the American Ambassador, and asked them to ask their leaders what Mozambique should do. This shows that we never ignored the presence of the West and the importance of the West even in the solution of conflicts like that one.

“Botha still has to work hard”

► *The reaffirmation of the Nkomati Accord at Cabora Bassa in September where you met with President Botha should have marked a downturn in South African support for the armed bandits. Has there been any sign of reduced bandit activity in the field yet?*

— There is a sign of reduction of the activities of the bandits in the field but I would not give credit for this reduction to the goodwill of the South African Government only. We have been, since 1986, reorganising our forces and giving them better fighting capacity. We have been in contact with our neighbours, including Malawi, to get them to adhere to different agreements and bringing them into the fight against banditry which jeopardises the interests of these countries too. But the fight against banditry is not only to be waged in the military field, it has to be waged also on the political field, which means better mobilisation of the people and involvement of the people in the struggle. Thirdly, we also had to fight

“I think President Botha has quite a job to do.” South African non-lethal military aid arriving at Beira; part of that job



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on the economic front. This is very important not only because it gives us more capability for supporting our own soldiers but also because the population becomes less vulnerable to the manoeuvres of the bandits and those who support banditry. And, last, we have the diplomatic front, which includes the struggle to decrease the support for the bandits, whether from South Africa or from other forces outside Mozambique, in Africa or Europe or America. We succeeded in reducing the propaganda which was distorting our case. They were saying that there was a civil war in Mozambique; today, thanks to our diplomatic effort, the whole world knows that, in Mozambique, what we are fighting is terrorism, and we deserve support by everybody. And so, the measures which we are taking in order to achieve some results by political means, are appreciated by the world; I am referring for instance to the Law of Amnesty (*) which has brought to our side now more than 2 000 ex-bandits. But I must confess that it seems that there is a movement, a positive movement in South Africa to try and stop support for banditry. President Botha still has to work hard because there are many forces there of different kinds, and if he is of good will, as I think he is, he should try and help us to dismantle the network which was established by South Africa. I think that President Botha has got quite a job to do. I think that he is convinced that peace in Mozambique is a good thing for both Mozambique and South Africa but he has to convince others. I cannot make a judgement now, because we just met in September (**), and this war has been going on for many years. I hope that, as we continue the contacts with South Africa, better results will be obtained in the future. We just had a Joint Security Commission here and it went fairly well. But there are still some who are trying to continue to distort the cause by pretending that the bandits are a so-called political movement with whom we should find a political settlement; well, it's possible, but I am still waiting to hear from any corner what kind of settlement would be possible.



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“The bandits are saying that the Economic Recovery Programme... has got no effect in the rural areas. They don't say that they have destroyed schools... hospitals... sawmills and factories in the rural areas.”

► *It has been suggested that Renamo has capitalised on the Government's relative neglect of rural interests. If there is some truth in that, what can the Government do to win “hearts and minds” in the rural areas?*

— These are several issues which those who say this refer to frequently. One is that we have herded the populations into communal villages which they look at as if they were concentration camps, which is not true. We organised the communal villages, through persuasion, with the aim of establishing a new order for our population, taking into consideration that ours is a very vast country and, it would be difficult to provide assistance to people living over vast areas; we mean schools, hospitals and related structures and even technical advice on agricultural and other kinds of activity. But also our thought was applied to those who were already living in what we called concentration camps which were hamlets created by the Portuguese during the struggle for independence. When we came to independence, we tried to give a new meaning to such agglomerations of population and we called them communal villages, so it was effectively the conversion of the hamlets into communal villages. Well, what some people might have exploited is the world “communal”. If we had thought that people would have exploited this, then we maybe would have called them kibbutzes, because kibbutzes are closer to a communist life than our communal villages. Our communal villages are far from what the kibbutzes are in terms of socialisation of men and society. This is one explanation of the reference but it is easy to see that this was taken in bad faith, just for political propaganda

purposes, because destabilisation started in 1976 and the rural policy

“We may have committed some mistakes”

was adopted at the very same time. It became a very comprehensive programme, both to try and bring development to the rural areas and to rescue people from natural calamities. In the process, we may have committed some mistakes in the dimensions of the villages conceived, the placing of some of the villages, and so forth, but the aims were very sane and we would have got very good results; indeed we *have* good results in many of such villages. Today the bandits are saying that the Economy Recovery Programme may be valid for the towns but it has got no effect in the rural areas. They don't say that they have destroyed schools in the rural areas, they have destroyed sawmills, they have burned hospitals, schools and factories and hampered our efforts to develop rural areas. The bandits and the people who backed them, who created them, who supported them didn't give us time to see whether what we were doing was wrong or right. I don't know how they made the assessment that it was wrong, because these were unique experiences, they had seen this nowhere and yet they ventured to say that it was wrong. They said that we had dismantled the system of traditional chiefs; this is not wholly true. During the struggle for independence what we did was to bring to our side the chiefs who had some prestige among the people and we worked through them to mobilise the people for the cause of liberation. But in

(*) Expired on 31 December 1988.

(**) Interview took place in December 1988.

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Mozambique you cannot speak about chiefs as you can speak about chiefs in Ghana or even in Zambia or Tanzania where chiefs today have lost much of their power. Well, I used to say that chieftainship in Mozambique died a natural death. It's possible that in one part of the country or another there might be a chief who would be respectable and we did not pay very much attention. I recognise that after the revolution we should not have just ignored the existence of what we recognise today as eminent persons in villages, who are not necessarily ex-chiefs but who are respected, and maybe this is what our enemies have taken advantage of and tried to paint the death of chieftainship in tragic colours. What is funny is that they claim that we should keep the system of chieftainship which is an hereditary system but at the same time they claim that we should be more democratic. Today people who replace the chiefs in the villages are elected, or, if nominated, can be replaced if complaints are made against them. So it's a contradiction; we are accused of not being democratic but at the same time our accusers request the maintenance of a wholly monarchic system of chieftaincy. Thus, by using misleading terminology, making some purely technical misjudgements, and overlooking some respected people we may have committed the mistakes in the implementation of correct policies for rural development which have been utilised by the enemies of our government and of our party.

► *Is enough being done by Mozambique's international partners—both in SADCC and the wider world—to help restore peace and security to the country? What more needs to be done?*

— Well, some efforts have been made, but of course not enough. When we speak about the defence of the economy and the defence of the economic joint ventures which we undertake with our partners, we always find the same answer: that no military assistance should be given, or in the best cases “yes” to military assistance but it must be non-lethal. It means that our partners sometimes don't understand very well that we are facing terrorism. They are still afraid of getting involved in what they see as a civil war. The truth is

that we are fighting terrorism and we are fighting for development, we are fighting to improve the living standards of the people and all of this needs peace, needs the end of terrorism, the end of destabilisation. There is now at last a growing understanding of the nature of destabilisation, there is an understanding that it was created from outside Mozambique to start with, and even today it is supported from outside Mozambique and directed from outside Mozambique. So, understanding this, I think our partners who are really interested in bringing in change for the better in Mozambique should envisage a stra-



AIM — Antonio Muchave

“The question is, how one behaves, be he white or black”

tegy which would guarantee the success of all investments which we are making in Mozambique, and to underpin the viability of future programmes for the area, for the SADCC countries. We have suggested that in all cooperation should be a defence component to each project.

► *Equipment or manpower?*

— Not manpower. A defence component means 10-15% of the cost of the project set aside for defence purposes even if it is to buy non-lethal equipment or supplies of other kinds. This would enable us to prepare the very workers of the projects to protect themselves. We have now decided that the best way of fighting against banditry is to equip the people to defend themselves because they are the targets of banditry. The army by itself cannot be present in every corner of the country. Our partners,

in what concerns development projects, could add a defence component, because it's a heavy cost for us to pin down a battalion to assist the construction of a dam, or pin down thousands of soldiers to protect the Nacala Corridor, or the rehabilitation of the Limpopo line, or to escort those in mining or oil and gas prospecting.

“Those who are against us are... to the right of the right.”

► *So do you think the efforts at the moment are not quite enough?*

— They are not enough. The other side is that the condemnation of banditry should be, in some cases, stronger. Countries should take very sharp measures and not equivocate about terrorism. We know that at this moment the extreme right-wingers in some countries in the West are trying to create a political image for the bandits and make a big effort to try organise them as a political movement in Europe and in other countries in the West. We are trying to do something in order to counter this but you will find that some governments will not apply enough measures in order to avoid this. This weakness which is being felt on the ground by the bandits may be compensated for by an image which they can get overseas. Those who are against us are not conventional right-wingers like Mrs Thatcher or even like President Reagan. They are to the right of the right. All our friends overseas should contribute in order to help us convince the bandits that we are serious when we say that they can come and join us and build this country peacefully. Instead of just negotiating with them when a citizen of their country is kidnapped by the bandits and being ill-treated, friendly countries should tell the bandits how wrong they are and cut off all the bridges with them.

► *Given the security situation, is it reasonable to seek foreign investment at the present time? If it is, what fields are likely to attract investment?*

— Despite the security situation, investment needs to be promoted and has been accorded considerable

importance. Because of the war, Mozambique's policy is to organise production on a war economy basis. Thus, we encourage foreign investment in areas where security is not threatened or areas where the necessary conditions to guarantee security can be created. Good examples of this are Tabex-Manica (tobacco for export and maize) and Lomaco (crop and livestock production and industrial activities), which both brought about the conditions of security enabling them to produce in the areas where they operate (Manica, Sofala, Gaza and Maputo). There are similar examples all along the railway corridors where secure conditions have been created for foreign investment and where, as a result, growth areas have been promoted. The priority fields for investment are agriculture, minerals, transport and communications, tourism, consultancy services and oil exploration.

► *You have embarked on a courageous programme of structural adjustment. Can you ensure that the social and economic consequences remain acceptable, and that it does not impede any drive to increase agricultural output?*

— First of all let us outline the economic consequences of the Economic Rehabilitation Programme (PRE). The objective of the PRE is to reverse the negative growth trend of national economy observed up to 1986. As you are doubtless aware, agriculture forms the basis for Mozambique's development. As a result of implementation of the PRE in 1987 GDP grew by 4%; agriculture accounted for the largest proportion, and marketed farm production rose by 10%. It is hoped that this year real growth of GDP will be around 4%, and that the volume of marketed farm produce will increase by almost 9.7%. In addition to these general effects, the PRE, by means of a dynamic pricing policy, which acts to the producer's advantage, encourages increased agricultural production, and it is hoped that marketed farm produce will achieve the following growth rates for 1988: "mapira" (sorghum) 60%, cashew nuts 40%, maize and beans 30%, groundnuts 20%, rice 13%, seed cotton 10%. With the PRE we have managed to

reduce the rate of inflation, which was 166% in 1987, to 60%, and it is hoped that by the end of the year it will be down to 50%. The unofficial market declined sharply, and even disappeared in certain cases. A great effort is being made to provide incentives for the rural population as regards marketing of farm produce. There is greater dynamism in the business sector. My aim in giving these few examples has been to show how the PRE has provided a real incentive for increased production, particularly in agriculture.

Now for the social effects. I would say that the PRE will have short- and medium-term effects on the rural and urban population. In the short term, the social consequences will be relatively unfavourable for a certain section of the population comprising the unemployed and their families, workers whose wages are not sufficient to support their families, pensioners, orphans, displaced persons and drought and war victims. This is the result of the rise in prices and the drop in subsidies to the consumer and to businesses. This situation will be reversed in the medium term, since the recovery of the economy will bring social benefits for the entire population. In order to alleviate the negative social effects, the Government has adopted certain measures, including the following: general wage and salary increases to offset the effects of the devaluations; continued subsidisation of certain prices and certain enterprises; the creation of funds for educational social action, health social action, social security system, and a programme for the supply of energy in more accessible forms (use of kerosene and coal).

► *Negotiations are now under way for a successor to the current Lomé Convention. What would you like to see included?*

— I should first like to make the point that cooperation under the present Lomé Convention is noteworthy, being a definitely positive trend. We in Mozambique would like the Community countries to indicate more clearly their position regarding measures for abolishing apartheid in South Africa, which is responsible for destabilising and hindering the economic development of the countries of the

region—parties to the ACP-EEC Convention—by its attacks on them; we believe that Europe has a responsibility for helping to remove apartheid. Mozambique has not yet worked out a definitive proposal regarding the future Convention, but we would consider that the present Convention meets the ACP countries' aspirations. It is hoped, nevertheless, that the new Convention will embody principles and procedures most likely to lead to attainment of the ACP States' objectives, namely, greater flexibility and adaptability of the machinery for achieving the objectives laid down, and in particular a guarantee that the operation of Stabex will be fully satisfactory as well as a better adaptation of the structure of the European Development Fund to the present reality of the structural adjustment programmes which many ACP States are undertaking; and, finally, greater emphasis on industrial development. In this connection machinery should be set up to facilitate access to the Community market for industrial products from the ACP countries. We should like to see the next Convention taking into account, in the allocation of funds, the difficult situation of the least-developed countries with a heavy external debt burden. Finally, the Lomé Convention foresees aid for emergency situations but it foresees only aid for emergency situations created by natural calamities. In our case we have a bigger calamity which is man-made—not a civil war, it's created from outside and is the result of terrorism, and we have lots of displaced people who don't fall under what is foreseen by the Lomé Convention. I think that, as we are renegotiating, something could be envisaged to help such emergency situations; I speak about my country, but I think that this could apply to some other countries like Angola. The other thing which I would stress is that we need to boost intra-regional trade; again here I am moved by the efforts which we are making within SADCC, and we should get some support from the international community, and the EEC in particular, so that we can develop our intra-regional trade. We are laying down the bases, which are transport and communications but we'll need a lot more. ◊

Interview by T.G.



Vehicles destroyed in an attack on a convoy in Maputo Province

Armed banditry in Mozambique—a brief chronology

1960 — Mueda Massacre. About the time of the Sharpeville killings in South Africa, Portuguese security forces react to a peaceful demonstration by Mozambicans in favour of independence, by killing 600 demonstrators.

1964 — Frelimo, the multiracial movement for independence led by Eduardo Mondlane, begins the armed struggle against the Portuguese colonial regime.

1965 — Unilateral Declaration of Independence from Britain by Ian Smith's white minority regime in Rhodesia.

1969 — Eduardo Mondlane killed by a letter bomb. He was replaced by Samora Machel. This era was dominated by the geopolitical concept of a "White Africa" whose heartland was to be South Africa, whose flanks were to be Angola and Mozambique, and whose spearhead was Rhodesia. The Portuguese Revolution of 1974, and

the liberation of Angola and Mozambique brought this dream to an end. From 1972, however, the Rhodesian Central Intelligence Organisation and the Rhodesian Army had been involved in Mozambican affairs. The latter, fearing that Frelimo zones could be used by Zanu and Zapu guerrillas, took control of the eastern part of Tete Province from the Portuguese Army, while the CIO collaborated with Portuguese security services to create a black Mozambican pseudo-nationalist movement.

1974 — Portuguese Revolution. The Lusaka Agreement guarantees independence for Angola and Mozambique. Right-wingers and prosperous settlers prepare to leave Mozambique, some going to Rhodesia and South Africa.

1975 — Independence. Portuguese ex-settlers are given subsidies to create companies in South Africa, many of which could be used as cover

for guerrilla activities, safari companies, export-import and transport concerns.

1976 — The Rhodesian CIO organises Mozambican blacks and mestizos into a commando unit, based at Odz Camp, near Umtali. The original aim of this unit was to infiltrate border areas and obtain information on Zanu/Zapu guerrilla units there. It was at this time that Orlando Cristina emerged as "Secretary General" of the rebel movement and that the radio station "Voice of Free Africa" was established, based in Gwelo.

1975-80 — During this period, South Africa underwent, in its political and military establishment, a profound series of changes and a sort of schism. In effect, Prime Minister Vorster, General van den Bergh and the diplomatic and business community all opted for a policy of peaceful coexistence accompanied by economic domination in southern Africa.

P.W. Botha, at that time Defence Minister, the Armed Forces Chief of Staff Malan, and the Nationalist political establishment opted for open warfare. The split surfaced on a number of occasions, and the militarist faction finally triumphed after the "Muldergate" scandal of 1978, Vorster being replaced by Botha as Prime Minister. This period saw the establishment of a Portuguese-speaking battalion, the Buffalo Battalion, at the base of Phalaborwa. This unit was the basis of early attacks by South Africa on Mozambique, as well as Angola and Namibia.

1980 — Independence of Zimbabwe, and creation of SADCC. The crumbling of the "White Africa" spearhead, and the creation of a regional bloc to create an economic infrastructure independent of South Africa forced the South Africans into a flurry of activity designed to prove to investors that no alternative to dependence on South Africa was viable. Just before Zimbabwe's independence, the Rhodesian CIO-backed terrorist organisation was transferred to the South African Directorate of Military Intelligence. The existing "rebel" bases at Phalaborwa and Cullinan Farm were expanded. Armed terrorists were transferred to No 1 Commando base at Durban. Mozambican armed forces, which had captured the main rebel bases inside the country, at Gorongosa in October 1979 and at Sitatonga in June 1980, were deceived into think-

ing that with the eclipse of Rhodesia their troubles were almost over.

1981-84 — South African strategy to deny viability to SADCC's main aims—creation of alternative transport routes for southern Africa, took the form of a "high-intensity" war against Angola, and a "low-intensity" war against Mozambique. South African naval and airborne units assisted terrorists in attacks on Maputo and Beira, targeting oil pipelines, railways, port installations and power lines. Rebel units sowed indiscriminate terror in Inhambane, Gaza and Zambezia provinces. President Machel responded to this by a diplomatic offensive aimed at the international community, particularly the Western nations. This proved sufficiently successful that by 1982/3 tentative diplomatic feelers were out between South Africa and Mozambique, which resulted in the signature of the Nkomati Accord (*) in March 1984. In August 1985, Mozambican and Zimbabwean forces recaptured the rebel base at Gorongosa and released documents which they captured proving that South Africa was still the guiding spirit of the rebels in direct violation of the Nkomati Accord.

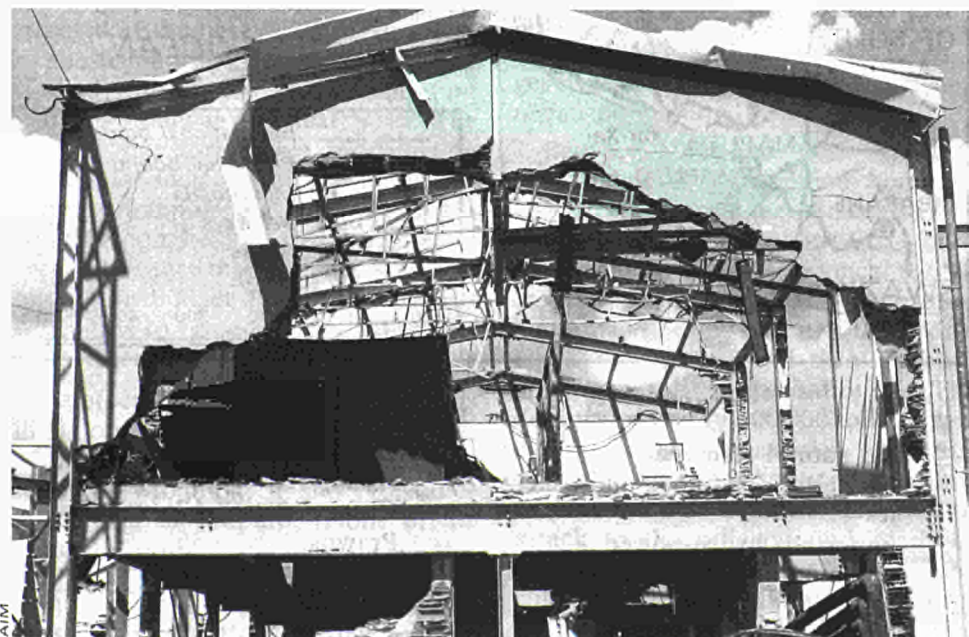
1984-86 — Using Malawi as a base, to divert suspicion from themselves and to involve an independent Afri-

(*) The Accord of Peace and Good Neighbourliness included provisions for the cessation of South African support for the bandits.

can country (thus seeming to convert a struggle between apartheid South Africa and an independent Mozambique into an "inter-African" problem) the South Africans prepared a major offensive along the Zambezi River, aimed at cutting Mozambique in two and creating a sort of distant bantustan, to be called Rumbezia. SADCC pressure on Malawi's President to associate himself more closely with the Front Line States brought forward the date for the planned offensive. In August 1986 SADCC member countries succeeded in bringing Malawi to play a constructive and cooperative role with regard to Mozambique. In September, the South African-backed rebel offensive began, and, only one month later, when the bandits were only a few dozen kilometres from Quelimane, the aircraft carrying President Machel crashed in circumstances still to be explained, killing the President and a number of senior officers. However, the Mozambican armed forces, assisted by units from Zimbabwe and Tanzania drove back the rebels from Zambezia province and from parts of Sofala, Manica and Tete provinces.

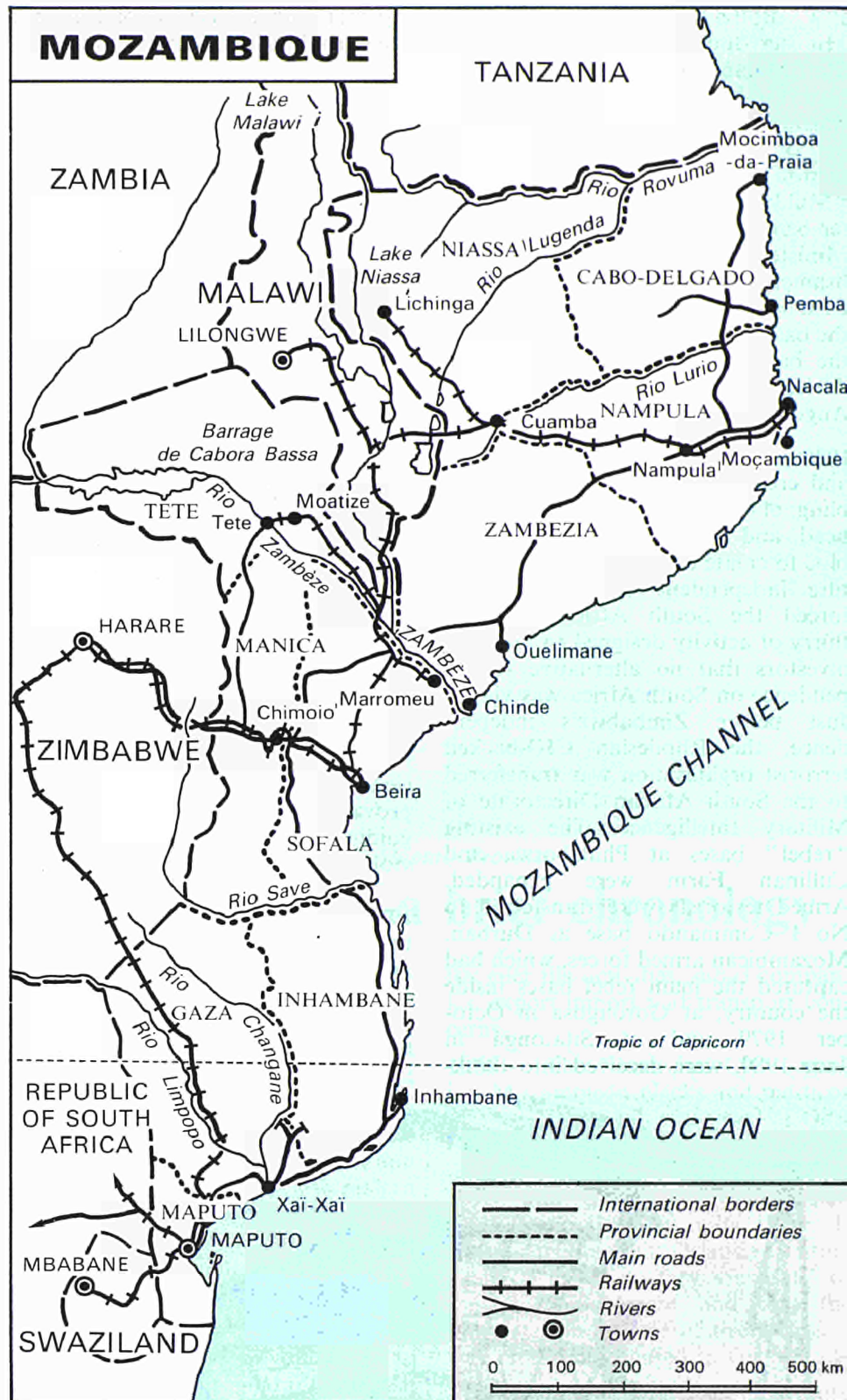
1986-88 — The rebels changed their tactics. Following their conventional defeat, and the thwarting of their plan to dismember Mozambique, they concentrated on a campaign to spread terror in the rural areas. Military targets were avoided in favour of civilian ones, as witness the Homoine, Tanninga, Manjacaze, Guíja and Moamba massacres. During this period, international military assistance to Mozambique was stepped up, with numerous hitherto-reluctant donors providing non-lethal military supplies, hardware and training. In September, 1988 President Chissano and President Botha met at Cahora Bassa and signed a reaffirmation of the Nkomati Accord, under which South Africa would undertake to restore the power lines from Cahora Bassa and provide non-lethal military assistance to the Mozambican armed forces. In addition, President Botha promised to make strenuous efforts to sever links between the bandits and the South African military and intelligence communities.

1989 — It is to be hoped that these pages remain blank. ○ T.G.



Mozambique profile

- **Area:** 799 400 km²
- **Geographical location**
 - coastline: 2 500 km-long coastline facing Indian Ocean
 - neighbouring countries: Tanzania, Malawi, Zambia, Republic of South Africa, Zimbabwe, Swaziland
 - capital: Maputo (population: 1 million)
 - other towns: Beira (250 000), Nampula (150 000), Nacala, Quelimane, Chimoio, Pemba
- **Climate:** Sub-tropical, from arid to tropical
- **Population**
 - total: 15 m (June 1988 estimate)
 - density per km²: 18
 - annual growth (%): 2.6%
 - urban population: 19%
 - life expectancy: 34 years
 - adult literacy (%): 30.0%
- **Head of State:** President Joaquim Chissano
- **Language:** Portuguese (official), many local languages spoken
- **National currency:** Metical (650 MT = Ecu 1)
- **Politics:** Single party, FRELIMO
- **National day:** 25 June (1975 independence)
- **GDP**
 - total at market prices: US\$ 1.4 billion
 - per capita: US\$ 95 (1987) (source: World Bank Statistics)
- **Main origins of GDP (%)**
 - agriculture: 46
 - manufacturing: 27
 - construction: 8
 - transport, communications: 9
 - others: 10



- **Main natural resources**
 - agriculture, livestock and fisheries
 - important hydro-power potential and coal resources

Main exports (1986)	ECUm	%
– Cashew nuts	17	15
– Prawns	36	30
– other exports (e.g. cotton, sugar, cement)	47	55

EEC-Mozambique cooperation

by Jeremy LESTER (*)

The first assistance to Mozambique from the EEC came in 1977, a couple of years after the country's independence. Not yet a partner in the ACP-EEC framework, the range of help available to it was rather more restricted — it was food aid and emergency aid which were available, while the need for such supports only became dramatically apparent in the early 1980s. Droughts and floods compounded the effects of Renamo disruption of the rural economy, so the Commission responded to the November 1983 appeal of the government with a series of emergency projects, concentrated in the province of Inhambane, and with a total cost of ECU 4.9 million. It is interesting to remark that that assistance, implemented with the help of NGOs, laid the foundation for the first agricultural programme financed by the Lomé III national indicative programme which is only now beginning.

Aid to non-associated states

The total amount of aid allocated to Mozambique—as a “non-associated State” benefitting from credits allocated under the Community budget—during the period 1978-85 was ECU 32 m. The first area of such involvement was fisheries. The fish canning plant at Beira was constructed at the port of Beira, just next to the fishing harbour which is being studied with a view to rehabilitation and upgrading in the next years. The cannery has formidable problems to overcome such as the intermittent supply of inputs and electricity, but should soon be able to cope on its own. The other major fisheries project under the budget for non-associated states was to provide support to artisanal fishermen.

Another focus of the early projects in Community cooperation with Mozambique was agriculture. The town of Moamba, a short distance north-west of Maputo, is one of the sites. In normal circumstances, this

area would have been the market garden of the capital, and doubtless will again so be. Conditions for small-scale irrigation are excellent, but programme implementation, alas, has to contend with the ever-present threat of attack. This is unfortunately a more difficult issue to address than the drought which was the original reason for the project. Nonetheless, implementation continues, and there are even plans to widen the area covered by the project. Another agricultural project financed under the non-associated state budget is for the running of a seed potato farm. Potatoes are an important secondary crop, and yields depend on a reliable source of productive and disease-free seed. The project had to be suspended following attacks, but it is now reopening in a different location.

Food aid

In times of peace, there would be every prospect that Mozambique could feed itself handsomely. Tragically, however, there is a very long way to go before self-sufficiency can be reached. A particularly dramatic cause of this is the concentration of much of the rural population in those areas where their security can be better assured, often far from their traditional farms, and concentrated in areas which, even with the best will in the world, cannot feed them, let alone generate a surplus for the increasing urban population.

Between 1978 and 1985 the EEC provided ECU 80 million-worth of food to Mozambique. Since then it has been running at about ECU 25 m per year in direct assistance to the country, complemented by further amounts allocated through the World Food Programme and through non-governmental organisations. The delivery of nearly 100 000 tons of cereals as well as quantities of beans, vegetable oil and other produce is not easy at the best of times. The risk of attack to the railways and roads of Mozambique makes it very difficult indeed. The Commission provides, therefore, in addition to free

delivery at the ports, financial assistance to facilitate delivery to final destination. Further financial help has come from the Community budget to finance the provision of food stores to replace those destroyed by rebel activity and to study the logistics of delivery and the ways to improve domestic grain availability.

Up to the end of 1988, total food aid to Mozambique from 1978 stood at ECU 163 m.

Emergency aid

Emergency assistance has been given to Mozambique in every year since 1983. Emergency aid is designed to be used when there are exceptional problems, and in Mozambique the exceptional is chronically present. In 1987 there were 12 emergency aid activities financed, ranging from the supply of medicines, clothing and seed to the financing of medical teams.

In addition to emergency aid, there are other types of ‘exceptional’ support available to Mozambique. One such aid is that made available under Article 203 and 204 of the Lomé Convention, aid which is to meet the needs of refugees and returnees who have crossed international borders.

When the conditions allow it, for particular localities, Mozambican refugees have begun their return and face plenty of difficulties with their reinstallation. Article 204 provides for this sort of situation, too, and a first such aid was given recently for returnees to Tete Province, near to the Cabora Bassa dam, for a total of ECU 110 000. A total of ECU 23.5 m has been allocated so far as emergency aid in the period 1977-88.

Combating South African destabilisation

In 1988 the European Community introduced a new budgetary provision to combat the effects of South African destabilisation in the Frontline states. Through the systematic and well documented support to Renamo provided by South African sources, Mozambique has, together with Angola, taken the brunt of the destabilisation effort. First uses of this new budgetary provision have been to provide assistance for orphans and other

(*) Desk officer, Mozambique, Directorate-General for Development.

children deprived and traumatized by the war, and help with the establishment of a farm in the Beira Corridor by the Zimbabwe-Mozambique Friendship Association.

Lomé III National Indicative Programme

Under Lomé III, ECU 175 m is being made available as a contribution to the national development programme. Of this sum, ECU 130 m are standard grants, ECU 30 m are an additional grant for debt-distressed countries, and ECU 15 m are risk capital administered by the EIB. Of this, some two-thirds is earmarked for rural activities and for productive sectors. The balance may be used for economic and social infrastructure. By the end of 1988, 75% of the funds had been committed, and there are reasonable prospects that this figure will reach 90% by the end of 1989. Since Mozambique is a least developed country, all Lomé III funds administered by the Commission are grants (ECU 160 m). Mozambique is undertaking an Economic Recovery Programme to bring the economy into better balance. For the programme to succeed, not only policy measures and political acceptance are needed: the programme also needs large and rapidly-available donor assistance. It was accordingly agreed with the administration that a proportion of help should not be in the form of classical projects, but rather programmes to provide particularly needed inputs more rapidly than is normal with project assistance.

In July 1987, a first "sectoral import programme" to a value ECU 40 m was adopted: it provides, for a variety of productive sub-sectors, the inputs from abroad which are necessary to get production going again. It was reasoned that one of the best ways to give incentives to rural areas to produce is to ensure that goods are available for purchase with the receipts of farm sales.

The indicative programme, while concentrating on the rural sector, includes a strong infrastructure component, due to Mozambique's strategic situation and the difficulty, in the current security climate, of undertaking a number of the planned agricultural schemes. Rehabilitation of

EEC-Mozambique Cooperation

1978-85 Aid to non-associated countries	ECU m
Beira Fish Cannery	5
Artisanal Fisheries	3
Potato seed farm	7.1
Post-disaster reconstruction	
Moamba	2.5
Agriculture Moamba	7.5
Inhambane artisanal fisheries	7.4
	32.5
Regional anti tse-tse fly campaign	1.5
Self-sufficiency for displaced persons	0.8
1978-85 Food Aid	± 80
1978-88 Emergency Aid	23.5
1985-88 6th EDF	
Nacala Railway	25
Beira Port	9
(+ regional allocation)	(39)
Basic Science Project	2.3
Inhambane Railway School	2.95
Sectoral Import Programme	40
Rural Development Inhambane	4
Stabex: 20 m (86-87)	
Food Aid: ± 83 m (86-88)	
EIB: Lomaco Cotton Ginnery	
Chokwe	3
Cement of Mozambique	6

the Nacala Railway (ECU 25 m) and Beira Port (ECU 48 m of which ECU 39 m are regional funds) were financed in 1987, since when the Basic Science Project at Eduardo Mondlane University (ECU 2.3 m) the Inhambane Railway School (ECU 2.95 m) have been launched.

The rural activities which will be assisted under Lomé III include the Inhambane rural development programme which will cost ECU 4 m. In the project area, concentrated in the Vilanculos district, live many thousands of families which have had to flee from their own villages. They crowd the coast and the strips along the main roads, for here they are less likely to be attacked. The project tries to give them the means to maintain a modicum of food self-sufficiency. Help in the Cabo Delgado area, and in the area north west of Maputo is also planned, as well as assistance to fisheries projects.

Regional projects

SADCC was established in 1980 to give the states of Southern Africa the

possibility to weaken the hold on the region of South Africa. Access to the sea is a critical dimension of that freedom, and Mozambique is critical for that access: three major railway systems lead from Malawi, Zimbabwe and Swaziland to the ports of Nacala, Beira and Maputo. SADCC received the entirety of the region's allocation of ECU 110 m, to which was added, in early 1989, a further ECU 31 m. SADCC planners have decided to allocate 40% of this total (ECU 56.4 m) to the transportation sector, so that Mozambique may expect, in the future, to remain a major beneficiary of regional funding.

The Commission has recognised the importance of the links by the allocation of quite substantial amounts to the Mozambican ports and railways. In the port of Beira, the Community is financing the reconstruction of three berths. In general, further support is to be provided through the training of railway personnel—including some from Angola—and through studies of management and financial planning for the railway. Work on the Nacala railway is about to recommence following interruption by attack, while the Community is preparing for support to the so-called Limpopo line from Maputo to Zimbabwe.

Stabex

Transfers to Mozambique amount to some ECU 20 m, for cashew nuts, copra, cotton and tea, in the period 1986-87.

EIB

As the table illustrates, ECU 18.6 m was put aside as risk capital by the EIB under the indicative programme.

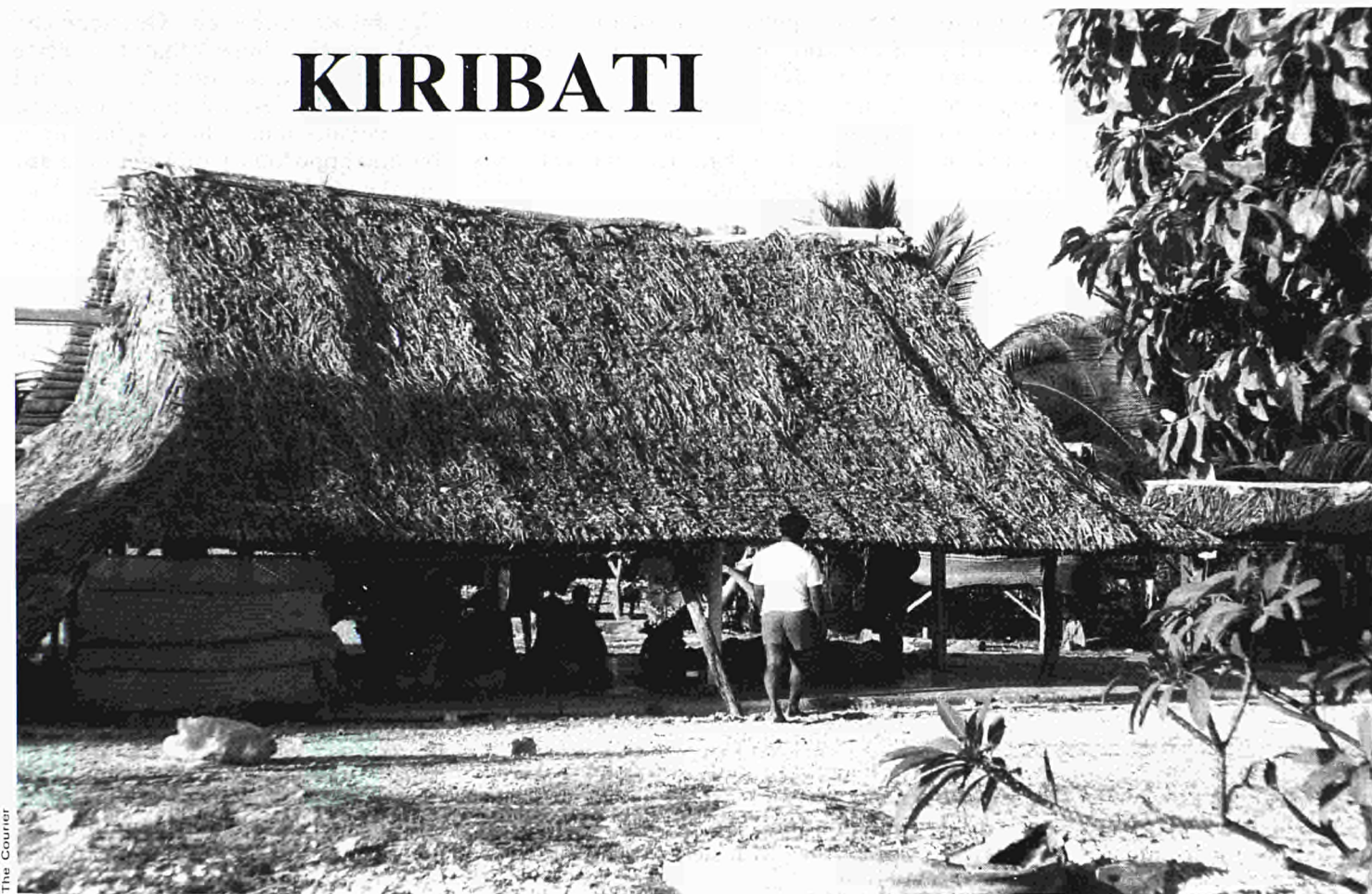
Of this figure commitments to date amount to ECU 9 m and have been in two areas.

An investment of ECU 3 m was provided to LOMACO (Lomrhomo-Mozambique) for the rehabilitation of a cotton ginnery at Chokwe and a tomato paste factory in Chilamene (both in the south of the country).

More recently ECU 6 m was provided to Cement of Mozambique for the rehabilitation of one of its factories. ○

J.L.

KIRIBATI



Traditional Kiribati hut where several people live happily together

No rush to change a traditional society

The Republic of Kiribati (pronounced "Kiribass"), the former Gilbert Islands, has been independent since 1979. Although it became a member of the ACP Group at once, many people would still find it hard to locate it exactly on the map. However, there are far more important things than this. And there are other, older, countries which are even less well known.

The thing about Kiribati is its great size. Although its total land mass is a mere 810 km², it has about 3.5 million km² of sea. Compare it with, say, the USA — the whole of America would fit in to its exclusive economic zone. Or, to put it another way, if one side of Kiribati was placed on the east coast of America, the other side, the part furthest west, would be in the Caribbean. This, then, is Kiribati, a full member of the ACP Group, with 33 islands scattered over the central

Pacific Ocean, including the 17-atoll chain of the Gilbert Islands where Tarawa, the seat of government, lies. It is an enormous country, difficult to administer and with few resources to help its economic development.

But, as in the case of Vanuatu, the concept of development here is by no means the same as that of the aid donors or, indeed, that of some other developing countries where the idea is more to accumulate consumer goods. "The people of Kiribati aren't acquisitive. Money isn't all that important", a British expatriate who had been there for 20 years told me, with confidence and pride in the I-Kiribati⁽¹⁾, summing up the Government's whole philosophy of development and reflecting the daily life of a population, "three quarters of whom

(1) The people of Kiribati are called I-Kiribati.

can live without any financial resources at all".

What sort of development?

The big problem is to decide what kind of development Kiribati needs. It has to take two essential factors into account — the people's attachment to the national culture and way of life and the lack of natural resources.

Like the Melanesians (Blacks) of Vanuatu, Papua-New Guinea, Fiji and the Solomon islands, the I-Kiribati—who are Micronesians (of Asian origin)—are proud of themselves and their culture. This is beginning and end of any policy aimed at changing the age-old course of their lives. The attitude, of course, has many advantages, one of them being that modern development "won't cost them their soul". "There is no money-grabbing

KIRIBATI

idea here and people do not want to get hold of what they cannot easily afford", an American observer who had been in Kiribati for years told me. Anything which threatens to upset the peace of the individual or society is regarded with suspicion.

But this is not without its consequences. The islands are unenthusiastic about many foreign practices and often closed to them altogether. Talking English and wearing shoes or sunglasses, for example, is an affront to the national culture as far as many I-Kiribati are concerned, and their ability to understand and learn from the outside world—on which, like it or not, Kiribati, a country open to the international economy, depends—is reduced. However, there is more to it than that for the leaders. Although their everyday life is like that of the rest of the nation (see interview with President Tabai), they look upon the defence of Kiribati's cultural identity as the surest way of surviving as a people, however small, and as an independent nation. "Kiribati and the other island States of the Pacific have minds of their own and want to be treated as independent countries by

the superpowers", Kiribati's Head of State said on New Zealand television in 1986 after lively controversy over a fishing treaty between Kiribati and the Soviet Union. The region does not consider President Ieremia Tabai to be a "revolutionary".

Kiribati, then, is gearing its development model, above all, to its cultural identity — in the same way as other newly independent States in the South Pacific.

Self-sufficiency

The aim of the 3rd National Development Plan is lasting social progress. The idea is to make Kiribati economically viable in the short term and thereby make a better job of working for self-sufficiency in the long term. But they can only do this, the Tarawa authorities maintain, if they exploit the available natural resources and make better use of external aid and, in particular, if they restrain some of their aspirations.

There are only very limited raw materials and fishing is "almost the only natural resource", Taomati I. Iuta, the Minister—nonetheless—of

Natural Resources and Development, told me. He hopes that advancing research will mean that they can find economically exploitable manganese and cobalt under the sea, certainly, but the opportunity of generating any more goods or services is small. And paradoxically, it is thought that modern fishing techniques will only reduce the potential in this sector (essentially pelagic species), without much advantage to Kiribati. Since the country's dimensions rule out economies of scale, there is no real possibility of a fish-processing industry. There would be the royalties on the fishing licences given for Kiribati's waters, of course, but no input from the I-Kiribati themselves. Te Mautari, the fishing firm which the European Community is helping to finance, has not yet made any profit although it has been going for several years. In 1987, for example, the catches were very much smaller than before and only 384 tonnes of tuna were caught, as against the 1400 tonnes of 1986. Weather conditions were partly to blame for the decline in the fishing sector in the whole region in 1987, and illegal fishing by American ves-



The Courier

Counter of Tarawa's only bank. Banks may be essential to the modern economy, but few people in Kiribati use them



Everyone in Kiribati—including Ieremia Tabai, the President of the Republic—cuts toddy, the coconut wine



The Courier

The only policeman and the only check encountered on Tarawa's only road—it runs from top to bottom of the island—in the space of a week. There are no east-west roads. The two sides of the atoll are fringed with houses facing the road with their backs to the sea



The Courier

Like everyone in Kiribati, President Tabai welcomes visitors

sels in Kiribati's exclusive economic zone (EEZ) was a source of serious concern to the Tarawa Government — which had to seize one of the vessels and even enter into open conflict with the USA. The high cost of transport also means that the islands' export tuna is not very competitive.

Copra is the main export product. In 1987, it brought in more than twice the 1986 figure, although the quantity exported was smaller, total copra earnings being A\$1.2 million for 4 437 t in 1987 and A\$ 500 000 for 4 611 t in 1986. But Stabex helped the copra export trade in 1987 too. "It saved it", an economic official at the Finance Ministry said.

Because of poor natural resources and the open, albeit strongly subsistence-oriented economy, the trade balance has been running a deficit for eight years now, reaching an all-time low with A\$ 22.774 million in 1987. The main imports are food and drink (A\$9.323 million) and transport machinery and equipment (A\$ 5.219 million). The composition of the coun-

try's imports shows that the idea of ever balancing the trade figures is a flimsy one. Another answer might be to make up the trade deficit by developing tourism. However, there are three major handicaps here. First of all, there are, as we have seen, the cultural considerations.

"Tourism, as we see it, only concerns those who are really interested in the culture of Kiribati", Tomati I. Iuta, the Minister of Natural Resources, said. "This would mean we can keep our way of life... for Kiribati has a strong cultural identity, even stronger on some of the islands", he went on. The sort of tourism he has in mind has to be "of a high standard, because it is the foreigners who have to integrate with us and not us with them", he stressed.

The second problem of tourist development is the limited space, as the atolls are very narrow strips of land emerging only a few centimetres from the ocean.

And the third is the very poor

communications, particularly flights, between the islands, which are so very far from each other.

Proper management of external aid and the equalisation fund

The feeling of self-reliance in Kiribati is so strong that even the authorities are slightly embarrassed when they mention external aid — even when it is a case of normal contributions to the nation's development made under cooperation agreements with no apparent political ties. This may be because, going beyond non-quantifiable considerations (of political and cultural options), the authorities have learnt to be wary of aid—which has not always been granted with the anticipated speed and generosity—in spite of the importance it has always had for the running of Kiribati since before independence. Since independence in 1979, and in the name of what the Kiribati authorities call "the rights of every nation regardless of its size", the Govern-



The Courier

Taomati Iuta, Minister of Natural Resources and Development

ment has concentrated on the proper management of its own resources inherited from the halcyon days of phosphates rather than on the external aid that is always in many ways hypothetical.

These resources come from the Revenue Equalisation Reserve Fund, (RERF) set up in 1956 when phosphates from Ocean (now Banaba) Island were the country's main export. The original A\$ 155 580 had swollen to A\$ 69.257 million by 1987 when the mines ran out — and the country became independent. This amount, forming the RERF, which

the Government inherited when it came to power in June 1979, was invested mainly in Treasury Bills or kept in cash in English banks — which kept the risk of losing the whole fund down to a minimum. This lasted until the end of 1987.

In early 1988, part of the fund was placed, as shares, in a number of industrial companies in Europe. Most of them were blue-chip companies.

The revenue (i.e. interest) enables the Government to make up the difference between State income and expenditure. This policy of stringent fund management has been a genuine

success from the word go, for it is not, as one technical assistant put it, "a piggy bank" into which the State keeps dipping, but a system of managing the State finances that is subject to parliamentary control — which is such that the Government cannot do just what it likes with the assets.

The other important thing about this careful management of the RERF is that it has made it possible to put a rein on uncontrolled State spending. A comparison of inflation in 1981 with inflation at the end of 1988 shows that the State budget has decreased in real terms — proof of the government's ability to manage the economy properly. So revenue can now be increased in real terms without risk, but the Government is not doing this because, they say in Tarawa, there is no point in raising unnecessary taxation from the population. It is also the policy of sound placing and management which enabled the RERF to withstand the stock exchange crash in October 1987. The table gives some figures for the RERF.

Two major concerns

President Tabai and the Government are aware that they only have minimal natural and financial resources with which to undertake the country's economic and social development and give Kiribati a modern society — something which, in any case, is inevitable. Although the people have to want it. For not everyone on Kiribati believes in the illusions of modern life. They firmly believe that they can go on having a happy life in their huts. And go on collecting wine from the coconut palms, a product rich in vitamin C, as President Tabai does. Every morning, he walks off to do his shopping on Bairiki Square where most of Tarawa's economic and administrative life goes on. And he takes his shoes off before he goes into his office where, barefoot, he welcomes his visitors.

But the country has two other major worries, Population growth is 2.2% p.a. and this is serious, as, with its present 66 000 inhabitants, Kiribati is already overcrowded. Unlike Vanuatu, Kiribati has a problem with its land — there is not enough of it



The Courier

Fishing boat belonging to the Te Matauri company. "Fish is the nation's only natural resource"

Reserve fund 1979-1987 (A\$ 1000)

	Payments Into (out of) Reserve Fund	Cumulative Payments Into RERF	Market Value Ex. Accrued Interest	Accrued Interest year	Market Value
1979	1976	39 944.0	68 151.5	1 105.2	69 256.7
1980	—	39 944.0	73 262.8	883.7	74 146.3
1981	—	39 944.0	65 225.2	1 774.0	66 999.2
1982	—	39 944.0	81 937.7	1 777.7	83 715.4
1983	(1000)	39 944.0	88 082.2	2 021.2	90 103.4
1984	—	39 944.0	92 951.1	2 854.5	95 805.6
1985	—	39 944.0	134 360.9	3 490.3	137 851.2
1986	—	39 944.0	171 550.9	4 107.7	175 658.6
1987 1st Q	—	39 944.0	176 242.2	3 700.8	179 943.0
2nd Q	826	40 770.0	173 372.5	4 980.8	178 353.3
3th Q	—	40 770.0	171 978.9	5 430.2	177 409.1
4th Q	—	40 770.0	201 720.8	5 554.2	207 275.0 (1)

In 1983, A\$ 1.0 million was used to purchase the islands of Fanning and Washington. Income accounts were treated separately from 1980-1986.

(1) The last number corresponds to the period of the Market crash in October 1987.

for the rapidly expanding population. How can a country of so many islands be short of space? The answer is that the atolls are often only very narrow strips of land which are being continually eaten away by the sea.

Another serious problem is transport and communications. Kiribati is a long way from the main centres of trade and industry and the three groups of islands (Gilbert, Date Line and Phoenix) are also a very long way from each other, spread over an area of more than 3.5 million km² of ocean. So transport is very difficult, both within the country and between it and elsewhere, and, economically speaking, this pushes up the cost of both imports and exports and of the State's links with the rest of the world.

The Government's idea is to create the right conditions for the development of all potential means of transport. Big investments have been made in Betio (south of Tarawa) to cater for passenger ships and fishing vessels, more than A\$ 3 million having already been ploughed into the two phases of this project also with a UK financing. But the big effort has been with air transport. The landing strip at Bonriki airport (Tarawa) has been improved and similar work has been carried out at Kanton and Cassidy (Kiritimati), although more ground equipment is needed to make Kanton operational.

Inter-island flights are run by Air Tuaru (the old name for Kiribati). The Government is hoping for more cooperation with transport from the aid organisations and donor countries.

The Pacific island countries all have the same problem (although to varying degrees) as the other countries of the Third World when it comes to moving from a traditional a to modern industrial economy. There is strong resistance to modernism in the Pacific, although the people still have one or two aspirations which suggest that it will be difficult to put it off for ever. What dictates political choices in Kiribati today is the idea of not just letting the change happen but of organising it and adapting it to the means and the culture of the people. How can international cooperation help? ○

LUCIEN PAGNI



Natural beauty...

President Ieremia Tabai: “We want a long-term capacity to fund our way”

The Courier

Replying to *The Courier's* questions, President Tabai reaffirmed his objective of seeking self-reliant development and defined the conditions for effective external assistance.

► *President Tabai, what is your philosophy of development in Kiribati?*

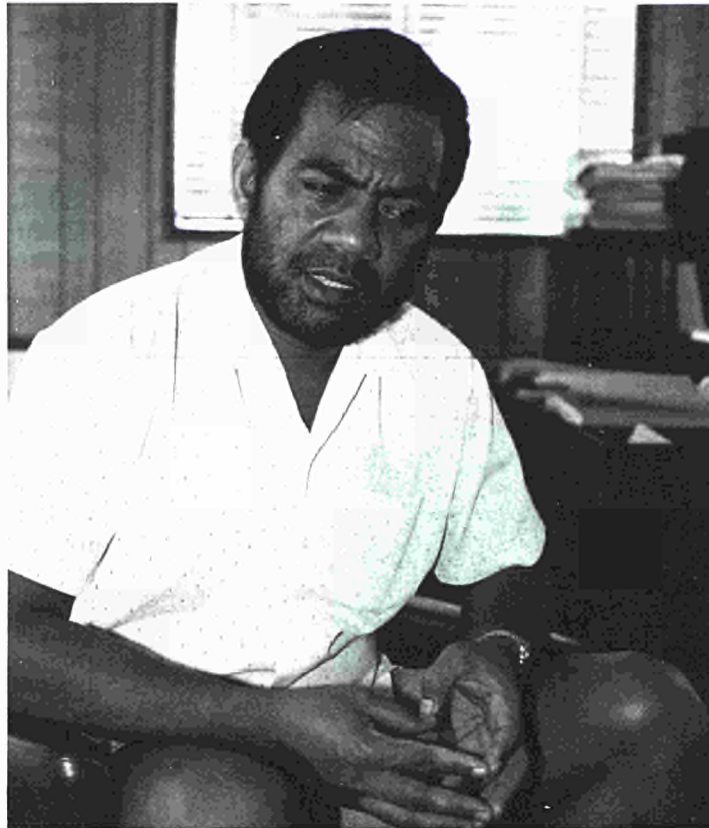
— Our philosophy of development is very simple. We aim to develop our national self-reliance — the words that we have translated into our local words as “Te kanriki n toronibai”. Those words try to convey our traditional values of independence by which we hope to be able to meet our basic needs on our own, without being dependent on the goodwill of others. It goes without saying that a very important element of this is to try and live within our own means.

► *What are the means of achieving this?*

— For a small country like ours with limited resources, it is not an easy task to achieve that objective. We refuse to accept, however, that there are alternatives other than the one to which we have committed ourselves in our general philosophy of development, since our independence more than nine years ago.

I will try to briefly outline some of the elements that I consider of particular importance. An obvious starting point is to develop, as top priority, the productive sector of the economy, and fisheries is of prime importance in this area.

As a means of taking advantage of this, we established a national fishing company many years back to develop



President Tabai

“We attach great importance to our financial management”

the resource. This is not an easy task, as the industry needs a lot of capital, and the viability depends very much on the price that the catch can fetch on the market — something over which we have no control. Despite these and other problems, we believe we have established a good foundation for further development. In a few weeks time we expect to take delivery of two catcher boats funded by the EEC.

A related resource to exploit is solar salt. On Christmas Island, we believe we have very good climatic conditions suitable for salt-making. And recently we have started producing this commodity. It is our hope to export this, and despite the initial problem of identifying the market, we believe that this can be resolved. Once this proposed development goes

ahead it should make an important contribution to our national income.

Tourism is another area we are looking at closely. In trying to develop this industry we are fully aware of the likely negative effects. For these reasons we plan to develop it in a controlled manner, and to concentrate the development in areas away from the main population centres. Already on Kiriritimati Island, we have a small but developing tourist trade and attempts are being made to interest potential investors in this area.

A particularly important part of our programme is rural development. Our people over the years have been living—and the majority are still living—in a subsistence economy. This is not a rich existence, but it is adequate to meet the basic needs of our people. It is for this reason that we have a very active programme for outer islands

development that aims to make the lives of our people easier and better. The projects take the form of causeway construction to enable them to have access to some of their bits of land in other parts of the island; reef clearance to enable them to catch and fish more, to mention but a few. We believe that this is our area of strength that we should be spending more of our resources and attention on.

But underlying all these programmes, is our belief that the key to all this rests with us — with the policies that we pursue and the attitude that we adopt as we pursue our fundamental goal of national self-reliance.

I mentioned earlier living within our own means. This is a very impor-

tant consideration in our view. A few years ago we terminated budgetary aid from UK, even though it could have been continued, and I am pleased to say that we have been able to do without it, and without any real problems. More important in my view, we have developed a habit of trying to live within our own means. This is critical in our attempt to achieve national self-reliance.

As part of this same process, we attach great importance to the management of our financial resources. Currently we have around A\$ 200 m invested, mainly in government bonds, and more recently we diversified into equity investment in some of the best-known and well-run corporations. It is the interest that has enabled us to support our budget.

While this has been very helpful we regard this as an interim arrangement. We want a long-term capacity to fund our way — and one obvious way is to ensure that national resources are used in the most efficient and effective manner. It is in that connection that we started a programme of privatisation. A number of government bodies have already been made into companies to facilitate selling shares to the public or to run them on a joint venture, but with the fundamental objective of running these on a commercial basis. The programme will take years, but we believe in the end we will reap real benefits.

► *Do you feel some kind of foreign assistance might be contradictory to the objectives of self-reliance as seen from Tarawa?*

— It is a question of how you use foreign aid. If we sat back and depended on foreign aid to look after us forever, then it would be highly contradictory — it would negate the whole of our philosophy. However, we use foreign aid to develop our self-reliance. We use it for training and higher education, to give us the expert manpower we need for self-reliance. We use it for infrastructure, on which can be based the productive economy which we need for self-reliance. Above all, we use it for productive investment, as in the case of the pole and line vessels for Te Mautari. All our use of foreign aid is vetted by an official committee and subsequently



The Courier

The Parliament in Tarawa. A vital part of democracy in Kiribati

by Cabinet to ensure that it contributes to the fundamental aim of self-reliance.

We do, from time to time, reject foreign aid which seems to us incompatible with our self-reliance. In 1984, for example, as mentioned earlier, we declined a substantial sum in UK budgetary assistance since it seemed to us that we should be looking after our own day-to-day requirements in the recurrent budget.

► *Australia and its currency are strongly established here. How do you explain that and the withdrawal of the UK as former administrator of Gilbert Islands?*

— I agree that the presence of Australia is quite noticeable in our

country. The basic reason in my view is simply that we both share a common interest in maintaining a stable and peaceful region, and this is expressed in a close cooperative bilateral and regional relations. There are many examples of this, and include the Nuclear Free Zone Treaty signed recently, and the substantial economic assistance offered in support of our economic development programme.

The use of the Australian currency is considered the most appropriate to use at this time. For one thing, Australia is the biggest economy in the region with whom most countries in the region, including our country, have a very strong trade links. This makes it very convenient for us to use this currency. The question, however, of our own currency is always under review, and this will be done in consultation with the International Monetary Fund, of which we are a member.

With regard to the UK, even though it is no longer our colonial master, it still maintains an important involvement in our development. In a year, I understand, they provide around A\$ 4m in such areas as technical assistance, scholarships and capital projects, and I believe this is going to continue in the foreseeable future. It is not quite accurate that the UK has withdrawn aid.

► *To what extent is the European Community likely to become a major*



The Courier

Girls in Kiribati go for rapid change



The Courier

The children at this Tarawa school wear uniform British-style, but go barefoot ...

partner in Kiribati's economic development?

— We would regard the European Community as already a major partner in Kiribati development efforts. I have mentioned the assistance provided with the development of commercial tuna fishing. This is a major programme for us, in the very heart of our economic development effort. The EEC is also assisting with telecommunications. The South Tarawa network, which is now a very good system, was installed with the assistance of the Community. We have plans for the development of the network on Kiritimati, with an earth satellite financed by an EEC regional project and the ground network financed by a Kiribati national EEC project. Our marine and air guard services will also be upgraded with assistance from the Community. There are also major training programmes in both fisheries and telecommunications. We estimate that EEC assistance will be about 10% of our development expenditure in 1989.

► *What does the ACP Group of states represent for Kiribati?*

— As you know, Kiribati is a very small country with a small budget of around AS 20 m. This does not allow us to have our representative close to Brussels. The ACP group is therefore a convenient arrangement for the dis-

cussion and negotiation of economic treaties with the European Community. We want to continue to take advantage of this group in the negotiation leading to the next Lomé Convention.

► *What role do you assign regional organisations such as the South Pacific Forum, which is likely to meet in Tarawa in 1989?*

— Regional cooperation in our region is very important, and it reflects the fact that the Pacific States have a lot in common. Most have a colonial history, or have come under the dominance of a European state. Most of them are small, with very limited resources, and dependent on a very few commodities for trade. All these factors point strongly to the need to cooperate on a regional basis as a means of enhancing their social and economic development.

The South Pacific Forum is the most prominent consequence of the need for regional cooperation. As you pointed out, Kiribati will host the next Forum meeting in 1989. We attach great importance to the meeting, because we believe that it has achieved much for the benefit of the region.

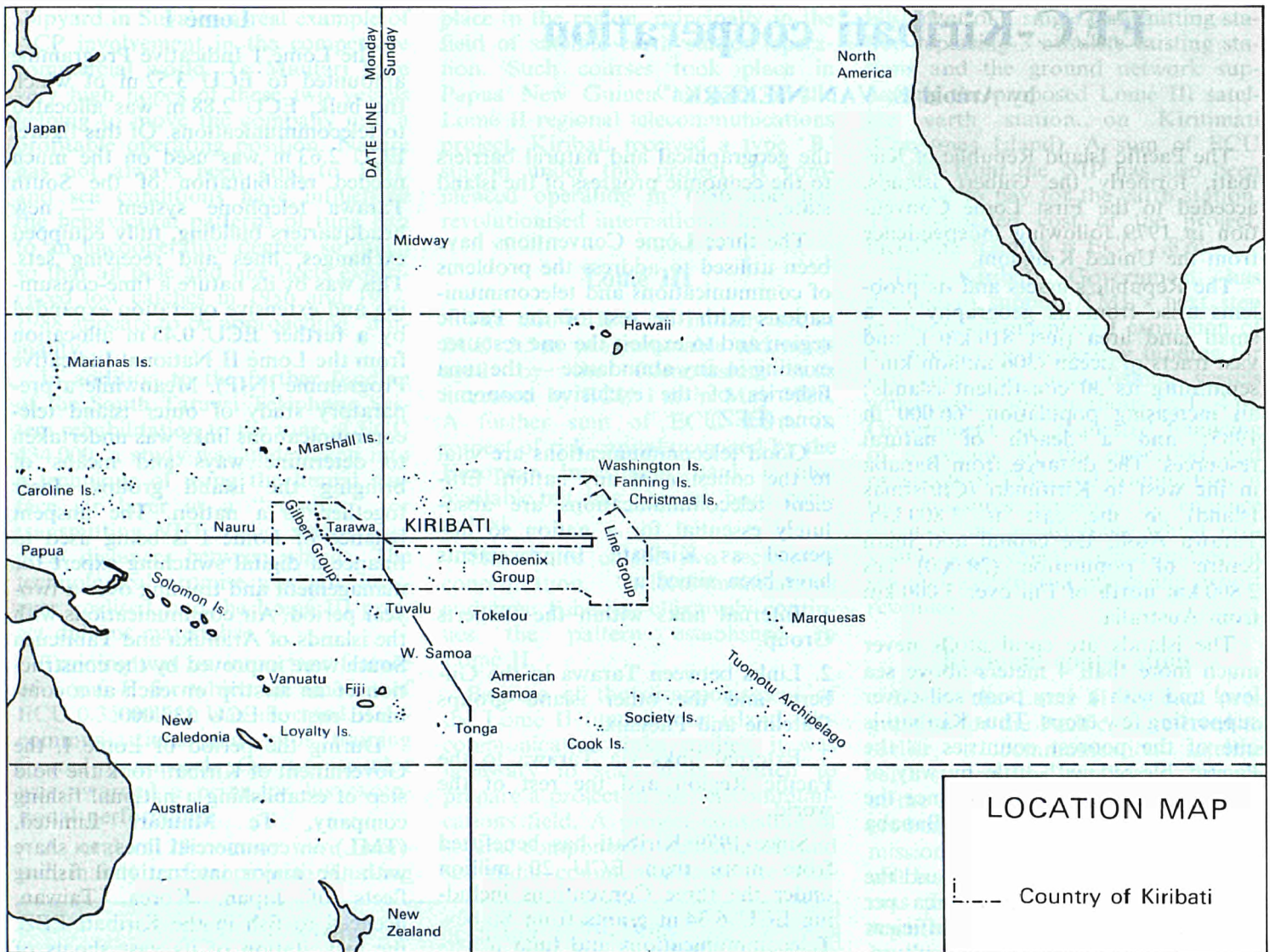
Recently a Nuclear Free Zone treaty was signed, followed by the Multilateral Fisheries Treaty concluded with the United States of America. The Forum has also,

through its secretariat, SPEC, achieved progress, particularly in trade areas. I would not be frank if I forget to say that there are also problems. And this is inevitable where there are more than 10 countries involved with different backgrounds and priorities. But the Forum remains a most prominent institution that expresses regional interests and enhances regional cooperation. For that reason we give unqualified support to the Forum.

► *President Tabai, you are completing your third and final term as Head of State of Kiribati. Since you are young still, what will you do after having served your country?*

— That is not an easy question to answer, because there is no way to forecast accurately what the future may hold. There are, however, certain things that are clear. One of these is there are limited opportunities, as Kiribati is a very small place. Like all of us in Kiribati, there is always a piece of land somewhere in the country on which one can cut toddy and fish in the old subsistence style. It is a prospect I have already attuned myself to. I hope, however, to be able to continue to contribute in whatever way to the community I have had the privilege of serving for the last 10 years. ○

Interview by
LUCIEN PAGNI



PROFILE

Total area: 810 km². The 33 islands are in three groups — Gilbert (17 islands), Line (8) and Phoenix (8).

Capital: Tarawa (20 000 inhabitants). This is also the name of the island.

Population: 66 000.

Growth rate: 2.4% p.a., which is too high to cope with in the long term.

Languages: Kiribati (spoken and written) and English.

Independence: 12 July 1979.

Exports: Copra and fish (tuna).

Imports: Machinery, food and drink (rice and sugar) products and other manufactures. The trade balance has shown a deficit for some time.

Main trading partners: Australia, Fiji, New Zealand, USA, Japan and

Europe (the United Kingdom, in particular).

Currency: The Australian dollar. A \$ 1 = ECU 1.41.



Everyday life on Bairiki square in Tarawa

EEC-Kiribati cooperation

by Arnold E. VAN NIEKERK (*)

The Pacific Island Republic of Kiribati, formerly the Gilbert islands, acceded to the First Lomé Convention in 1979 following independence from the United Kingdom.

The Republic's assets and its problems arise from its geography — a small land area (just 810 km²), and vast tracts of ocean (306 million km²) separating its 30 constituent islands; an increasing population, 66 000 in 1985; and a dearth of natural resources. The distance from Banaba in the west to Kiritimati (Christmas Island) in the east is 3 800 km. Tarawa Atoll, the capital and main centre of population (20 000) lies 2 800 km north of Fiji over 3 000 km from Australia.

The islands are coral atolls never much more than 4 meters above sea level and with a very poor soil cover supporting few crops. Thus Kiribati is one of the poorest countries in the Pacific, blessed with little by way of natural resources, especially since the end of phosphate mining on Banaba in 1979.

With increasing population and the gradual reduction of land area per capita approaching a level insufficient to support subsistence agriculture, there are pressures to find alternative incomes in a cash economy.

EEC-Kiribati cooperation is to be seen within the context of overcoming

(*) EEC Delegate in Papua New Guinea, also responsible for Kiribati.

the geographical and natural barriers to the economic progress of the island state.

The three Lomé Conventions have been utilised to address the problems of communications and telecommunications with the rest of the Pacific region and to exploit the one resource existing in any abundance — the tuna fisheries of the exclusive economic zone (EEZ).

Good telecommunications are vital to the cohesion of any nation. Efficient telecommunications are absolutely essential for a nation so dispersed as Kiribati. Improvements have been aimed at:

1. Internal links within the Gilberts Group.
2. Links between Tarawa in the Gilberts and the other island groups Dateline and Phoenix.
3. External links via Tarawa to the Pacific Region and the rest of the world.

Since 1979 Kiribati has benefitted from more than ECU 20 million under the three Conventions including ECU 6.34 m grants from Stabex. Telecommunications and tuna fisheries were the principal target sectors of Lomé I and Lomé II and this emphasis continues under Lomé III. Kiribati being a least-developed island nation, all of the EEC assistance managed by the Commission is in the form of grants.

Lomé I

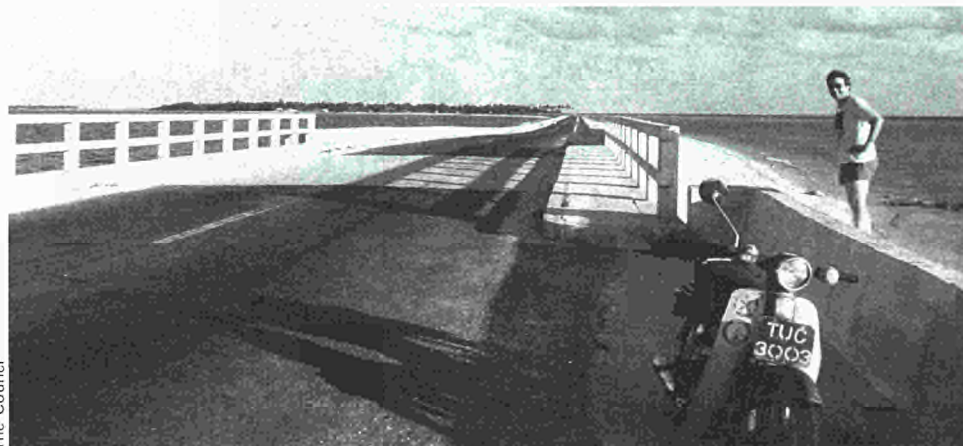
The Lomé I Indicative Programme amounted to ECU 3.52 m of which the bulk, ECU 2.88 m was allocated to telecommunications. Of this figure, ECU 2.63 m was used on the much needed rehabilitation of the South Tarawa telephone system — new headquarters building, fully equipped exchanges, lines and receiving sets. This was by its nature a time-consuming and extensive operation expanded by a further ECU 0.43 m allocation from the Lomé II National Indicative Programme (NIP). Meanwhile a preparatory study of outer island telecommunications links was undertaken to determine ways and means of bringing the island groups closer together as a nation. The unspent balance of Lomé I is being used to finance a digital switching expert for management and training over a two-year period. Air communications with the islands of Aranuka and Tabiteuea South were improved by the construction of an airstrip on each at a combined cost of ECU 333 000.

During the period of Lomé I, the Government of Kiribati took the bold step of establishing a national fishing company, Te Mautari Limited, (TML) on commercial lines, to share with the major international fishing fleets of Japan, Korea, Taiwan, licenced to fish in the Kiribati EEZ, the exploitation of its vast shoals of tuna. An amount of ECU 170 000 was used to extend by 20 acres the Temaiku baitfish farm near Bonriki International Airport. The farm supplies live milkfish used as bait by the small three-vessel pole and line fleet. Some oversize fish are sold as food locally and to Nauru the "neighbouring" phosphate island just on the equator south west of Banaba.

Lomé II

The Lomé II NIP amounted to ECU 4 m of which 2.8 m were devoted to improving the efficiency and earning capacity of Te Mautari by the financing of the design, tender preparation, supervision and supply of two new 60-tonne pole and line tuna, fishing vessels.

The vessels were delivered on time in accordance with the contract (following an international tender) in November 1987 by the Fiji Marine



The Courier

Developing the coast road at Betio (south of Tarawa) leading to the Te Mautari fishing port — which the Community is helping to finance

shipyard in Suva — a real example of ACP involvement in the competitive commercial world. Te Mautari have very high hopes of these two vessels helping to move the company into a profitable operating position. Nature has not always been kind to TML and sea conditions have influenced the behavioural patterns of tuna fish to an uncooperative degree, so much so that all pole and line fleets experienced low catches in 1986 and 1987. 1988 appears to be approaching 'normality'.

In addition to the further funding of the South Tarawa Telephone System rehabilitation to the tune of ECU 434 000, a study was undertaken into a technique of using the humid surface air layer as a "conduit" for transmitting VHF radio waves over great distances between islands. The technological promise was not, however, realised, and the Lomé III project did not materialise.

Training was an important feature of Lomé II for which an amount of ECU 0.35 million was allocated. Telecommunications and pilot training figured prominently. One trainee pilot was awarded a prize for his exceptional performance.

A total of 29 courses were financed, mainly in Europe with 9 taking

place in the region, principally in the field of satellite earth station operation. Such courses took place in Papua New Guinea as part of the Lomé II regional telecommunications project. Kiribati received a type 'B' station under this project. It commenced operating in 1986 and has revolutionised international links.

Lomé III

The Lomé III NIP, initially set at ECU 5.5 m programmable aid managed by the Commission, was increased by ECU 1 m in May 1988. A further sum of ECU 0.5 m in respect of risk capital managed by the European Investment Bank is also available, but has not yet been committed.

The choice of the two sectors of concentration, telecommunications and tuna fisheries, effectively continues the pattern established in Lomé II.

Because of the disappointment of the Lomé II funded inter-island telecommunication links studies, it was necessary to start from scratch to prepare a project in the telecommunications field. A project consisting of several components including air and sea radio communications, the esta-

ishment of a single transmitting station replacing 3 obsolete existing stations and the ground network supporting the proposed Lomé III satellite earth station on Kiritimati (Christmas Island). A sum of ECU 100 000 from the NIP has also been set aside to pay for the earth station. The estimated cost of the project, including training is ECU 1.8 m.

The Kiribati Government has decided to support TML's next step in the development and expansion of its capacity by requesting funding for two long line tuna fishing vessels which could absorb about ECU 4 m. Government has requested financing of a review of the operation and prospects of TML and examination of the measures possible to enhance capacity and profitability whilst providing employment opportunities at sea and ashore and increasing export revenues.

Regional cooperation

Under the Lomé II regional programme for the Pacific, as referred to earlier, a communication satellite earth station was installed in Tarawa at the main exchange and headquarters building at Bairiki. This was commissioned in 1986. An earth station will be provided at Kiritimati (Christmas Island) under the Lomé III regional programme. This project will be partially funded from the NIP (ECU 100 000). Other Lomé II regional projects of particular interest to Kiribati are the Pacific Tourism Development Programme and the Pacific Air Communication Project under which upgrading of Bonriki airport runway and apron will be undertaken to permit continuous and frequent use by Boeing 737 class aircraft.

Stabex

Total Stabex transfers amount to ECU 6.34 m, all in respect of shortfalls in the earnings of copra exported to the EEC. As a least developed island state these transfers are in the form of grants. They were as follows: under Lomé I ECU 2.28 m; Lomé II, ECU 1.6 m and Lomé III, ECU 2.46 m so far. The Stabex grants are being used to support copra producers. ○

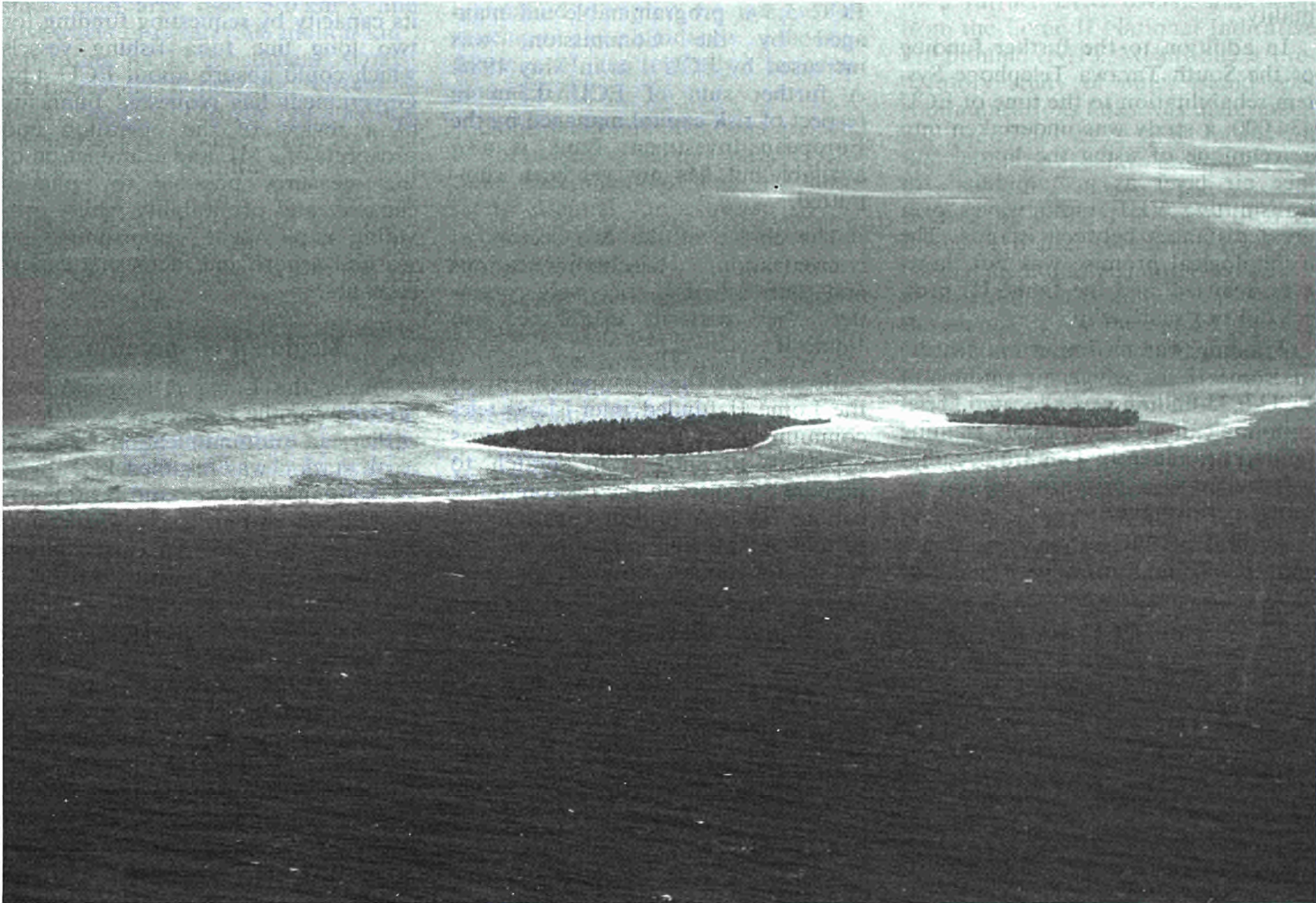
A.V.N.

EEC — Kiribati cooperation 1979-1988

Programmes	ECU	Total ECU
Lomé I		
Telecommunications	2 877 000	
Airstrips improvements	333 000	
Fisheries	170 000	
Reserve	140 000	3 520 000
Stabex for copra	2 283 419	2 283 419
Lomé II		
Training	350 000	
Fisheries	2 927 477	
Telecommunications	549 100	
Microprojets	173 000	
Reserve	423	4 000 000
Stabex for copra	1 598 972	1 598 972
Lomé III		
Telecommunications including training	1 800 000	
Fisheries	3 945 000	
Public sector training	255 000	
Reserve	500 000	
Risk capital (managed by EIB)	500 000	7 000 000
Stabex for copra	2 458 565	2 458 565
Grand total		20 860 956

TUVALU

**No resources but no poverty —
the good life in Polynesia**



The Courier

View of Funafuti which is constantly battered by waves

The four-hour flight from Suva (Fiji) aboard the '50s plane had its moments, to put it mildly, but at last we came in to land at Funafuti, the capital of Tuvalu. There we were, after the announcement from the cockpit, all ready for touchdown, so what were we doing wobbling from left to right vainly seeking the runway? Was it really a difficult landing or did it just feel as though we were going feet first into the water? Whatever the reason, it was no easy approach, but

all of a sudden, there we were on the grass. And on that October day, it had rained, so we slid about too...

Funafuti. The plane ground to a halt. We got out. First-timers looked around, baffled at seeing nothing that looked like an international airport. No barriers. No control towers. Not even a policeman. People may well be playing football on the aerodrome before flights come in or walking or driving or, more likely, cycling about it unhindered — although they stop

when the siren springs to life to announce that a landing is imminent.

There is a terminal at the end of the runway, just like the bus stations of rural Africa. Arrivals and departures are all together, but there is no fuss and passengers are quietly told which side to go. The formalities take no time at all. A stamp on your passport is all it takes and there you are in Tuvalu.

To your left, a tent-like building

with no walls and a roof of variable pitch. It has no distinctive signs, but this is Parliament. Turn right and your hotel, proud that Elizabeth II stayed there in 1982 and planted a palm that has yielded many a coconut, is five minutes' walk away. And opposite is Radio Tuvalu House. The Office of the Prime Minister, the seat of government, is already behind you, along with the Ministry of Works and Transport, the bank and the post office — in front of which Funafuti's one and only taxi is parked, sometimes for days at a time. Indeed, everything comes singly here in Funafuti. There is no point in seeking the crowd. In this hundred square metres lies all, or nearly all, of the nation's administrative infrastructure.

It is fine and warm. Hot, in fact. Which is why shorts and short-sleeved shirts are regulation dress for locals, visitors, and cooperation staff alike. For Tuvalu has its technical assistants, just like all the other developing countries, and in Funafuti, as in most of the Pacific islands, they tend to be Australian, although there are three Ghanaians and a Japanese here too. Two of the Ghanaians are mechanics sent by the Commonwealth Secretariat, and the third is returning a visit which Tuvalu priests made to Ghana. South-South cooperation in the Pacific works and Kiribati too has its Africans (from Nigeria and Ghana again), particularly in the legal services.

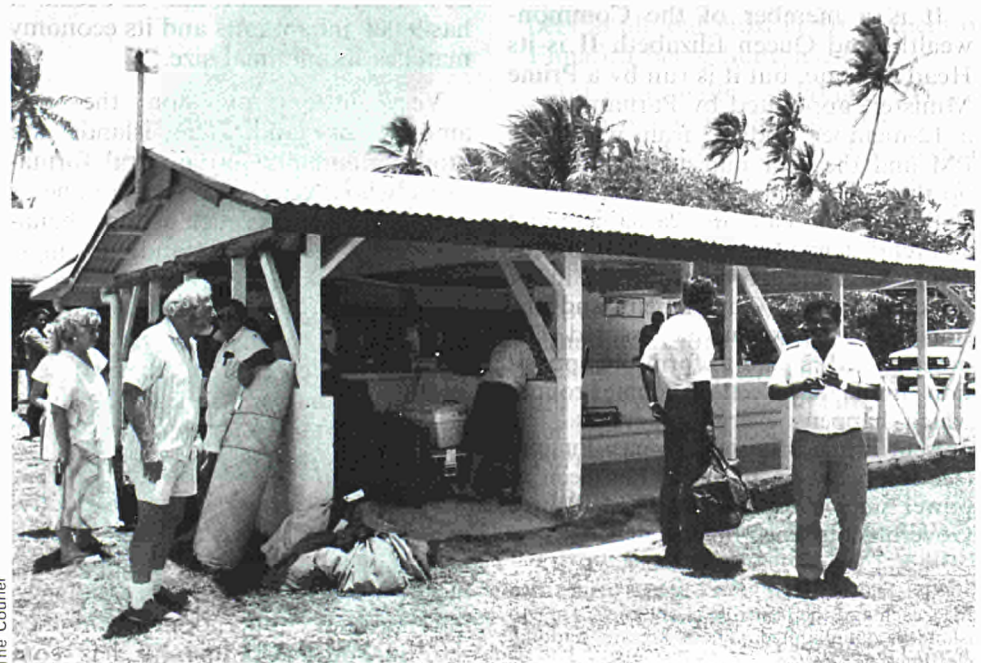
Funafuti. From the capital's only square, the landmark in front of the seat of Government and all the authorities, three narrow streets lined with coconut palms and breadfruit trees run east and west. They are not asphalted, of course, but in only a couple of minutes they will take you to the edge of the town, which is in fact the edge of the island. Cars are rare. You don't need to see one to realise that there are no red lights either. Bicycles, sometimes with two or more "passengers" go by regularly and children ride them too — even if they do have to put one leg under the



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From top to bottom: the airport terminal before the arrival of a flight, with Parliament House in the background; passengers arriving with the departure (left) and arrival (right) formalities

crossbar and bend slightly to shift the centre of gravity to do so, a fascinating exercise which brings back childhood memories that few youngsters in the developed world can have.

Life is peaceful. There is nothing hasty or agitated about the people. And there are smiles on every lip, particularly those of the girls who, with flowing hair decked with flowers, are reminiscent of the postcards which used to broadcast the islands' attractions to the tourists.

Although Tuvalu is between Fiji (Melanesia) in the south and Kiribati (Micronesia) in the north, it is part of the Polynesian group of the Pacific, along with Samoa and Tahiti. The Polynesians are of a different racial type to the Melanesians and Micronesians and their relaxed way of life stands out. Writers, poets and painters have portrayed it, especially in the song called "Polynesia, land of love", in Gauguin's famous paintings and in the poems and songs which Jacques Brel sang to the glory of these islands.

Tuvalu is the land of the good life.

Institutions and Government

It has been independent since 1978. It is a sovereign State, therefore, and its internal political organisation is aimed at clearly showing it as a State of internationally recognised standards.

It is a member of the Commonwealth, and Queen Elizabeth II is its Head of State, but it is run by a Prime Minister, appointed by Parliament — a 12-member body^(*) from which the PM and the four ministers who make up the Government are chosen, while a sixth member chairs the Parliament and a seventh tends to support the Government. So there are seven MPs in or backing up the Government and the stability of the executive is assured. The other five MPs tend to form the opposition until the elections come round, which happens every four years. The present Prime Minister, Tomasi Puapua (see interview on page 52) has been in power since 1981 and has headed three Governments since independence.

(*) Local elections. Four islands return two MPs each and the four others one each. The 9th island is uninhabited. There are no national elections.



The Courier

A Tuvalu child and his (grown-up) bicycle

The economy

Tuvalu, the former Ellice group, consists of nine islands totalling 26 km² in 1.3 million km² of ocean. It has 9 000 inhabitants and its economy matches its minimal size.

Very little grows on the tiny amount of land. The islands are atolls, minimally fertile coral formations, whose only resources are one or two local products such as taro, bananas and paw-paws, and a single export product, copra. So there is practically no farming. But there are no obvious signs of poverty in Tuvalu, as the people manage to keep up a reasonable standard of living thanks to intensive exploitation of the sea and the reefs.

Fishing is the only economic activity and an important one. It is expanding and excellent results have been obtained, thanks in particular to international cooperation — to which the European Community has con-

tributed. The country received its first fishing boat, the "Te tautai", from South Korea in 1982 and the Tuvalu crew has been fishing the territorial waters and international zones commercially ever since. Japan, Taiwan and the USA, as well as South Korea, have now signed fishing agreements with Tuvalu. Royalties from the licences, plus a few customs duties and a small amount of personal income tax, cover 50% of the national budget (which was A\$ 4.5 million in 1988).

The Trust Fund

Since there was no agricultural produce to export nor any mining resources, the monetary sector of the economy has had to depend on philanthropy, royalties from fishing licences, transfers from Tuvalu natives working abroad and financial aid from cooperation with the developed world. But this is neither adequate nor reliable enough to ensure all the islands' financial requirements and, in 1986, Tuvalu was put on the UN list of least-developed nations. The financial future of the new State was already mortgaged on independence and one of the suggested ways of coping with the situation was, for example, the fruitless attempt at setting up a fund rather like the equalisation fund in Kiribati (see country report).

Its failure was all the harder for Tuvalu knowing four years earlier (in 1974) that its split with the Gilbert Islands (Kiribati) meant it could not benefit from the Gilberts' phosphates. So, since 1978, the Government has had to be content with budget aid, in particular from the United Kingdom. But as the islands were unable to cope with everyday expenditure under the subsidised budgets, New Zealand with the help of Australia and the United Kingdom, launched the idea of a Trust Fund for Tuvalu. The idea was soon put into practice and on 16 June 1986 an international agreement setting up the Tuvalu Trust Fund was signed in Suva (Fiji). The initial capital, A\$ 18.1 million, was made up of A\$ 8 million from Australia, A\$ 8.5 million from the United Kingdom and A\$ 1.5 million from Tuvalu itself. The Trust Fund is open to all nations and Japan is now a member.



The coconut palm planted by Queen Elizabeth II, the pride and joy of Funafuti's hotel



Funafuti's one and only taxi

It currently stands at A\$27 million, invested on the international financial market (see interview with the Tuvalu PM on page 52), and the aim is to generate income, via the interest, to guarantee the increase of the basic capital and feed the country's current budget. It covered almost 50% of everyday State spending in 1988. In Tuvalu, as in Kiribati, the Government insists on stringent management of the Fund and its income — which it prefers to a budget subsidy, however big, of the kind it has experienced in the past.

Transport and communications

The country has a second Achilles heel, in addition to having fishing as its only economic resource, and that is its poor transport and communications. There is only one port, on Funafuti, able to handle vessels with a 9 m draft. And there is only one ferry boat for all the islands. "The Government is hoping to get another, medium-sized boat, but money is the big obstacle to this plan", Work and Transport Minister Solomona Metia Tealofi told me. Yet it is of such importance to the nation. When I stayed in Tuvalu in October, the only boat the Government had was in Fiji and they had to hire another one to carry on with the inter-isle ferry service.

Flights are currently operated by Fiji Air, a local company which uses small, elderly aircraft made in the '50s. Sometimes the Governments disagree as to the way Fiji Air services to Funafuti should develop and the Tuvalu authorities are anxious to open a national airline of their own,

operating hydroplanes too. But the financial, technical and economic problems of such a venture are considerable. An expert from ICAO, the International Civil Aviation Organisation, went out to Funafuti in October to look at the economic side of an airline, one of whose major interests would be the tourist development of the whole of the archipelago. For the moment, tourists go often no further than Funafuti.

There are telephone communications between eight of the nine islands in the group and about 200 subscribers in all and most (120) of them on Funafuti being State users.

Internationally speaking, Tuvalu has fairly good links with the international telephone and telex system, although the Government is hoping to improve the quality of domestic calls. It will be doing this with the help of New Zealand.

But it would be wrong to think that communication problems and the lack of any major resources in Tuvalu are the cause of complaint they are for the Australians or the people of Port Vila in Vanuatu.

Poverty isn't so bad in the sun, they say, but what they seem to have in Tuvalu is the good life. No resources, maybe, but no obvious poverty either. The good life of Polynesia...

LUCIEN PAGNI



Young Tuvalu girl

Prime Minister Tomasi Puapua

“We believe in co-existence, helping each other”

In this interview, Mr Puapua explains his views about development and cooperation.

► *Prime Minister, last October you celebrated the 10th anniversary of Tuvalu's independence. Would you explain what difficulties your country has faced since 1978?*

— The problems faced are so numerous in a small country like mine. But the main ones would be financial and economic, due in part to the geographical features of the country. The small islands being scattered all over the South Pacific, we have a problem of communication.

We didn't have enough funds in our reserve, so we relied on the United Kingdom government for budgetary aid for the first eight years. Now that the Trust Fund is established, we have done away with this grant aid—or budgetary aid—from the UK.

As regards economic development, we have first tried to meet the internal demands of the country in food supply and agriculture. We tried to reduce our import bill by import substitution. We have gone into improving our coconut and copra production for export. Then there is a fishing vessel which operates in Fiji and in the Solomon Islands, and sells fish to different places. These are small quantities, but it's significant. And of course there is training of seamen in our Maritime School for overseas employment, mainly on German ships and some British ships.

► *This country was created from a split between the-then Ellice Islands, now Tuvalu, and the Gilbert Islands, which now form Kiribati. What are your relations with Kiribati?*

— I am very glad to say that we have a very close and cordial relationship with Kiribati now. It looks to me as if we are closer now than ever before since separation.



Tomasi Puapua, Prime Minister

► *What importance do you attach to regional organisations in the South Pacific?*

— We regard these regional organisations in the South Pacific as being very important to us. Now we realise that living in the world of today as an independent sovereign country, one needs friends. That is, we believe in co-existence, helping each other. And it is through these organisations that we exchange views, ideas and experiences on development.

For instance, we learn from Kiribati's experiences in developing; they are experimenting with seaweeds and other marine resource development. And experiences in other countries like Tonga in their small-scale industries, what they are doing now, like their vanilla export—this sort of thing. Also from Samoa, in the extraction of coconut oil that they are trying over there. So it's the sharing of experiences in developing industries—small-scale industries in the region—that we are interested in. The success of other countries in their fishing ven-

tures, and the failures. We all get experience from this. And of course, we have a strong voice in standing together in other issues—like the issue of New Caledonia. We voice our position as a group in the South Pacific in order to be heard—mainly issues on nuclear dumping and nuclear testing. We come up with what you call the South Pacific Nuclear-Free Zone Treaty, and we have a convention on environmental control, a sort of convention on waste disposal control in the South Pacific area. So we attach great value to the membership of these regional organisations.

► *What is the nature of your participation? Through financing, or by acting as a think tank?*

— Every country, when it becomes a member, has to pay an annual fee. We try our best to pay our contribution to the organisation. It may be small, but that is how we participate in its life. There are many other ways, of course, of contributing. By hosting these various conferences in the country and visiting other Member States

wherever they hold meetings and getting to know the people at a personal level as well. We come also with ideas to these fora which may be useful to every member island.

► *Tuvalu is not a member of some of the most important international groupings such as the UN. Has this to a certain extent hampered the recognition of your country as a sovereign nation?*

— I can't really say that, because we benefit a lot from the United Nations through its various agencies. We have been benefiting from the UPU, the Universal Postal Union, of which we are a member, and we can get help from other agencies as well, such as WHO, FAO and ILO. The non-membership of the UN does not hamper our international status as an independent country.

► *You mentioned the Trust Fund, which is a fund set up by countries such as Australia and New Zealand. How do you feel about it? Is it a sort of link which also might reduce your possibilities of action vis-à-vis those countries who finance the Fund?*

— I feel that this Trust Fund is far better than the grant aid — the budgetary aid, which depends a lot on donor countries. Budgetary aid is tied aid which countries give you with a lot of strings attached and you have to be satisfied with the amount you get every year, even if you wanted more. With the Trust Fund, there are no strings attached. We have an international agreement with these donors and they have been very kind in considering our needs as an independent country. The income we get from this is based on the expectation that the Tuvalu government will be managing it very carefully. And this is also the main interest in Tuvalu. We have the highest interest in seeing that the Fund continues to grow.

We understand that with misuse of income, the Fund may in fact lose in real terms — its real value may diminish. So we have this at the forefront of our thinking and we must make sure that the Fund grows every year by ploughing back some of the income from it. The best thing about it is that it is free from any strings and it's entirely up to the Govern-

ment and Parliament of Tuvalu to manage that and to use the income sensibly and properly.

► *Tuvalu has few resources, you said. What steps have been taken so far to ensure that the Tuvaluans, who now number 9 000, do not grow faster in numbers than the resources available for them?*

— The Government has undertaken what I may describe as an intensive family planning campaign since independence. And although the birth rate is decreasing, we haven't reached our target yet. This is one way of trying to control this population growth. At the same time we are trying our best to exploit our potential resources—especially the sea—the best we can. We are trying to do everything possible to exploit the fisheries and other marine resources, because that is the only long-term potential resource for this country.

We are also, of course, looking at tourism. We have some encouraging reports from experts in the tourist industry that it is a possibility for this country. So we are trying to lay the groundwork for the infrastructure: hotels as well as communications — including airline links to bring tourists to the country. We also try to maintain overseas employment for our youth. And there are a few other possibilities, like coconut oil, of which we hope to export a few tonnes.

► *It might be easy to bring tourists from abroad to Tuvalu. But how would they go from one island to the other? Don't you have a serious problem of*



The Seat of Government, with a Japanese volunteer

communication between the nine islands that make up Tuvalu?

— This is one real problem that we are fully aware of. And this is included in what I said about laying the infrastructure for tourism. We are trying to improve inter-island transport by a better shipping service. We've got a new ship from the UK, and we are looking into the possibility of an internal air service in this country. We have had one before, but we found it a bit expensive to run. We had to subsidise it heavily. This was an internal sea-plane service which landed in the lagoons. We have only two islands with no lagoons. All the others have lagoons where these planes land satisfactorily. We are looking at the question of having either another sea-plane service, or a land-based one, for tourists as well as to improve transport within the country for our own people.

► *To what extent has the EEC participated usefully in the development of your country?*

— The EEC has been very useful from the beginning, and I must say they are becoming increasingly important now to Tuvalu. They are coming with big projects now. In the beginning we started off with small ones like funds for building copra sheds and some solar power panels and a few other small projects. They have come now into the main projects such as the electrification of the headquarters here and the low-voltage supply project in the country. They are also involved in a much bigger land reclamation and coastal protection project: building sea walls to protect the land being eroded by the sea.

► *What kind of bilateral relationship would you develop with the other states of the ACP Group?*

— We ACP can do a lot of things, just like any other organisation, like the Commonwealth Group, like ASEAN, or even like the South Pacific Forum. Our ACP States may get into a group of that sort which can become another organisation of their own, trying to solve their own problems by discussing them and seeking ways of helping each other as a group. It is possible. ◊

Interview by L.P.

EEC-Tuvalu coopération

by Stefan ZENS (*)

Tuvalu is certainly the world's smallest ACP state which joined the EEC-ACP cooperation only under the Lomé I Convention some ten years ago, when Tuvalu became an independent ACP country.

The country comprises a total of only 25.9 square kilometres of land-mass for some 8 000 inhabitants, and the biggest island—Vaitupu—accounts for 5.6 square kilometres only. Tuvalu—former Ellice Islands—stands for "Cluster of Eight" even if in reality the country consists of nine atolls, scattered over 560 kilometres from north to south, rising no more than 5 metres above sea level, 'lost' in 1.3 million square kilometres of ocean.

The main island and economic centre of Tuvalu is the island of Funafuti with 2.8 square kilometres and an average width of 100 metres and a population of 2 810 people.

Tuvalu is also the world's smallest country in terms of GDP (ECU 4 million in 1982) and the economy is subsistence in character. Subsistence activities dominate life in all islands outside Funafuti with their principal components of village agriculture, fishing, house-and-boatbuilding and a wide range of social and cultural activities and handicrafts. The GDP per capita is estimated at ECU 490, but conceals a wide imbalance between the outer islands (ECU 190) and Funafuti (ECU 690).

In accordance with the size of the country and its economy, Tuvalu received—in EDF terms—modest development aid from the EEC, which however represents a very sensitive support to relevant sectors of Tuvaluan life.

With the national indicative programmes, funds were made available to Tuvalu—from Lomé I: ECU 606 000, Lomé II: ECU 1 000 000, and Lomé III: ECU 2 500 000—and these funds were allocated in accordance with the priorities set in the indicative programmes which are:

- Rural development;
- Electrification;
- Coastal protection.

Rural development

This sector received or will receive under the three Lomé Conventions various forms of assistance for rural development implemented through microproject programmes.

It started under Lomé I with the construction of copra storage sheds and retail stores for the copra society (cooperative) in order to improve storage and commercialisation of the only major export cash crop the country is producing. This programme allowed, on the one hand, an increase in income of the inhabitants on the outer islands by selling higher graded copra due to improved storage.

On the other hand the EEC-Tuvaluan cooperation tried to improve living conditions in the rural environment. This was started under Lomé I and later Lomé II through microproject programmes for the construction of water tanks and water catchment areas. Tuvalu has no ground water and no rivers to be exploited for drinking water and therefore the population is entirely dependent on rain-water.

When these microproject programmes started in 1981 the Tuvaluan population had wholly insufficient water storage capacities and therefore 840 individual house water-tanks were erected and 690 water catchment areas prepared. This pro-

Community operations in Tuvalu

1975-1988 Lomé I, II and Lomé III

Rural Development

Lomé I: first microproject programme: ECU 126 657

Lomé I: second microproject programme: ECU 74 000

Lomé II: first microproject programme: ECU 148 000

Lomé III: first microproject programme (*): ECU 462 175

Electrification

Lomé I: Funafuti power plant: ECU 400 000

Lomé II: Funafuti power plant: ECU 185 000

Lomé II: Electricity distribution study: ECU 13 000

Lomé II: Electricity distribution project: ECU 305 200

Lomé III: Power supply consolidation (*): ECU 300 000

Coastal protection

Lomé II Phase I: Coastal protection: ECU 379 000

Lomé III Phase II: Coastal protection: ECU 800 000

Stabex

Lomé I: ECU 174 729

Lomé II: ECU 141 635

Lomé III: ECU 102 407

(*) On appraisal.



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Coastal protection is one of Tuvalu's priorities, and the Community is actively participating

(*) Adviser, EEC Delegation (Tonga).

gramme resulted in making a new watertank available to every tenth inhabitant of Tuvalu.

This very successful support to the rural environment encouraged both the EEC and Tuvalu to undertake further improvements to living conditions in rural areas by providing electric power supply to the people on the outer islands.

As central diesel power generating was ruled out for the outer islands because of dependence on imported petrol, it has been decided to intensify photoelectric solar power for individual house-by-house installation. This Lomé III microproject programme, which is still under appraisal, is the direct outcome of a regional alternative energy pilot project which proved overall to be successful for this kind of photoelectric solar power supply.

Electrification

Besides rural development through microproject programmes, EEC cooperation focussed, since the first Lomé Convention, on the improvement of the power supply to Funafuti, the main island of Tuvalu with the highest concentration of population. The old diesel powerplant was insufficient and inadequate for the fast-growing demand for electric power. Therefore under Lomé I and Lomé II a new powerhouse with four 150 KVA generators was built, including a power reticulation project for the distribution of electricity over the island. The achievements of this programme are supposed to be consolidated under a further Lomé III project, which will make up the financial shortcomings of the previous Conventions.

Coastal protection

The third facet of EEC cooperation with Tuvalu is the Coastal protection programme. Tuvalu is a group of low-lying atolls which are in permanent danger of losing precious land through erosion by the ocean waves.

Even if the islands are relatively protected against the modest ocean swell generated by the trade winds, the stronger westerly winds during the so-called hurricane season create major erosion every year. Therefore in 1985 a Coastal protection project under Lomé II was started and will

PROFILE

There are nine islands Funafuti, Niulakita, Nukufetau, Nui, Niutao, Nanumea, Nukulaelae, Nanumanga and Vaitupu.

Total land area: 26 km².

Independence: 1 October 1978.

Capital: Funafuti.

Population: 9 000 inhabitants, about a quarter of them living abroad.

Head of State: Queen Elizabeth II. Tuvalu is a member of the Commonwealth

Prime Minister: Tomasi Puapua (since independence).

Exports: Copra, the only agricultural export (350 t).

Imports: Most consumer and capital goods, often amounting to 20 times the small export revenue.

Partners: Australia, New Zealand, Fiji, Kiribati and New Caledonia.

Currency: The Australian dollar (A\$). However, there are dollar coins worth A\$1 in circulation on the islands.

Languages: Tuvalu, which is very common, although English is the working language.

continue until 1992 under Lomé III in order to protect villages and scarce agricultural land.

Stabex

Tuvalu regularly receives rather modest Stabex transfers for its only

exported agricultural product which is copra. The total amount of transfers up to date are ± ECU 420 000 for the period of 12 years and this reflects the fact that most agricultural production is used for subsistence and only a very small amount of surplus goes out as export. ○ S.Z.

Railway management in sub-Saharan Africa

by Bernard ZOBA (*)



ANDECAM

From 21 to 25 November 1988 a seminar on railway management in sub-Saharan Africa was held at ESACC in Brazzaville. It was organised by the World Bank and the United Nations Economic Commission for Africa (ECA) as part of the programme for transport in sub-Saharan Africa, with help from the Canadian International Development Agency (CIDA), the Union of African Railways (UAR) and the Office Français de Coopération pour les Chemins de Fer et les Matériels d'Équipement (OFERMAT). The seminar was financed by Canada and

France, with OFERMAT providing the material organisation.

The seminar was intended for Directors-General of railway networks and Directors of Transport in the supervisory ministries concerned. Seventy-seven delegates attended the seminar, including representatives from the following countries: Angola, Benin, Botswana, Burkina Faso, Cameroon, Congo, Côte d'Ivoire, Djibouti, Gabon, Ghana, Kenya, Madagascar, Malawi, Mali, Nigeria, Senegal, Sudan, Tanzania, Togo, Uganda and Zaire.

There were three themes: reducing costs by improved management, optimising the management of transport and transit traffic, and improving maintenance.

Reducing costs by improved management

The problem is that governments intervene in various ways in railway management. All these interventions taken together reduce the authority and responsibility of railway network managers and have an adverse effect on the running and efficiency of the railways.

A strategy for action will therefore have to be drawn up with the Government to define and clarify each side's objectives.

The railway system must have a clear idea of its aims, and the Government must have a very well defined transport policy. These mutual undertakings could be expressed in the

(*) Railway training expert at the Ecole Supérieure Africaine des Cadres de Chemin de Fer (ESACC), Brazzaville, Congo.

form of a memorandum of understanding. The UAR must send the national railway networks a model memorandum which could be amended according to the particular circumstances of the individual railway network.

As regards *cost control*, the main cost factors in African railways are staff, capital, fuel and spare parts. The basic idea is that the railway system must have adequate control over its costs and must be committed to reducing them where necessary. The railway network must set up a system to provide continuous information on costs. At the same time, railways must improve the quality of their services to maintain their income and business position. They must improve their working methods to anticipate customers' wishes and satisfy their needs. This area should be supervised by Directors-General of railway networks.

Another important element in good management is *staff motivation*. High quality services can be provided only by well-trained and motivated staff. Staff can be motivated by stimulating work, good leadership, rewards for productivity, punishment for those who do not work properly, and good communications between different levels within the organisation. This area is clearly within the Director-General's responsibilities.

As for *information and communications*, each railway network must establish reliable systems for providing the information needed for efficient operation and meeting the requirements of cost control, improving services and staff motivation. Cooperation between railway networks, in particular those which exchange traffic, must increase and must lead to exchange agreements on consignment notes and common customs procedures. A model information system based on the World Bank's work must be prepared on a personal computer and sent to the African railway networks.

Optimising the management of transport and transit traffic

Marketing has become a necessity for all African railways, whether or

Some figures

Sub-Saharan Africa has some 153 982 railway workers and the total length of railway networks there is over 25 212 km, according to OFERMAT. The length of the main lines is 610 km in the Congo, 1 155 km in Burkina Faso and Côte d'Ivoire, 579 km in Benin and Niger, 642 km in Botswana, 1 115 km in Cameroon, 786 km in Djibouti and Ethiopia, 650 km in Gabon, 662 km in Guinea, 1 085 km in Kenya, 901 km in Madagascar, 789 km in Malawi, 642 km in Mali, 906 km in Senegal, 4 954 km in Sudan, 1 860 km in Tanzania, 495 km in Togo, 4 664 km in Zaire, 848 km in Zambia and 1 874 km in Zimbabwe.

These networks have 2 000 locomotives, 6 000 carriages and 80 000 wagons, and each year they carry several billion passenger/kilometres and 25 billion tonne/kilometres of freight.

(Source: AFP/OFERMAT)

not competition and profit are part of the system. A commercial state of mind must be developed. African railway marketing services must have sufficient authority to commit the railway systems to new products and price levels for them.

Training in marketing and other commercial activities is an absolute



With 4 954 km of track, Sudan's is the biggest rail network in sub-Saharan Africa

necessity in most African railway systems, and all African railway administrations ought to receive assistance from donors and financing organisations to set up a proper marketing structure.

There is also an urgent need for more efficient methods of determining total costs to serve as a basis in *determining costs*, and for use in negotiations with the Government on reimbursement for losses incurred by the railway system because of its obligation to provide a public service.

An appeal to the World Bank, CIDA, OFERMAT and the UAR is being launched to help sub-Saharan African railway networks develop a methodological approach to calculating costs, and instal systems to do this (micro-computers).

Operational improvements to the efficiency of traffic movements are necessary in several regions. Among the possibilities are:

- (i) increased use of dedicated trains and unit trains;
- (ii) increased use of containers;
- (iii) increased use of customs warehousing.

Dedicated trains can usually improve transport productivity by improving the utilisation of carriages. The practical development of dedicated trains requires agreement between the customer, the forwarding agent and the railway company.

Container transport is increasing in scale all over the world, and African ports have made, or are making, remarkable efforts to acquire handling equipment. In most cases the railways have not adapted to these changes in terms of container wagons and handling equipment.

Combined road and rail transport ought to be encouraged, too, since it attracts a considerable amount of traffic to the railways.

Customs formalities often lead to considerable delays in goods transport; the use of customs warehousing is one solution to this problem.

Quality of services, punctuality and safety are essential factors in a good transport system, and are demanded by customers. The UAR and other regional organisations could initiate a project leading to the development of

simple methods of monitoring and locating *at regional level*. With assistance from donors, systems for monitoring the movements and location of carriages should be offered to all networks which are members of the UAR.

Railways in sub-Saharan Africa have a lot to offer each other. In some areas the directors of networks meet annually, with working parties meeting more frequently. However, one of the major obstacles to regional cooperation is the fact that all accounts must be settled in foreign currency. A report on how to improve exchange facilities offered by banks, and thus increase the ability of the administrations of UAR member networks to overcome the limitations on currency exchange between African countries, has been drawn up by the Programme for Transport in sub-Saharan Africa (PTA) and should be made available to the railway networks via the UAR.

Improving maintenance

Finance for spare parts is the most important and difficult problem, because it disrupts efforts to improve organisation and leads to backlogs in maintenance and a low level of equipment availability.

Railway networks must present their governments with clear arguments setting out the results in loss of transport capacity resulting from insufficient allocation of foreign currency. At the same time, networks carrying international transit traffic should be allowed to retain all or part of the foreign currency earnings resulting. It would be useful for railway networks to open an account abroad to allow transfers and payments for reasonable amounts which had not been allowed for in the bud-

(1) A report for submission to the round table points out that maintenance of railway equipment in all sub-Saharan African countries "remains a matter of concern". It adds that maintenance "is so important economically that it should receive equal priority with investment in new equipment".

All railways in sub-Saharan Africa belong to the State or are under its control in one way or another. They have often been forced to charge below *average price*, and sometimes even below their cost price. Some delegates say that this is why there are not enough resources for equipment and maintenance (ed. note. Source: AFP).

The example of Benin

Exemplary railway modernisation work is currently under way in Benin. It is taking place north of Savé, on a 176 km section of the Cotonou-Parakou line, run by the OCEN (Organisation commune Bénin-Niger des chemins de fer et des transports) which plays an essential part in giving Niger access to the sea.

Built before 1936, this section of railway had never been ballasted. With increasing traffic (tripled in 20 years) it was deteriorating rapidly. The OCEN decided to restore it and obtained financial support from the FAC (Fonds d'aide et de coopération) and the CCCE (Caisse centrale de coopération économique) to acquire the equipment and materials needed for the site and for the initial phase of the work.

The work, which began in 1986 between Savé and Parakou, is being carried out by teams of OCEN personnel led by a French engineer sent by OFERMAT. Advancing at a rate of 300 m per day, it should be complete in 1990. Most of the rails are reused (as are the metal sleepers) and welded on site; the formation is being levelled and ballasted with 800 litres per metre.

The technical success of this operation is undeniable, but it is also a remarkable exercise in vocational training. It should be of great interest to African railway networks, because the cost is very moderate (F 340 000 per kilometre).

Source: OFERMAT (Office français de coopération pour les chemins de fer et les matériels d'équipement), 38, rue la Bruyère, F 75009 Paris).

get. In some cases special action by donors might be needed to obtain spare parts.

Directors-General of networks must give absolute priority to *preventive maintenance* and allocate sufficient resources to it. The need to circulate lists of non-moving stock from network to network has been pointed out. Training suited to the staff and the equipment to be main-

tained, and rigorous quality control are essential to increase productivity.

Equipment, especially motors, comes from too many different manufacturers and parts are never interchangeable: problems concerning spare parts, training and paperwork would be simplified by *standardising* equipment.

The UAR, which should encourage standardisation as much as possible, is in the process of developing technical specifications specially suited for local conditions.

In some cases savings could be achieved by *sub-contracting* certain maintenance tasks. However, it is necessary to evaluate the technical and financial capacity of private companies carefully and not be taken in by a company in a monopoly situation.

Lastly, most states are in favour of *cooperation between networks*. The UAR has worked to generate cooperation between networks in the following areas: standardisation of equipment, training requirements, joint use of facilities, human resources and their development and exchange of information. However, progress has been slowed down by financial and currency convertibility problems; help for the UAR in this respect is requested from the donors and other organisations, to enable the UAR to fulfil its objectives, including the activities of the Second African Transport Decade.

The Ecole Supérieure des Cadres de Chemin de Fer de Brazzaville has been cited as an example of practical cooperation between networks.

The Brazzaville seminar was needed: the main themes of reducing costs, improving management and improving maintenance correspond to the current objectives and preoccupations of all networks.

It is therefore to be hoped that the recommendations of the seminar will be followed by managers of Africa's railway networks: as the Minister of Transport and Civil Aviation of the People's Republic of the Congo rightly pointed out, they must "leave behind the attitude of permanent dependency which has for a long time spoilt the image of the railways".

B.Z.



The new Delors Commission

On Friday, 6 January the "Delors II" Commission held its first meeting. The four-yearly renewal of the European Commission was marked this time by two salient features: the nomination of two women Commissioners and a profound shake-up in the portfolios allotted to the 17 Commissioners. Thus, for the first time since it was created, the College of Commissioners is graced by two ladies, Christiane Scrivener (France) and Vasso Papan-dreou (Greece). And, apart from the new arrivals, the eight Commissioners who were members of the previous Commission have all, with the exception of Jacques Delors, confirmed as President for two years, been allotted

new responsibilities. (See the allocation of portfolios which follows).

As in the past, France, Germany, Italy, Spain and the United Kingdom each have two Commissioners, the other Member States—Belgium, Denmark, Greece, Ireland, Luxembourg, The Netherlands and Portugal—have one. The Commissioners took their oath of office before the Court of Justice of the European Communities on 20 January.

In addition, the Member States have nominated the following as Vice Presidents of the Commission for a two-year term: Frans Andriessen (The Netherlands), Henning Christopherson (Denmark), Manuel Marin (Spain), Filippo Maria Pandolfi (Italy), Martin Bangemann (Federal Republic of Germany) and Sir Leon Brittan (United Kingdom).



Jacques Delors
President, French, 64, former MEP, former Minister of the Economy, Finance and Budget. President of the Commission since January 1985

EEC

Manuel Marin takes over from Lorenzo Natali

Manuel Marin, Lorenzo Natali's successor as European Development Commissioner combines his responsibility with that of Fisheries Commissioner. On the accession of Spain and Portugal to the Community, he was made Vice-President of the Commission with responsibility for Social Affairs, Employment, Education and Training.

The new Development Commissioner is the youngest member of the Commission. Born in Ciudad Real in 1949 he studied law at the University of Madrid and then at the University of Nancy where he obtained a Masters Degree in Community Law. His interest in Europe has been a constant feature of his career, and having obtained a diploma from the College of Europe at Bruges (Belgium) he became an assistant lecturer in the law faculty. He was elected to the Lower House of the Spanish Cortes, and was a member of the Consultative Assembly of the Council of Europe at Strasbourg (France) as well as a member of the European Parliament-Cortes General Joint Committee. From December 1982 to December 1985, he paved the way for Spain's accession to the European Community as Secretary of State for Relations with the European Communities.



Manuel Marin
Vice-President, Spanish, 39, lawyer, former member of the Cortes, former Secretary of State for Relations with the European Communities, member of the Commission since January 1986

EEC



EEC

Frans Andriessen

Vice-President, Dutch, 59, Doctor of Laws, former MP, former Finance Minister, member of the Commission since 1981



EEC

Henning Christopherson

Vice-President, Danish, 49, economist, former MP, former Minister of Foreign Affairs, Deputy Prime Minister and Minister of Finance. Member of the Commission since 1985



EEC

Filippo Maria Pandolfi

Vice-President, Italian, 61, holds a philosophy degree, former MP and holder of various ministerial portfolios between 1976 and 1988, former Chairman of the IMF interim Committee

The portfolios

Jacques Delors: Secretariat-General and Legal Service; monetary affairs; Spokesman's Service; Forward studies unit; Joint Interpreting and Conference Service; Security Office

Frans Andriessen: external relations and trade policy; cooperation with other European countries

Henning Christophersen: economic and financial affairs; coordination of structural Funds; Statistical Office

Manuel Marin: cooperation and development; fisheries

Filippo Maria Pandolfi: science, research and development; telecommunications, information technology and innovation; Joint Research Centre

Martin Bangemann: internal market and industrial affairs; relations with the European Parliament

Sir Leon Brittan: competition; financial institutions

Carlo Ripa di Meana: environment; nuclear safety; civil protection

Antonio Cardoso e Cunha: personnel, administration and translation; energy and Euratom Supply Agency; small business, distributive trades and tourism; cooperatives

Abel Matutes: Mediterranean policy; relations with Latin America and Asia (except Far East); North-South relations

Peter Schmidhuber: budget; financial control

Christiane Scrivener: taxation and customs union; matters relating to the overall tax burden (taxes plus social security contributions)

Bruce Millan: regional policies

Jean Dondelinger: audiovisual and cultural affairs; information and communication; a people's Europe; Office for Official Publications

Ray MacSharry: agriculture; rural development

Karel Van Miert: transport; credit and investments; protection and promotion of consumer interests

Vasso Papandreou: employment, industrial relations and social affairs; human resources, education and training



EEC

Martin Bangemann

Vice-President, 54, German, Doctor of Laws, former MP and MEP, in which latter capacity he was Chairman of the European Liberal and Democratic Group, former Federal Economics Minister



EEC

Sir Leon Brittan

Vice-President, 49, British, barrister and Queen's Counsel, Privy Councillor, former MP, Home Secretary and Secretary of State for Trade and Industry



EEC

Carlo Ripa di Meana

Italian, 59, journalist, former MEP, former President of the Italian Institute for International Development Cooperation. Member of the Commission since January 1985



Antonio Cardoso e Cunha

Portuguese, 56, degrees in chemical and industrial engineering, former MP, former Minister of Agriculture and Fisheries. Member of the Commission since 1986



Christiane Scrivener

French, 63, with degrees in law, literature and psychology, and a diploma from the Harvard Business School, former MEP and State Secretary for Consumer Affairs



Ray McSharry

Irish, 50, businessman, former MP and MEP, and held the posts of Minister of Agriculture, deputy Prime Minister and Minister of Finance and the Civil Service



Abel Matutes

Spanish, 47, lawyer and economist, former MP, former managing director, lately national Vice-President of the Popular Alliance Party. Member of the Commission since 1986



Bruce Millan

British, 61, accountant, former MP and Secretary of State for Scottish Affairs, Privy Councillor



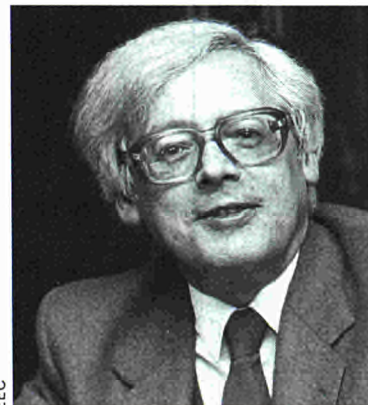
Karel Van Miert

Belgian, 47, with a degree in political science, former MP and MEP, former Chairman of the Flemish Socialists and Vice-President of the Socialist International



Peter Schmidhuber

German, 57, lawyer and economist, former MP, former Bavarian Land Minister for Federal Affairs, former member of the German upper Chamber, the Bundesrat, member of the Commission since 1987



Jean Dondelinger

Luxembourger, 58, doctor of laws with a degree in political science, formerly Luxembourg's Permanent Representative to the Communities, former Chairman of the negotiating group for the Single European Act



Vasso Papandreou

Greek, 44, doctorate in economic sciences, former lecturer, former deputy Minister, first of Industry, Energy and Technology, latterly of Trade

CEREALS

Cereals, on reflection, have played no mean part in the history of mankind.

Two hundred years ago this year, in the revolution of 1789, the dearth of bread helped to topple France's centuries-old monarchy, and governments can—and do—still reel when lack of grains or flour leads to popular unrest. The first cry of the Russian revolutionaries in 1917 was not, after all, for social change, but for “bread, land and peace”. And it is not only the unavailability of cereals or their end-products that is potentially threatening: surpluses, too, can lead to tensions, as witness the periodic grain “wars” between the major grain exporters of today's world, the USA, Canada, Australia and the EEC.

Any commodity is, of course, politically significant if—as is the case with cereals—huge economic and social interests are at stake. But grains are particularly significant because, according to place and to purse, maize, wheat, barley, sorghum, millet or rice form the basis of the diets of both the poor and the rich. (After all, didn't Queen Marie-Antoinette, when told that the people of Paris had no bread, suggest that they eat cake?)

As always, however, it is the poor who are most vulnerable in times of penury. When the bare necessities of life are missing, let alone the minor luxuries, there is discontent and, frequently, danger.

The happy medium between too much and too little is extraordinarily difficult to find and to sustain. Europe, for example, now produces too much, and pays its farmers to reduce output. In much of the developing world, on the other hand, food crop production has long been neglected, and an exaggerated dependence on imported cereals has come about even when, in theory, nations have the capability of achieving not merely sufficiency but surplus. Shrinking foreign exchange reserves or the exigencies of structural adjustment programmes have forced many such countries to halt the surge in imports and to encourage a return to both the growing and the consuming of local cereal crops.

Such reversals are by no means easy to achieve. It is not merely a question of stimulating domestic production, whether by use of improved strains, or of improved cultivation techniques, attractive pricing policies, provision of adequate storage facilities and fair and efficient distribution systems — and all this in countries in which the food-consuming (town) populations are frequently growing faster than the food-producing (country) populations. There is also the question of reversing consumer habits, of weaning the consumers off food which could well be cheap, tasty and easily-prepared, and trying to persuade them to purchase instead products which may possibly be no cheaper, less tasty, more laborious to prepare and lacking in overtones of social advancement.

Our *Dossier* looks at the trends in cereals production and trade in the recent past and at projections for future developments in the world of grains, particularly in the context of world food security. It examines the import “trap” into which a number of sub-Saharan Africa and other ACP countries have fallen in the past and looks at efforts now being made to promote locally grown cereals such as maize, sorghum and millet. The potential contribution of rice to Africa's food security is also looked at in some detail, as are the risks and rewards of managing a successful cereals sector such as that of Zimbabwe.

On paper, Planet Earth is not only capable of feeding its present billions, but also—all things being equal—the 10 or 11 billion population expected by the year 2100. The challenge of world food security is getting the food to those who need it at prices that they—and the nation—can afford. And that challenge, because of the preeminence of cereals as staples, is very much that of world cereals security.

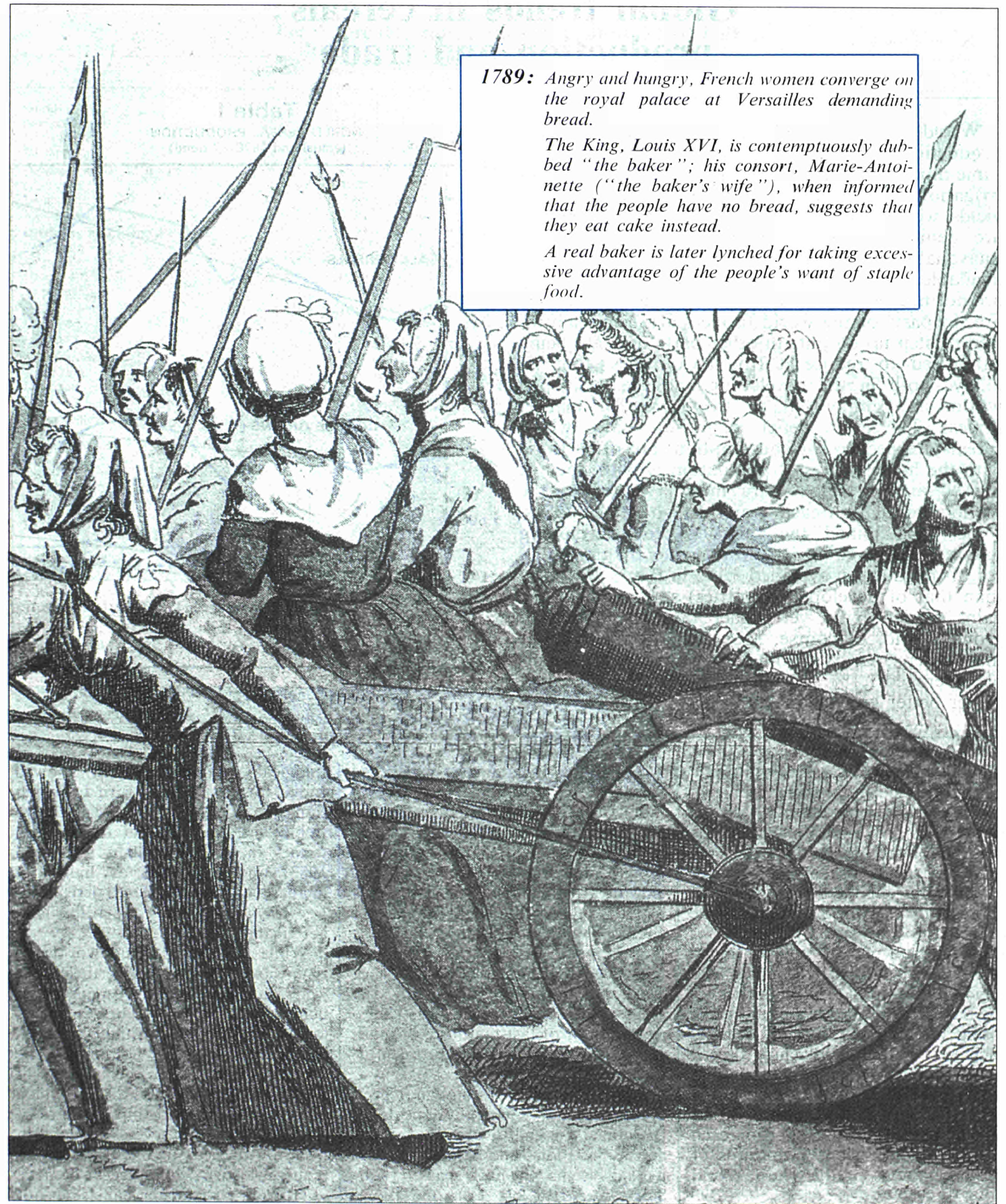
The very fact that, 200 years on from Marie-Antoinette, Europe—with all its wealth and know-how—still faces difficulties in regulating its cereals markets, illustrates the enormity of the task facing less advantaged nations.

Myfanwy VAN DE VELDE

1789: Angry and hungry, French women converge on the royal palace at Versailles demanding bread.

The King, Louis XVI, is contemptuously dubbed "the baker"; his consort, Marie-Antoinette ("the baker's wife"), when informed that the people have no bread, suggests that they eat cake instead.

A real baker is later lynched for taking excessive advantage of the people's want of staple food.



Global trends in cereals: production and trade^(*)

World cereals production, like world food production as a whole, is a mass of ironies. At the same time as varietal improvements, or greater use of irrigation or of fertilisers are resulting in ever-greater yields worldwide, ever-growing numbers of people are denied access to supplies, whether by local unavailability, or by their inability to pay for what is available. Surpluses are being produced where they are not needed for consumption, and not where they are. In parts of the world farmers are being subsidised to step up output; in other parts they are being subsidised to reduce it (the lucky ones, that is; many—both in the developing and the developed world—are simply left to the mercy of market forces). The grain deficit countries (those where cereals are needed for consumption) are often those with the highest rates of population growth, too: of the 80 million or so extra mouths added to the world's population each year throughout the 1980s, some 75 m joined the ranks of the developing nations. These countries, whose rate of growth in cereals production averaged 3.1% in the 1970s (more than that of developed countries) saw much of the gains eroded by a yet higher rate of population growth. And, of course, some regions fared better than others. Africa's annual growth rate, for example, averaged 1.1%, though the 1980s have witnessed rather better growth, at 1.9%.

Production of cereals worldwide has risen steadily over the past 20 years and continues to do so (see Tables I, II and V). One of the reasons for the increase has been the slow but steady rise in the acreages under crops. In the final quarter of this century the world's croplands are expected to increase by some 4%, though there is, of course, much unevenness country by country and region by region. (The countries of the Sahel, for example, are said to be losing an area the size of Belgium each year to the encroaching desert, and a country such as Lesotho, in which only 13% of the total land is cultivable anyway, loses a proportion of that already small proportion each year through erosion. Two-thirds of the populations of the Third World

live, in fact, in countries which are "land scarce" — that is in which more than 70% of the potential arable land is already being farmed).

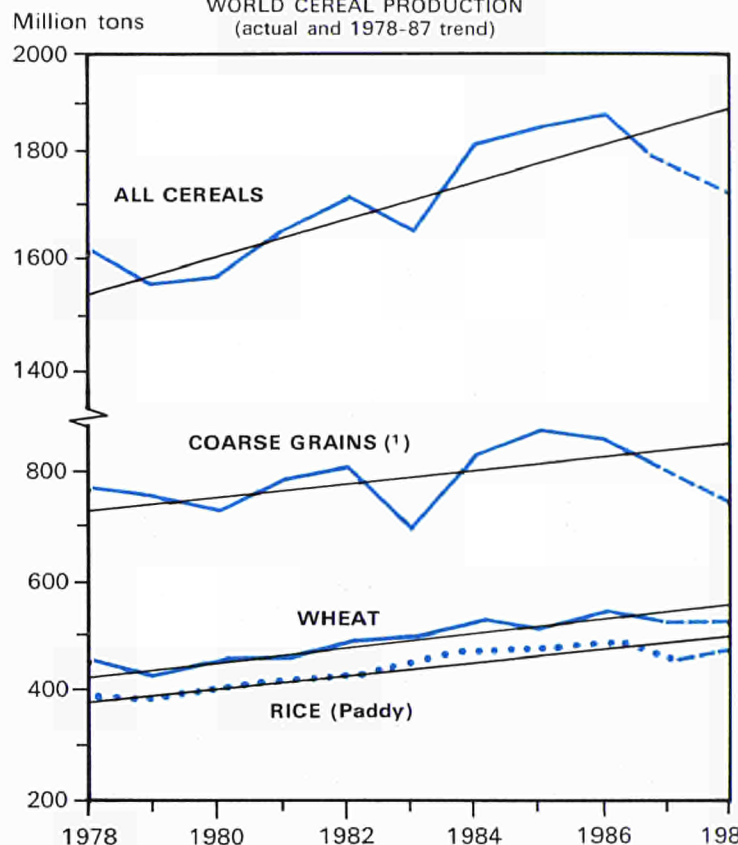
A much higher proportion of the growth, however (as much as 80%), is to be attributed to the higher productivity of croplands. A number of countries increased their grain yields by as much as 20% between the mid-'70s and the mid-'80s (see Table III), due variously to the greater use of fertilisers, pesticides, irrigation or of fast-maturing or high-yield varieties or improved agricultural practices.

Again, the increases have not been evenly spread. Generally speaking, the famed Green Revolution, as witnessed in India and China in particular, seems to have passed sub-Saharan Africa by. For one thing, Africa does not enjoy the same geographical, hydrological and clima-

tological combination that allowed India, for example, to turn to irrigation on a large scale. India almost trebled its grain output (from 55 m tonnes in 1950 to 140 m tonnes in 1983) and as much as half that increase is attributable to irrigation. In Africa, only 2% of the arable land is irrigated.

While the overall trend worldwide is upwards, there are nevertheless fat years and lean years in cereals production. Weather is of course a crucial factor. In the 1980s drought has been the main scourge — not merely the drought in the Sahel and in parts of East and Southern Africa, which caused so much hardship and loss of life, but also the severe drought in North America in 1988. Another scourge, locusts, caused great damage to crops in parts of the Sahel, but not on the whole the wide-scale devastation that had been feared. They

Table I

WORLD CEREAL PRODUCTION
(actual and 1978-87 trend)

(1) Coarse grains include cereals such as barley, rye, oats, maize, sorghum and millet.

(*) FAO/MvdV.

Table II
Total cereals production and trade (1979-1989)

(Thousand metric tons)

	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89 (*)	Growth %
World											
production	1 427 883	1 433 962	1 513 514	1 569 458	1 492 958	1 650 048	1 686 203	1 706 407	1 646 420	1 574 966	1.67
J/J (1) import	196 925	206 249	211 792	195 505	202 305	216 717	181 077	188 300	196 832	197 508	-0.67
J/J export	196 908	208 436	214 445	194 832	201 885	219 116	181 094	187 210	197 470	198 823	-0.67
Developed inc. E. EUR+USSR											
production	797 526	789 445	831 386	870 481	743 470	875 294	909 390	912 729	861 180	764 294	0.67
J/J import	107 191	108 780	114 424	90 145	92 612	108 151	81 726	77 941	80 260	78 508	-5.00
J/J export	173 471	182 146	182 461	162 090	165 099	181 439	143 506	154 996	173 141	166 344	-1.00
Developing inc. Asian CPE (2)											
production	630 357	644 517	682 128	698 978	749 488	774 754	776 812	793 678	785 239	810 672	2.67
J/J import	89 735	97 469	97 368	105 360	109 693	108 565	99 351	110 359	116 572	119 001	2.33
J/J export	23 437	26 290	31 984	32 742	36 787	37 677	37 588	32 214	24 328	32 479	1.67
ACP African											
production	38 686	41 368	43 477	43 125	40 969	38 262	49 926	52 594	44 380	54 536	2.67
J/J import	7 557	9 280	9 994	8 963	10 302	12 851	10 266	9 402	8 004	8 671	0.33
J/J export	592	365	603	1 032	681	337	1 131	1 651	848	1 323	7.67
ACP Caribbean											
production	351	391	377	417	355	422	403	377	374	364	0.00
J/J import	800	837	887	938	893	888	839	962	925	928	1.33
J/J export	195	196	191	176	135	181	120	191	146	186	-2.00
ACP Pacific											
production	19	17	19	25	26	25	25	25	25	25	3.33
J/J import	265	237	289	262	298	307	359	254	334	351	3.00
J/J export	1	1	0	0	0	0	0	0	0	0	0
ACP total											
production	39 056	41 776	43 873	43 567	41 351	38 709	50 354	52 996	44 779	54 925	2.67
J/J import	8 621	10 353	11 171	10 164	11 494	14 046	11 464	10 618	9 263	9 950	0.33
J/J export	787	563	794	1 208	815	518	1 251	1 842	994	1 509	6.67

(*) Projection.

(1) June/July.

(2) Centrally Planned Economies.

remain, naturally, a threat to crops still to be harvested, but, generally speaking, Africa's 1988 harvests have been good.

Low level of stocks

World output in 1988 was low, however — even lower than 1987,

which was itself a below-average year. As a result a situation is developing in the position of cereals stocks which might be considered alarming. The drawdown anticipated during 1988/89 will, for the first time since the world food crisis of the early 1970s, bring stocks below the minimum level considered by the FAO as consistent with the safeguarding of world food security (see Table IV).

Trade

Trade in cereals has developed greatly in past decades. The volume of trade quadrupled in the years between 1950 and 1980 standing, in 1988, at some 12 m tonnes of rice, 98 m tonnes of wheat and 89 m tonnes of coarse grains. The value of traded grains rose even more sharply than their volume, but prices have also become very much more volatile. Rapid price rises or collapses are now not uncommon in markets which, as late as the 1960s, were renowned for their stability and dependability.

Grain deficit countries also increased their dependence enormously, by an annual average of 12 % throughout the 1970s.

Table III
Grain yield in selected countries, 1974-76 and 1981-83

	Average yield (kilograms/hectare/year)	
	1974-76	1981-83
Netherlands	4 771	6 357
Japan	5 620	5 278
Korea, Republic of	4 140	5 183
Germany, Federal Republic of	3 973	4 623
Egypt	3 921	4 254
United States	3 339	4 075
Korea, Democratic Republic of	3 590	4 010
German Democratic Republic	3 575	3 834
China	2 479	3 399
Indonesia	2 338	3 165
Canada	2 027	2 355
Argentina	1 971	2 353
Mexico	1 698	2 273
Bangladesh	1 771	1 993
Thailand	1 882	1 960
South Africa	1 403	1 608
Brazil	1 420	1 591
USSR	1 466	1 448
India	1 179	1 435
Australia	1 384	1 298
Ethiopia	966	1 280
Portugal	1 118	962
Nigeria	662	696
Sudan	645	603
Niger	395	408

Source: UN Food and Agriculture Organisation (FAO), *Production Yearbook 1983*, Vol. 37 (FAO, Rome, 1984).

Table IV
World carryover stocks
of cereals

	Crop years ending in:		
	1987	1988 estim.	1989 f ^{cast}
	(million tons)		
Wheat	168	146	120
Coarse grains	230	211	121
Rice (milled)	51	39	36
Total	449	396	277
of which:			
Main exporters	274	230	116
Others	175	166	161

Source: FAO.

The reasons for the surge in trade were many and varied. There were technical causes such as the ending of fixed exchange rates, the huge Soviet and Indian grain purchases of 1972, and the 1973 oil crisis. The free availability of credit to importing countries was another contributory factor, but there were also more subtle reasons, having to do with changing attitudes to agricultural trade. One of these, most interestingly, is described as "the lifting of a psychological barrier to the importing of foodstuffs — not merely luxury items, but staples. The general presumption that nations should strive to be self-sufficient in food apparently began fading with the realisation that other regions might be able to provide food more cheaply" (1).

In the 1980s, of course, this mentality has undergone another dramatic reversal. Grain-importing countries continue to import—the habit is difficult to kick, as can be seen in the article on promoting local cereals on p. 71—but food self-sufficiency is back in favour, and with a vengeance. The concept of self-reliance in foodstuffs has been elevated almost to the rank of a spiritual ideal, a kind of eleventh commandment for developing nations.

* * *

These, very generally, have been the trends in grain production and mar-

keting over the past few years. What of the future?

The FAO publishes invaluable information on short-term trends in cereals production and trade in its monthly review, Food Outlook (see

box on the Global Information and Early Warning System), and in 1986 it published a major work entitled "Agricultural Commodity Projections to 1990". Though somewhat out of date by now—some of its supposi-

Cereals as animal feeds

Cereals tend to be thought of primarily in their capacity as the staple foods of human beings, consumed directly, either in processed or unprocessed form. However, the proportion of total world grain production that goes to feed animals (and therefore human beings, of course, indirectly) is enormous, as much as 50% worldwide. Throughout the early 1980s, when meat consumption reached hitherto unprecedented levels, an estimated 600 million tons of cereals were being fed to livestock (including small livestock) annually, almost all of which in the form of wheat or coarse grains. (The use of rice in animal feedstuffs is insignificant globally).

The practice of using grains as feed is far more widespread in the developed world than in developing countries. In 1986, for example (see table below) some 63% of total grains was used to feed livestock in developed countries, whereas the percentage in developing countries was only 15%. And though the use of grains as animal feed continues to grow, the 1980s have witnessed a considerable slowing down in the rate of growth (from the

7.1% and 7.2% average annual rates of the '60s and '70s in the developing world to the 3.1% of the early 1980s and, in the developed world, from the 5.4% of the 1960s to the 1.5% and 1.7% of the '70s and early '80s).

Those who looked to animal feeds as playing a potentially significant role in resolving the surplus situation on the world markets in the 1980s would appear to be in for disappointment. Feed demand, despite low world market prices for grains, has not increased sufficiently for the slack to be taken up. The reasons are many (improvements in feed conversion ratios, changes in the levels and patterns of consumption of livestock products, relative prices of grains and other non-cereal feeds etc.). But many of those many reasons have to do with factors beyond the grain and livestock sectors — factors such as overall economic activity and consumer incomes, trends in food consumption, and—most importantly—the rate of (human) population growth. The demand for animal feedstuffs is derived, after all, from the demand for the end products of the livestock sector. ○

Trends in utilisation of cereals, 1961-86

Regions/ Uses		Averages				Growth rates		
		1961-70	1971-80	1981-86	1986	1961-70	1971-80	1981-86
		(Million tons)				(Percent p.a.)		
World	feed	346.6	506.6	597.4	631.6	5.6	2.4	2.0
	food	467.6	530.6	742.4	786.2	2.5	2.6	2.4
	total	953.6	1 209.6	1 560.7	1 652.6	3.6	2.6	2.3
Developed countries	feed	305.6	427.9	474.4	501.3	5.4	1.5	1.7
	food	147.6	147.4	156.9	160.0	0.1	0.1	0.7
	total	538.5	683.7	759.3	796.5	3.4	1.6	1.6
Developing countries	feed	40.6	78.8	123.1	130.3	7.1	7.2	3.1
	food	318.1	383.2	585.4	626.2	3.7	3.7	2.9
	total	415.1	525.9	801.4	856.1	3.8	4.0	3.0

Source: FAO.

(1) World Resources 1986 (International Institute for Environment and Development).

Table V
Cereals production and trade (wheat, coarse grains and rice) 1979-1989

(Thousand metric tons)

	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	Average annual growth rate 1979-89 %
Wheat											
World											
production	428 598	446 479	455 786	482 678	494 135	517 652	505 943	537 637	515 615	511 034	2.00
J/J import	86 737	91 714	99 392	96 864	100 402	103 543	83 619	89 889	103 214	97 130	0.67
J/J export	86 103	92 775	100 238	96 872	99 521	105 530	84 533	90 256	104 076	97 957	0.67
Developed inc. E. EUR + USSR											
production	268 334	295 271	294 133	301 952	298 641	311 788	299 961	317 364	300 048	294 888	0.67
J/J import	32 656	34 837	38 958	36 057	35 942	41 398	29 123	30 926	34 686	27 289	-2.00
J/J export	80 150	87 862	95 088	88 320	88 807	96 818	76 922	83 481	97 671	89 731	0.33
Developing inc. Asian CPE											
production	160 264	151 208	161 653	180 726	195 494	205 864	205 982	220 273	215 567	216 146	3.67
J/J import	54 081	56 877	60 433	60 807	64 460	62 146	54 497	58 963	68 528	69 841	1.67
J/J export	5 953	4 913	5 150	8 552	10 714	8 712	7 611	6 775	6 405	8 226	2.67
ACP African											
production	1 253	1 460	1 511	1 725	1 351	1 289	1 534	1 714	1 619	1 739	2.00
J/J import	3 725	4 091	4 910	4 561	5 284	6 739	5 263	5 511	4 366	4 508	1.67
J/J export	11	5	0	4	0	0	70	65	40	10	12.67
ACP Caribbean											
J/J import	360	408	368	418	424	429	410	474	473	473	2.67
J/J export	11	6	6	6	6	6	6	6	6	6	-4.67
ACP Pacific											
J/J import	120	105	138	125	141	140	162	163	159	164	3.67
J/J export	1	1	0	0	0	0	0	0	0	0	0
ACP total											
production	1 253	1 460	1 511	1 725	1 351	1 289	1 534	1 714	1 619	1 739	2.00
J/J import	4 205	4 604	5 416	5 104	5 849	7 308	5 834	6 147	4 997	5 144	2.00
J/J export	23	12	6	10	6	6	76	71	46	16	10.00
Coarse grain primary											
World											
production	746 983	720 761	782 254	803 195	697 320	817 793	864 669	852 868	821 954	744 102	1.00
J/J import	98 554	102 029	101 393	87 552	90 202	101 617	85 414	86 561	82 873	87 964	-2.00
J/J export	98 972	103 255	102 993	86 539	90 338	102 268	84 606	85 129	82 765	89 042	-2.33
Developed inc. E. EUR + USSR											
production	510 637	477 088	518 744	550 743	428 925	544 665	590 709	576 742	543 695	451 049	0.67
J/J import	72 618	71 244	73 035	52 245	54 804	64 628	50 446	44 947	43 985	49 479	-7.00
J/J export	88 911	89 672	83 608	70 468	73 390	81 719	63 206	68 310	72 357	73 098	-3.00
Developing inc. Asian CPE											
production	236 346	243 673	263 509	252 452	268 395	273 127	273 960	276 126	278 260	293 053	2.00
J/J import	25 936	30 785	28 359	35 307	35 398	34 968	41 614	38 888	38 888	38 485	3.67
J/J export	10 061	13 583	19 385	16 072	16 948	20 549	21 400	16 819	10 407	15 944	1.33
ACP African											
production	33 616	35 923	37 887	37 289	35 469	32 876	43 871	46 081	37 953	47 899	2.67
J/J import	1 687	2 735	2 146	1 754	2 139	3 238	2 062	1 123	1 450	1 725	-4.00
J/J export	546	340	595	1 023	671	330	1 053	1 577	790	1 305	7.67
ACP Caribbean											
production	31	32	34	32	27	28	31	30	37	37	1.33
J/J import	355	327	422	400	355	348	348	353	349	349	-0.67
J/J export	1	0	19	0	0	0	0	0	0	0	-315.00
ACP Pacific											
production	6	5	6	5	6	6	6	6	6	6	0.67
J/J import	20	26	27	16	25	22	28	29	25	25	2.00
ACP total											
production	33 653	35 960	37 927	37 326	35 502	32 910	43 908	46 117	37 996	47 942	2.67
J/J import	2 061	3 088	2 594	2 170	2 519	3 608	2 438	1 505	1 824	2 098	-3.33
J/J export	565	341	615	1 023	671	330	1 053	1 577	790	1 305	7.67

Source: FAO.

Table V (continued)
Cereals production and trade (wheat, coarse grains and rice) 1979-1989

(Thousand metric tons)

	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	Average annual growth rate 1979-89 %
Milled paddy rice											
World											
production	252 302	266 722	275 474	283 586	301 503	314 604	315 591	315 903	308 850	319 831	2.33
J/J import	11 635	12 506	11 007	11 089	11 702	11 557	12 044	11 850	10 745	12 414	0.00
J/J export	11 834	12 406	11 214	11 421	12 026	11 319	11 956	11 825	10 629	11 824	-0.33
Developed inc. E. EUR + USSR											
production	18 555	17 087	18 509	17 786	15 903	18 841	18 721	18 623	17 438	18 347	0.33
J/J import	1 917	2 699	2 430	1 843	1 867	2 126	2 157	2 068	1 589	1 740	-3.33
J/J export	4 411	4 613	3 765	3 302	2 902	2 902	3 379	3 206	3 113	3 515	-4.33
Developing inc. Asian CPE											
production	233 747	249 635	256 966	265 800	285 600	295 763	296 871	297 279	291 413	301 474	2.33
J/J import	9 718	9 807	8 577	9 246	9 835	9 431	9 887	9 783	9 156	10 674	0.67
J/J export	7 424	7 794	7 449	8 119	9 124	8 417	8 577	8 620	7 516	8 309	1.00
ACP African											
production	3 817	3 985	4 079	4 112	4 150	4 098	4 522	4 799	4 809	4 898	2.67
J/J import	2 145	2 453	2 939	2 648	2 879	2 875	2 941	2 768	2 188	2 438	0.33
J/J export	17	20	8	6	10	7	8	9	18	8	-5.67
ACP Caribbean											
production	320	359	343	384	328	394	372	347	337	326	0.00
J/J import	85	102	97	120	115	112	82	136	104	107	1.67
J/J export	182	191	166	169	128	175	113	185	140	180	-1.67
ACP Pacific											
production	13	12	13	21	21	19	19	19	19	19	4.00
J/J import	126	106	125	122	132	145	169	62	150	162	2.00
J/J export	0	0	0	0	0	0	0	0	0	0	0
ACP total											
production	4 149	4 356	4 434	4 517	4 498	4 511	4 913	5 165	5 165	5 243	2.33
J/J import	2 355	2 661	3 161	2 890	3 126	3 131	3 192	2 966	2 442	2 707	0.33
J/J export	199	210	173	175	138	182	122	194	158	188	-1.67

Source: FAO.

tions may now be substituted by fact—much of what is said about major developments and issues for cereals remains wholly valid in 1989. The following is its summary of actual and likely developments in the grain markets throughout the 1980s.

“World cereal production and consumption are projected to grow more slowly between 1979-81 and 1990 than during the 1970s. Production growth is projected to be 2.1% a year on average in the 1980s compared with 2.6% in the 1970s. Consumption growth would be 2% a year against 2.7% in the earlier period, reflecting the projected slowdown in incomes and population as well as the relatively small decline in real cereal prices compared with the steep fall that occurred in the 1970s.

The lower growth rate for cereals mainly reflects the slower growth of wheat and coarse grains, especially in developed countries, where demand, particularly for animal feed, will be limited by slow economic growth and where it is assumed that the growth in output would be limited in some countries by measures to cut back production. If such measures are not taken, production and stocks would grow more rapidly than has been projected. In the developing countries, production of all three groups of cereals—rice, wheat and coarse grains—is projected to expand at about the same rates as in 1970s, but progress will be uneven. Growth is projected to be substantial in Brazil, China, India, Mexico, Pakistan and Saudi Arabia, but slow or below

population growth in a number of other countries. Consumption in developing countries is projected to grow somewhat more slowly than in the 1970s, reflecting some slowing down in the rates in China, Latin America and the Near East after their fast growth in the 1970s.

While world trade in cereals is projected to be larger in 1990 than in recent years (when it has been well below its 1979-81 level), the expansion of trade would slow down even more than that of production and consumption—from 7.1% a year in the 1970s to only 1.8% a year over the projection period. This prospect reflects the deterioration in the balance of payments situation in many importing developing countries combined with

increased output in a number of major importing countries. As supplies in exporting countries are projected to be ample over the period to 1990, there would be continuing strong competition for export markets and a likelihood that export aids will continue to be used on a large scale. International market prices of cereals, though rising above their current depressed levels, would remain weak and lower in real terms than in 1979-81. These projected developments raise a number of critical issues for the world cereal economy and for particular regions and countries.

ers of maize, Colombia, which is a potential exporter of rice, as well as for a number of marginal exporters, such as Brazil, India, Kenya and Malawi, which only have occasional surpluses to sell. But such countries would not only have difficulty in finding markets; they might also find exports unprofitable at the low prices projected for 1990.

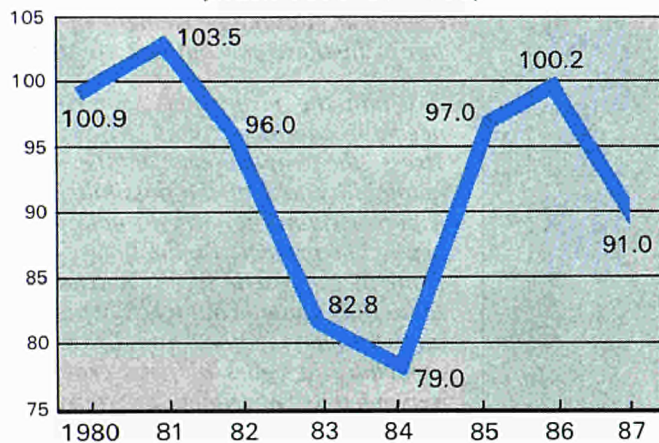
Secondly, as the period of over-supply on world markets is projected to continue, governments in some developed countries will need to tackle serious adjustment problems in order to match production more closely to effective demand. The projections assume

ment programmes and are discouraging new programmes to raise cereal output, especially those which are dependent on external financing. In addition, it will take time for some of the current efforts to improve production to have a significant impact.

Fourthly, because of their severe balance of payments problems, many developing countries will not be able to benefit fully from the low international prices of cereals by importing more. Cereal imports of low-income food-deficit countries, after expanding strongly by over 7% a year in the 1970s, are projected to grow through

Africa's cereal production per capita

(index 1979-81 = 100)



Source: FAO.

Low export prices: reduced benefit for producers such as Zimbabwe

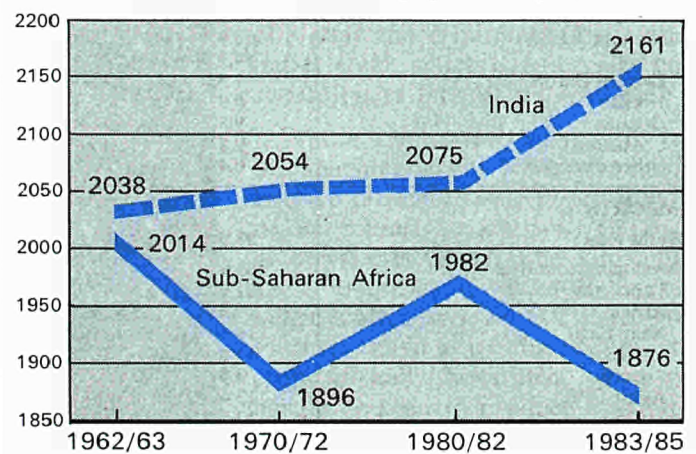
Firstly, exporting countries would face serious problems during the remainder of the current decade. In depressed world markets, competition will increase and their export earnings might rise only little or not at all. This would adversely affect both developed and developing countries, including low-cost producers, which do not give export subsidies or other aids to exports. The export earnings of developing countries which are heavily dependent on cereal export earnings, such as Burma and Pakistan (rice), Thailand (rice and coarse grains) and Argentina (wheat and coarse grains) are likely to be adversely affected. In addition, low export prices would be a cause of concern for countries such as Zimbabwe, which is projected to become significant and regular export-

that some action will be taken in this direction by the United States and the EEC while producers in Australia and Canada would respond to lower prices by shifting resources from the production of cereals to other crops.

Thirdly, despite ample supplies of cereals at the world level, the projected inadequacy of production and supplies in a number of developing countries in Africa, Latin America and Asia would continue to be of serious concern. Thus, while there has been a substantial recovery in Africa from the recent drought-affected levels, little improvement in per caput cereal output is projected for 1990 in most low-income food-deficit countries in the region, and in a number of them it may actually fall⁽¹⁾. Depressed international prices are making it difficult for governments to maintain farm support and invest-

(1) See illustration.

Calorie availability per capita



Source: Derived by WIDER from FAO.

the 1980s at just over 1% a year. Although this reflects the success of some countries in expanding production, in many cases it is due to an inability to purchase enough to meet even normal import requirements. In fact, the projections indicate a significant decline in per caput consumption in a number of countries in 1990. They would need a substantial increase in food supplies even to maintain the per caput consumption levels of 1979-81, even in years of normal crop conditions.

Stocks: a fragile balance

The projected market conditions in 1990 based on the assumption of normal weather and crop conditions. However, the experience of past years has shown that unfavourable weather and poor harvests in a few key countries could dramatically change the projected over-supply situation and lead to

Table VI
Wheat and coarse grains: world trade

	Wheat			
	1981/82- 1983/84 average	1984/85	1985/86	1986/87
EXPORTS	<i>Million tons</i>			
World total	98.9	105.6	84.3	89.6
Developing countries	8.1	8.7	7.5	6.7
Latin America	7.3	8.0	6.2	4.4
Argentina	7.1	8.0	6.1	4.3
Africa	—	—	—	—
Near East	0.6	0.4	0.9	1.6
Far East	0.3	0.3	0.4	0.6
Thailand	—	—	—	—
Asian CPE	—	—	—	—
China	—	—	—	—
Developed countries	90.7	96.9	76.7	82.9
North America	62.2	57.2	41.0	48.7
Canada	20.0	19.4	16.7	20.4
United States	42.2	37.8	24.3	28.3
Western Europe	15.9	19.0	15.5	16.4
EEC	14.9	17.4	14.3	15.0
Eastern Europe	1.5	3.4	2.8	2.0
USSR	0.9	1.3	1.0	1.0
Oceania	9.8	15.8	16.1	14.5
Australia	9.8	15.8	16.1	14.5
Other developed	0.4	0.2	0.3	0.3
IMPORTS	<i>Million tons</i>			
World total	98.9	103.8	83.8	89.1
Developing countries	61.9	61.9	54.4	58.8
Latin America	11.9	12.1	9.3	10.4
Africa	9.3	11.2	9.6	9.8
Near East	16.1	19.2	16.7	17.7
Far East	11.0	10.0	10.4	10.6
India	3.0	0.2	—	0.1
Asian CPE	13.4	9.2	8.2	10.1
China	12.7	8.4	7.6	9.4
Oceania	0.2	0.2	0.2	0.2
Developed countries	37.0	41.9	28.4	30.3
Western Europe	5.8	3.4	3.9	4.1
EEC	4.4	2.9	3.0	2.7
Japan	5.7	5.8	5.5	5.8
Eastern Europe	4.5	2.7	2.9	2.9
USSR	20.3	28.7	16.0	16.0
Other developed	0.7	1.3	1.1	1.5
VALUE OF EXPORTS	<i>Million US dollars</i>			
World total	18 695	18 233	15 286	12 981
Developing countries	1 221	1 251	1 413	507
Developed countries	17 474	16 982	13 873	12 474

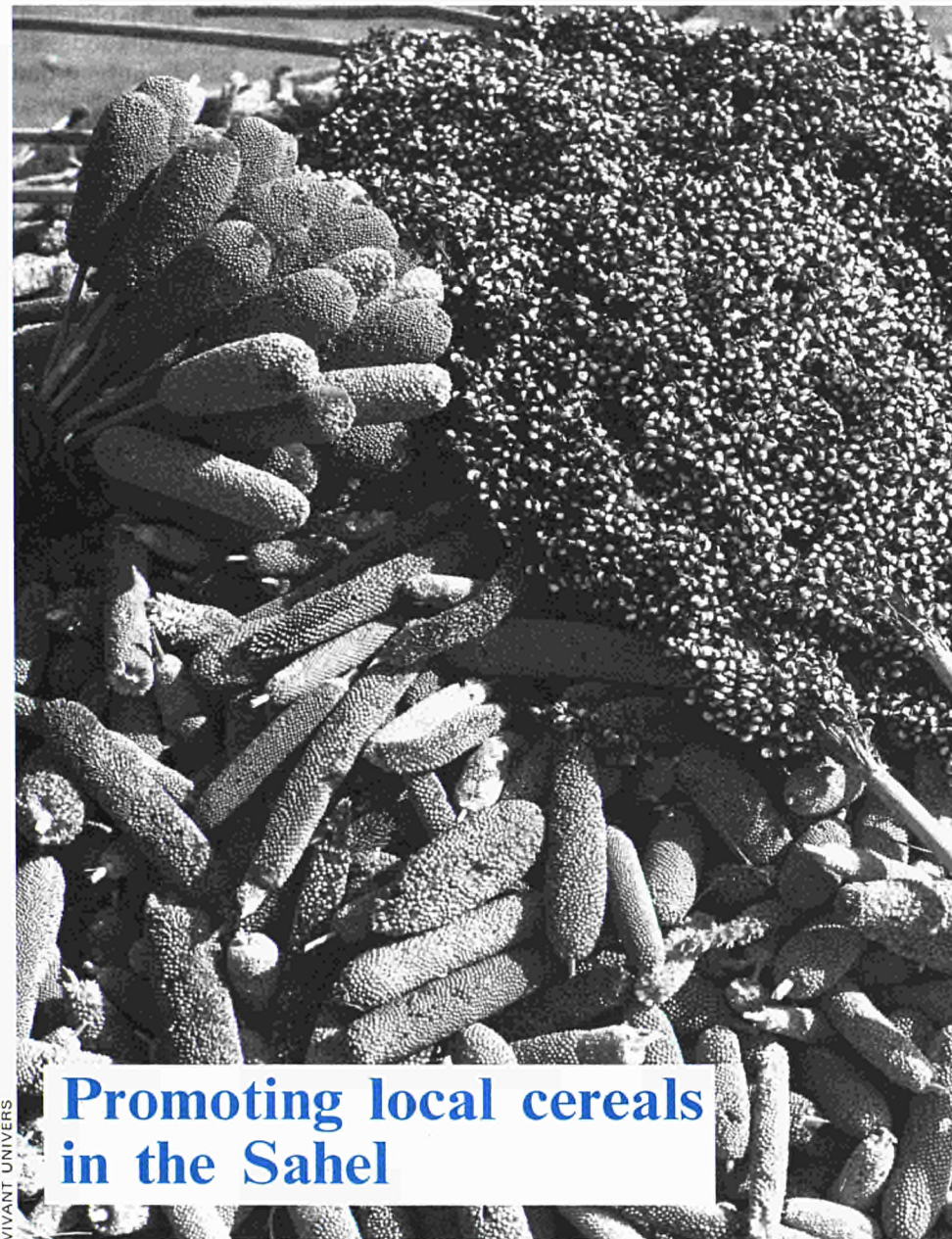
Table VII
Rice: world trade

	Exports (milled) (million tons)				Value of exports (million US dollars)			
	1982-84 (average)	1985	1986	1987	1982-84 (average)	1985	1986	1987
World total	11.6	11.2	12.0	11.5	3 624	3 029	2 973	3 035
Developing countries	8.3	8.3	8.6	8.4	2 267	1 928	1 722	1 882
Latin America	0.5	0.6	0.5	0.5	191	225	174	194
Africa	—	—	—	—	3	2	3	4
Near East	—	—	—	—	20	8	15	15
Far East	6.3	6.1	6.6	6.4	1 673	1 331	1 236	1 353
Asian CPE	1.5	1.6	1.5	1.5	380	362	294	316
Developing countries	3.3	2.9	3.4	3.1	1 357	1 101	1 151	1 153

high rises and sharp reductions in stocks that could threaten world food security. For rice, changes in international market prices could be particularly marked: an alternative scenario suggests that a 7.5% fall in rice production in the Far East could result in a rise of over 60% in world prices. In the case of wheat, a scenario in which a fall of 5% in the output of major exporting countries is coupled with a 20% reduction in that of the USSR would result in a rise of almost 30% in world prices and a fall of over 15% in stocks. For both wheat and coarse grains, the wide annual variations in the import demand of the USSR due to weather-induced fluctuations in output have been an important cause of instability in trade over the past decade and remain a continuing element of uncertainty in the trade outlook to 1990.

While the projections underline the need for continued food aid, they also stress the importance of its regular availability and of the possibility of its rapid expansion when emergencies arise. The projected reduction of stocks from their present levels in traditional food aid donor countries could have implications for food aid availability, especially in years of poor crops. The expanded use of triangular transactions could also become more important in mobilising the quantities available in developing countries.

Finally, the projections also point to the crucial importance of stocks to world food security. Stocks of rice, wheat and coarse grains in 1990 are projected to be 30% larger than in 1979-81, though they would be below their current high levels under the assumption that policies in the EEC and the United States are adopted which would allow production to adapt more closely to demand. Under this assumption, in years of average weather, stocks would be adequate to maintain normal stock/consumption ratios at the world level and to cover limited falls in output. However, they would not be adequate in the face of significant crop failures at the world level, especially if these occurred in two or more successive years. The resulting risk of global shortages could augment the vulnerability of many developing countries, where national stocks are likely to continue to be low in relation to consumption." FAO (1986) ○



Promoting local cereals in the Sahel

by Chérif Elvalide SEYE (*)

The Sahel wants to become self-sufficient in food and yet part of the food it does produce remains uneaten. The members of the Permanent Inter-State Committee for Drought Control in the Sahel (usually known as the CILSS) are attempting to resolve this paradox by means of a programme to promote local cereals.

Thanks to good rains, the nine CILSS countries between them enjoyed an exceptional harvest, over 9 million tonnes. Even after post-

harvest losses and seed for the next season's planting (a total of 1 634 000 tonnes) have been subtracted, that still leaves 7 629 000 tonnes, enough to meet this year's demand, estimated at 7 584 000 tonnes. In addition, there are the stocks held back by farmers themselves—still difficult to quantify—and existing official stockpiles.

And yet the Sahel will be importing grain; imports of 1 115 000 tonnes are currently planned, consisting, mainly of 734 100 tonnes of rice and 323 600 tonnes of wheat. The region will thus have a surplus. Countries like Niger, Burkina Faso and Mali, with a surplus of millet, will still find themselves having to import rice, placing an even greater strain on already-stretched budgets. And farmers will be hit, too. The abundant harvest is making its effect felt on prices. Most CILSS governments are keen to encourage food crops, in order to attain the stated aim of food self-sufficiency for the Sahel. They do so in part by means of price incentives for farmers. All these countries have a cereals board which regulates prices, generally by means of a guaranteed minimum price and a buffer stock which buys or sells grain according to market movements.

With a surplus forecast for this year, this machinery will be largely ineffective. To prevent the fall in prices would be enormously expensive. The minimum price is CFAF 60 a kilo, but in some countries a 100 kilo sack of millet is already down to CFAF 3 000. Farmers having to dispose of their crop at half the official price will hardly be keen to produce a marketable surplus the year after.

That is where the promotion of local cereals comes in. The decision to pursue a policy of food self-sufficiency for the Sahel was taken because import dependence, in the key area of food security, was held to be unacceptable. In spite of drought, in spite of desertification, Sahelian farmers have shown themselves capable, providing the rains come, of growing enough food to feed the whole region. But the problem is not simply one of quantity, unfortunately. Local tastes run to two types of cereals that the region still cannot produce in the required quantities: rice and wheat. More than half the rice consumed in the Sahel each year has to be imported; for Senegal, the figure is three-quarters. And virtually no wheat is grown; dependence on imports is total.

In the Sahel, the solution to the costly gap between local production and consumption habits is to promote the use of local cereals. Before the region turns to imports it must first

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(1) The CILSS was set up in 1973. It has nine members: Burkina Faso, Cape Verde, Chad, Gambia, Guinea Bissau, Mali, Mauritania, Niger and Senegal.

eat what its own farmers grow. Achieving this turnaround will not be easy. The imported foodstuffs have been part of the local diet for many years. The French colonial power introduced groundnuts and cotton as cash crops to supply the home industries, at the expense of cereal crops. To feed the inhabitants, broken rice was imported from the South-East Asian colonies, changing dietary habits — indeed the Senegalese national dish, the famous *thièbu dieune*, is a rice dish with fish.

Import dependence did not cease with the coming of political independence. In order to earn foreign exchange the new nations had to export, and cash crops continued to monopolise the government's attention. As a result, cereal crops remain backward; no modern high-yielding or intensive methods have been introduced and crops remain dependent on rainfall.

The first drought years in the late 1960s hit these crops hard. In some countries, over half the crop was lost. To avert a famine, international donors poured over a million tonnes of food aid into the Sahel. Since then, there has been a shortfall almost every year and people have come to rely more and more on imported cereals. As rural communities were the worst affected, most of the aid went to them, weaning even farmers away from the local staples.

In the Sahel, therefore, the population as a whole has now acquired a taste for imported food, which admittedly has its attractions.

In the first place, it is comparatively cheap. Imported cereals sell locally for less than the domestic varieties, either to clear surpluses and avoid the cost of storing them or because they are actually subsidised. In 1988 rice was being sold in Sahelian ports for CFAF 60 a kilo, less than half the price of local cereals.

Imported cereals are also processed and thus easy and quick to prepare. They are also associated with the urban élite, and are regarded as a highly desirable status symbol.

Local cereals, by contrast, have their drawbacks. Sold unprocessed, they require lengthy preparation. Supplies tend to be irregular, and they are not cheap.

If consumption of local cereals is to be encouraged, the balance of advantage must be reversed. It has been apparent to the CILSS from an early

stage that the development of cereal production was the key to food self-sufficiency in the Sahel. The second subregional conference on cereals at

Local cereals and consumption

The most important change in food consumption patterns in sub-Saharan Africa (SSA) over the past two decades has surely been the replacement of locally-produced staples (millet, sorghum, roots and tubers) by imported staples, wheat and rice in particular. In countries which have—or have at times had—relatively high purchasing power, there has also been rapid growth in the consumption of imported non-staple food such as beef, poultry, fish and dairy products. Such countries have included Nigeria, Gabon, Congo, Zaïre, Côte d'Ivoire and Senegal.

The bulk of these imports originates in developed countries or a few more advanced developing countries such as Argentina or Thailand; very few imports come from within SSA itself. Only a few SSA countries have recorded a high level of food exports, apart from products such as groundnut oil. Traditional informal food trade (e.g. meat exports from the Sahel to coastal West Africa) certainly takes place, but it is difficult to assess its scale.

National food policies are now beginning to pay considerable attention to ways of indirectly influencing food consumption, particularly by devising measures by which to reduce the price of locally-produced food in relation to imported food. Such reductions can be achieved through pricing policies as well as through specific investments in processing facilities.

One of the reasons for the success of rice for urban consumption in West Africa has been its high convenience value. Contrary to what is sometimes still thought, SSA does not have surplus labour. Time, especially for women, is scarce, so that easy preparation is a very important consideration. Processing and preparation of many traditional products is laborious and time-consuming.

The real cost of traditional food consumption is often further increased by a high energy requirement for cooking. So, to reverse consumption patterns, there is a need to develop convenience foods on the basis of locally-produced staples.

Another way of strengthening the position of locally-produced food is by the compulsory use of composite flour for bread-making. Bread is a highly convenient and versatile food in urban areas and it is unlikely that its consumption can be reduced without drastic price increases or a ban on flour imports. By adding sorghum or soya flour to wheat flour, one can still produce bread with no major change in taste, with significant savings in foreign exchange and sometimes even with nutritional gains.

Past attempts to promote such composite flour products have largely failed, however, not so much because of technological problems, but because of high cost levels and marketing problems. The high cost of production is due to the fact that for small quantities the cost of procuring local products and of controlling their quality is very high. In addition, the marketing system requires development to make it competitive with known convenience foods. Finally, an adequate marketing strategy is essential to develop the consumer's taste and to counteract the often-held belief that locally-based products are inferior.

The introduction of composite flour products or any other new food item based on local produce needs promotion measures (e.g. subsidies) over a sufficiently long period to develop the consumer habit. But then, whether directly or indirectly (e.g. through over-valued exchange rates) imported wheat or rice have also been subsidised in many cases.

Walter KENNES

Mindelo (Cape Verde) in December 1986 outlined measures to raise both production and consumption. One arm of the strategy is to increase the popularity of local produce. With the help of the Sahel Club⁽²⁾, therefore, the CILSS has launched a local cereals promotion campaign — PROCELOS. As part of this programme, studies have been carried out in all the member countries to assess the potential and identify the problems. The findings were analysed at a regional conference held at Thiès, Senegal, from 24 to 28 October 1988 and attended by 96 delegates representing the various interests involved: artisans, businessmen, traders, economists, technicians, researchers and officials from the Sahel countries or aid agencies.

The conference adopted a set of recommendations grouped under four headings. The first was processing and distribution. The capacity to process local cereals exists, on both an industrial and, more commonly, an artisanal scale. These artisanal units are currently processing cereals using locally-developed machinery, but this unfortunately tends to be non-standard, with a wide range of designs, poorly distributed, which means that it is difficult to obtain spare parts. Accordingly, the conference recommended that further research be done to develop more efficient equipment and improve distribution, and gave its backing to the creation of semi-industrial units.

As regards distribution of the products, consumers would receive recipes and advice on preparation, and courses would also be organised for restaurant owners.

The second heading concerns the development of patterns of consumption and marketing strategies. Here it appears that things were not as bleak as had originally been thought. Many traditional dishes exist, so it is not a matter of inventing new ones — simply of adapting the old ones to modern tastes. The demand is there; it needs to be encouraged. The conference recommended support for the new trend towards a more diversified



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She smiles for the photographer, but in reality pounding millet is laborious work. The challenge of the PROCELOS programme is to promote cereals which are rarely available in processed form, which require extensive preparation and which—often—are more expensive than imported cereals

diet, in response to consumer demand. Attention must be paid to the marketing aspects, adapting the product to meet consumer requirements and working out a strategy for pricing, promotion, distribution and brand image. Reliable quality and availability are also important.

The conference called on governments to create an economic environment favourable to the promotion of local cereals. Food aid in particular should be better managed and a proportion of the revenue it generates used to promote local cereals. Donors

were asked to support these measures.

The conference found that one of the great shortcomings was communication. Successful experiments remain unpublicised even within a single country. This crucial problem could be solved, recommended the conference, by circulation of a newsletter, organisation of a regional technical-level meeting to decide on market monitoring methods for foodstuffs, and appropriate promotional events on "CILSS Day", 12 September. ○

C.E.S.

(2) The Sahel Club is a group of OECD countries involved in cooperation in the Sahel. It was set up in 1976 and is based at OECD headquarters in Paris.

Cereals, food aid and food security

by Walter KENNES (*)

Food aid is sometimes considered to be in contradiction with the drive towards greater food security: it can, however, be argued that such aid can be used to strengthen food security (1).

Food aid matters because, at three to four billion dollars per year, it represents a significant part of the aid flow to developing countries. Most food aid is in the form of cereals. The 11 million tons of cereal food aid per year only cover slightly more than 10% of the developing world's cereal import needs. For individual countries, however, food aid sometimes accounts for the bulk of imports (e.g. in the case of Ethiopia, Sudan and Mozambique).

Food aid had its origin in the availability of large agricultural surpluses in some industrialised countries. Decisions to grant aid in the form of food were originally linked to agricultural policy decisions. This link has disappeared gradually and one can now say that food aid is carried out only for its humanitarian and development results and not for agricultural policy purposes. Particularly as regards the European Community, food aid programming and implementation has been disconnected from the Common Agricultural Policy. This is enshrined in the framework regulation of 1986 that constitutes the legal basis for EEC food aid.

It is necessary to distinguish three types of EEC food aid:

— **Emergency food aid** accounts for 15-20% of the total and is delivered in cases of natural or man-made disasters; the usefulness of emergency food aid is seldom questioned; the main issue is to get the food in time to the affected population group; in emergency situations food is, of course, only one of many fundamental needs.

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(1) This short article only touches the surface of the issues related to food aid. It has a place in this dossier because of the strong relation of food aid to cereals market problems. A future dossier will, however, deal specifically with food aid.

— **Project food aid** also accounts for 15-20% of the total and is most often carried out in the form of nutritional actions in favour of vulnerable groups (schools, hospitals etc.) or food for work projects that increase employment opportunities for the rural poor; project food aid usually involves international agencies (e.g. the World Food Programme) or non-governmental organisations. There is not much



Emergency aid such as that above is rarely controversial: it is "normal" food aid that is frequently the subject of criticism

controversy on this type of food aid. Debates centre around the efficiency of such actions. There is a tendency towards buying food locally when this is possible.

— Between 60-70% of the total is **normal food aid**, that is allocated directly to governments and is usually handled by official marketing agencies. This is the food aid that often gives rise to controversy.

The impact of normal food aid

depends largely on the way it is handled within the beneficiary country. As a rule, normal food aid helps to cover a structural deficit and thus corresponds to a real need. Food aid is a resource transfer that is comparable to other forms of commodity aid (e.g. fuel, fertiliser etc.). The effects of the food aid on the economy depend on what is done with the resource transfer. As regards the EEC, an arrangement is set up with the beneficiary country to use the food aid resource as much as possible for rural development. This is done by selling the food aid at the going market price and putting the proceeds on a counterpart fund account that is jointly managed by the government and the Community. The funds can be used for example to cover the local contribution to development projects, but they can also be used in a more general way to help with the management of the cereals market. In the latter case, the funds can finance local cereals purchases at times of a good harvest and thus prevent a steep drop in farm prices. In this way the apparent contradiction between sending food and stimulating agriculture is overcome.

Such monetised food aid (i.e. food aid converted into money) can also help with targeted interventions to the benefit of vulnerable groups. This is particularly relevant in the context of adjustment programmes which often have negative social consequences in the short term.

The quality of the handling of food aid for development as described above very much depends on the specific circumstances and administrative skills of the beneficiary country. In many cases some form of training will be necessary to handle the food aid in this way.

The above reasoning should not be seen as an argument for increasing food aid. Food aid should always remain a transitory form of aid. However, provided that it is handled well, it is certainly not in contradiction with a strategy to improve food security. ○ W.K.

Grain storage and food security

by Paul HINDMARSH and Bruce TROTTER (*)

National food security is a priority for most countries. It means having food of acceptable quality available wherever and whenever it is needed and, for bought food, at prices consistent with consumer purchasing power.

The cereals rice, maize, wheat, sorghum, millet and barley are critically important components in the diets of people living in LDCs, providing more than 60% of energy intake. Different kinds of cereals are consumed as subsistence crops by various socio-economic groups, but increasing quantities are grown as cash crops for local or internal markets.

Since local cereal production is normally confined to one or, exceptionally, two harvests each year, storage is an essential feature of food security. Few countries have a rigid food security policy which prohibits imports, and most rely upon a mix of seasonal and strategic storage, imports and exports to allow for fluctuations in production. However, storage has also a considerable associated cost and development efforts are applied to reducing these costs to a minimum consistent with an acceptable degree of food security.

In the past, contributions to cost reduction have been achieved mainly by tackling specific physical and biological problems causing losses of quality or quantity during storage. However, in many countries there are more fundamental problems with post-harvest systems:

- grain production and marketing objectives may be unclear;
- target stock levels may be inadequately defined or not defined at all;
- warehousing may not meet distribution needs in terms of locations, capacity and design;
- the relationships between transport and storage may be inadequate;
- the opportunities for disposal of surpluses may not be fully exploited; and
- there may be severe budgetary constraints.

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Attempts to reduce losses in these circumstances will probably fail because the systems are under stress and senior management are preoccupied with crises. In addition, where stocks are too low, finance is diverted from storage improvements to buying more grain; where they are too high the storage problems often exceed the resources available to tackle them.

In many countries in Africa and Asia, the post-harvest system is quite simple. As much as 80% or more of production is kept on the farm for family use, local barter or sales, and marketing is handled by a single agency. However, in some regions complex marketing systems have evolved. Stocks are held on the farm, in the village, by private millers, private traders, in co-operative stores and at large Government storage facilities.

Each system will have a number of major cost components:

- the cost of capital tied up in stock;

- the variable costs of storage including physical losses and loss of quality associated with the age of the stocks;
- the depreciation of storage infrastructure and equipment;
- transport costs;
- trading costs;
- administrative costs and general overheads.

These costs apply, whether to a subsistence farmer or to a national Grain Marketing Authority.

Stocks policy

Recent work in Indonesia investigated the feasibility of calculating minimum cereal stock levels, for operational and food reserve purposes, governed by the trade-off between the cost of holding stocks and the risk of stocks being insufficient to meet requirements. The study considered the national stock requirements and those in each of the country's 27 provinces. Clearly, the nearer domes-



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"In many countries in Africa the post-harvest system is quite simple. As much as 80% of production is kept on the farm for family use, local barter or sales"

DOSSIER

tic rice production approaches national demand, the smaller will be the carry-over stock levels needed for any required degree of food security. It was found that a 2 million tonne carry-over in 1983 would ensure that stocks meet demand in 7 years out of 10. With the higher trend production in 1985/86, 1.5 million tonnes of carry-over would provide food security 19 years out of 20.

Two important points emerged from this work. First, at low levels of confidence, small increases in stock levels have significant effects on improving food security. Beyond about the 90% confidence limits, very substantial increases in stocks increase food security only by very small margins. In 1985/86, for example, increasing the stock level from 1.5 to 5 million tonnes, which was the original target, increased the degree of confidence from only 95 to 98%.

The second point to emerge is the high annual cost of procuring and holding stocks. Market operations supporting official producer and consumer prices and storage to carry-over 1.5 million tonnes would cost about US\$ 180 million in 1985/86. This contrasts with the huge increase in costs to US\$ 600 million required to support a stock level in the region of 5 million tonnes which represents only a 3% increase in the degree of food security.

Identification of the cost components, their analysis and modification could, therefore, alter the security-cost relationship in two ways: by providing the same level of food security at reduced cost; or improved food security at the same cost. It follows that quality control and reduction of losses influence food security directly and the benefits of investment in this area can be compared to the benefits to be obtained by placing resources elsewhere.

Indonesia is a special case since data is available and accessible. Other countries do not all have the same quality of data, but the study demonstrates the type of information needed and can guide the development of management information systems.

Storage management

Efforts to keep stored grain in good condition are affected by grain var-

ietty, condition at time of procurement, handling methods, storage methods and storage buildings as well as by pests, security and even politics which may influence turnover rates or affect job satisfaction and the quality of staff.

Grain varieties differ markedly in their storage characteristics. For

example, husk cover and endosperm type cause the most significant differences between maize varieties. "Improved", high-yielding varieties have soft endosperm attractive to grain beetles and moths, and poor husk cover which leaves cob tip exposed to fungal attack and discoloration. Local varieties, although much



ODNRI

Damage to maize caused by the Greater Grain Borer.

Unfortunately high-yielding varieties are often more susceptible to attack by beetles, moths or fungi than local varieties



FAO/F. Mattioli

Bags of sorghum from farms in Tanzania being unloaded and stored.

Solutions to the problems of large-scale storage are only as good as the staff who implement them

lower yielding, are often more easily stored, with minimum loss of quality. In many regions two crops are grown, farmers keeping local varieties for home use and marketing the "improved" varieties which are less easily stored.

Much work has been done to reduce losses in farm storage and effective and efficient techniques are available. Yet uptake of recommendations has been slow except where spectacular losses occur, such as those caused by *Prostephanus truncatus*, the Greater Grain Borer, or where farmers want to produce only the higher yielding hybrids. The reason for this apparent lack of interest may be a combination of the relatively low average storage losses on the farm, the comparative insignificance of these losses to the farmer with many other demands on his resources, or resignation to a poor diet at certain times of the year. Nevertheless, in a country with a cereal deficit, 5% average losses may well spell hunger.

Alternatively, it can be translated directly into foreign exchange needed for external purchase of the shortfall. More thought should be given to providing incentives for the farmer to look after harvested production. This could be tackled through seasonal prices or community storage schemes where producers are able to borrow the equivalent of the official floor price shortly after harvest yet retain ownership of their production until prices rise later in the year. Many such schemes have been tried and successes are few, but the opportunity to provide a means of increasing farm income and to reduce the concentration of food security costs on the public sector is too attractive to discard.

The problems of maintaining the quality of grain during large scale storage in the public sector are well known and a great deal of effort has been put to solving them. However, solutions are only as good as the staff who implement them. Poor working conditions, low status for the job and low pay ensure that short cuts are found, misappropriation is common and losses proliferate. More attention given to clear demonstrations of the ways in which costs can be reduced or food security improved through better

stock management may justify more resources for this neglected area of development.

The folly of looking for short cuts in storage practice has been dramatically shown by increasing levels of resistance in insects to the fumigant phosphine, a situation thought to be highly improbable a few years ago. Easily distributed tablets of the phosphine formulation are often wrongly used to fumigate whole stores which are not sufficiently gas tight. The gas escapes and some insects survive to pass their resistance on to their offspring. Fumigation is the main technique, preventing huge losses of stored grain to insects worldwide yet only two compounds, phosphine and methyl bromide are widely available. Continuing with these slipshod procedures could lose one of our most effective and widely used weapons for pest control.

Food distribution

During the 1970s and early 1980s the main emphasis for many tropical countries was to encourage local production through pan-territorial pricing and to satisfy consumers by subsidising sales. This led to many problems including the production of surpluses for which no market had been identified or in areas distant from consumers with consequently huge transport costs for both inputs and produce. The inability to halt increasing consumer demand for temperate wheat products and the failure to offer attractively processed and competitively priced maize and sorghum products exacerbated the problem.

Composite flour technology has reached an advanced stage of development and there are now many opportunities for substituting local grain products for imported wheat-based foods. However, consumer demand for convenience foods emphasises the need for close attention to methods of processing and adding value. Discoloration and off odours in stored rice, for example, are difficulties which have to be overcome. The need for industrialisation of indigenous food products including, for example, fermented cereal products in Africa should receive increased attention. Promising devel-

opments are taking place in the de-branning and milling of coarse grains, particularly sorghum where reductions in tannin levels will improve nutritional quality and consumer acceptance. In contrast, a reduction in tannin levels in the growing crop could reduce resistance to pest attack, particularly birds, highlighting again the need for a wide ranging approach to food supply management.

Triangular transactions help

Opportunities for reaching new markets have been lost in bizarre situations in which wheat is imported by international agencies to feed refugees when local coarse grain surpluses are available, but of such inferior quality and high cost as to make purchase very difficult, if not impossible. However, many countries are now beginning to take advantage of the opportunities for triangular transactions in which grain bought by international agencies for foreign exchange in one surplus producing country is delivered to a neighbouring deficit country. The system has the advantage of boosting the economy of the supplier, providing the recipient with a familiar staple and reducing transport costs for the donor. The system is not without its difficulties, however, particularly if the supplier, in haste to off-load surpluses, and the donor, wishing to promote regional trade, underestimate the import standards of the recipient. Whereas a country in deficit may be forced to lower its own internal procurement standards, these higher standards are often applied strictly to grain crossing the border. There is a huge demand for grain within all regions of LDCs and the trend to satisfy this demand by local production is an income generating opportunity for many countries.

For most countries, food storage is an essential operation balancing food supply and need and qualifies for substantial investment to reduce avoidable losses. To obtain maximum benefit from this investment it is essential that concurrent improvements are made to the system as a whole, including production and marketing policy, stock levels, transport and processing technology. ◊

P.H. and B.T.

KENYA: the Cereals Sector Reform Programme

One of the biggest programmes ever funded by the European Community in the cereals sector in an ACP State is the Cereals Sector Reform Programme now in operation in Kenya. The 3-year Programme, for which ECU 65 million has been committed from the country's Lomé III Indicative Programme, provides not only for technical assistance, studies and training, but also for storage facilities, rolling stock, a crop purchase fund and support for cooperatives.

It was designed in the light of a number of studies of Kenya's grain marketing and production, in particular one on the functioning of the National Cereals and Produce Board (NCPB), and is already giving cause for cautious optimism (). The following is an outline of the background to the Programme and of its ambitions.*

Agriculture is the most important sector of the Kenyan economy, employing 70% of the population and contributing to about 30% of GDP. Given the country's rapidly growing population (some 4% p.a.), efficiency in food production and marketing is a high priority for the Government, with food security a dominant policy objective.

In comparison with many countries, Kenya's agricultural sector, as regards both food and cash crops is relatively efficient. Nevertheless, the cereals sector has faced major problems in recent years both in production and, to an even greater extent, in marketing. On the production side

(*) "Government commissions, and latterly the World Bank, have been attempting to open the grain market in Kenya to private trade ever since 1944, and have always been beaten back by the political opposition of powerful grain traders, many of them at the highest levels of government. If the EEC is now successful where others have failed, it may be because it has always shown great sensitivity to the government's food security objectives as well as towards the traditional objective of minimising the cost of maize production and distribution." (Economist Intelligence Unit, October 1988)

there has been, for some years, a problem of market imbalance. Maize production has expanded more rapidly than consumption.

The surplus has been costly to export because of depressed world markets; in 1987 maize formed only 4% of total agricultural exports. Storage facilities have had to be found for the increasingly large stocks⁽¹⁾. The supply of wheat, on the other hand, (which, together with maize, accounts for 90% of the value of all cereals production in Kenya) has been outstripped by demand, which has risen sharply in past years due largely to the rapid pace of urbanisation.

There have also been major problems, both financial and managerial at the monopoly buyer, NCPB. In 1986 the Government, desperately trying to rationalise budgetary expenditure, had to bail out NCPB to the tune of K. Shs. 2.3 billion—four times more than in 1981. NCPB debts by mid-1987 amounted to K. Shs. 5.2 billion—and this against a backcloth of concerted national efforts to reduce budgetary deficits in the context of a structural adjustment process. Losses were being made on both imports and exports, and because the actual costs of marketing frequently exceeded the

(1) Whereas mid-year stocks of maize in 1982 were 504 000 tonnes, in 1987 no less than 1 062 000 tonnes were accumulated.

margin between buying and selling prices allowed to cover them. If for no other reason than the damaging drain on the budget, the cereal sector's problems clearly called for rapid and total solution.

Objectives and overall design

The Government's aim in initiating the reform in the cereals sector is to achieve a more efficient marketing system and one which safeguards the interests of both farmers and consumers. As long ago as 1980 it was recognised, in a Government Food Policy Paper, that grain marketing would benefit from liberalisation. Not only had the monopoly marketing system led to inflexibilities and inefficiencies (to the detriment of both producers and consumers) but it had also proved very expensive to maintain.

A key element of the reform was therefore to redefine NCPB's role, so as to allow it to undertake its functions within controllable budget limits through increased reliance on market operators in the private sector (licensed traders or cooperatives). Its future role will therefore be somewhat reduced: it will deal with the management of the food security stock, with market stabilisation and with market and price monitoring, but it will no longer be the sole buyer. The management structure will be revised accordingly, along the lines recommended in the NCPB reorganisation study, and the NCPB's present field network (buying centres, depots, silos) will be rationalised. In this way it should be



One of the maize stores in Lodwar. Kenya's monopoly marketing system proved inefficient and expensive, and liberalisation is now underway

possible to protect producers from unacceptable movements in income resulting from market produce price fluctuation; to protect consumers from unacceptably high price rises for maize, and to promote food security by ensuring the availability of maize throughout the country at all times. The future role of the NCPB in the marketing of other crops (e.g. in the importing of wheat or rice) will be examined in due course. And to enable the "new" NCPB to start off with a clean balance sheet, the Government is to write off its debts.

The EEC's support package

The EEC's contribution to the reform of the sector—the Cereals Sector Reform Programme—was outlined in a Memorandum of Understanding signed in January 1988 between the Kenyan Government and the EEC. The breakdown of the ECU 65 m package can be seen in Figure I.

The various institutional strengthening measures foreseen, such as technical assistance to the Board, are about to be put into place, and a number of studies (e.g. on grain pricing, grain transport and storage, and cooperatives) are being launched in early 1989. The reorganisation plan stresses the need for increased storage capacity at the major purchasing location, as well as for more bulk transport by rail. The ECU 18 m foreseen under the Programme will be spent on increasing storage capacity, on building depots and on purchasing rolling stock for transport.

A prime element in the financial restructuring of the NCPB is support for its cash flow needs, and in particular the financing requests for crop purchase. A first tranche of ECU 25 m has already been made available to NCPB's "Crop Purchasing Revolving Fund" in the form of counterpart funds resulting from an Agricultural Sectoral Import Programme. A second tranche of ECU 10 m is to be released shortly.

Increasing private sector participation

As part of the liberalisation of private sector trading, the Programme also provides for the strengthening of

C.S.R.P. Breakdown of expenditure		million Ecu
T.A., studies, training and institutional support		5
Storage, depots and rolling stock		18
Crop purchase fund		35
Cooperatives		2
Reserve		5
TOTAL		65



Susanne Thieke

*Surplus maize is stockpiled while wheat has to be imported.
The C.S.R.P. aims to balance supply and demand*

cooperatives, principally in the form of financial assistance, to ensure their healthy participation in market operations. Primary maize marketing (i.e. buying from producers) has been open to cooperatives and private traders since the 1987/88 crop year, and since July 1988 the private sector has also been able to buy directly from farmers up to 20% of marketed maize for sale to millers.

Benefits for all

Good progress is reported on the Kenyan side with regard to the reform of the NCPB. Some 65% of its smaller buying centres have been closed, and the Government has stated its intention to reduce the NCPB's role, ultimately, to that of buyer-of-last-resort. It will continue to be the holder of strategic reserves.

Funds will also be made available through the EEC's Multiannual Food Aid Programme. Some 45 000 tonnes

of wheat are to be delivered to Kenya over the three years of the Cereals Sector Reform Programme, partly to help close the wheat deficit, partly to generate counterpart funds for the benefit of the Crop Purchase Fund. The first year delivery of 15 000 tonnes is on the point of delivery.

If all goes according to plan—and implementation is progressing well so far—the CSRP will benefit consumers, producers and the Government budget. Consumers will enjoy better food security, with lower prices in normal years and greater protection from high prices in years of shortfall. Producers will enjoy improved incentives, such as timely payment and a more efficient marketing system. And, finally, the drain on the budget will, in the long run, be reduced and the better balance in supply and demand which it is hoped will be achieved will have a positive impact on the country's balance of payments. ○

M.v.d.V.

The growth of cereal imports in the ACP States

by Georges COURADE (*)

In 1985, developing countries imported 109 million tonnes of cereals. Of this, 11 million tonnes went to sub-Saharan Africa, where 46 countries have cooperation links with the EEC.

A number of explanations are advanced for this high level of external dependence: a change in dietary habits brought about by urbanisation and the increasing affluence of some sections of society; stagnation of the domestic farm sector or inability to produce substitute crops because of climatic conditions or soil deterioration; or an economic policy bias which, by means of supply-demand adjustments and decisions regarding incomes and purchasing power, favours urban consumers at the expense of the nation's farmers.

When imports become a problem

There is nothing wrong with importing cheap cereals, provided a country can generate the foreign exchange needed to pay for them. When, at a time of falling commodity prices, it is dependent on the export of a single mineral or agricultural commodity, and the bulk of its population lives on the land, however, such imports may bring problems in their wake.

Dependence on exports of a single commodity is widespread. Coffee, for instance, accounts for 81% of Rwanda's external revenue, cocoa for 51% of Côte d'Ivoire's, cotton for 75% of Chad's and copper for 75% of Zaïre's, and world prices have undergone a marked decline. Against this background, cereal imports have risen from 300 000 tonnes in 1950 through 2.3 million tonnes in 1970 and 11 million tonnes in 1985 to perhaps 25 million tonnes in the year 2000.

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This has led to an ever-increasing demand for food aid, 3.7 million tonnes of which went to sub-Saharan Africa in 1985/86. The FAO has estimated that imports plus aid accounted for 20% of sub-Saharan Africa's total cereal market. And, the foreign products often do not correspond to the traditional local diet.

Long-term threat to food production

Regular large-scale cereal imports may offer a solution to difficult problems in the short term but in the longer term they can also create them.

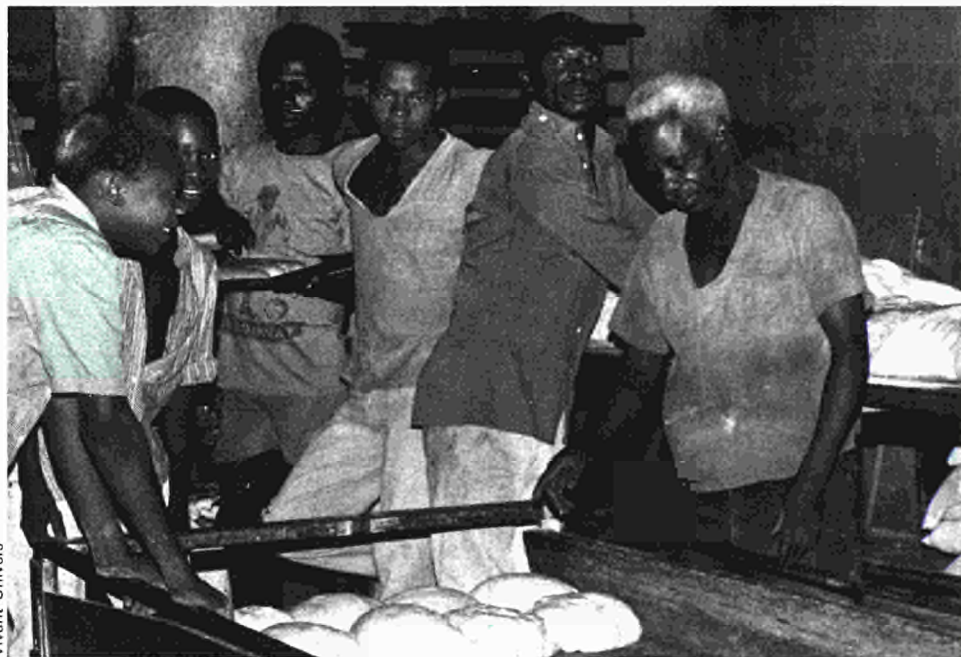
In the short term, imports can be a cheap way of feeding the urban population, but increasingly they are finding their way to the countryside as well — this is the case with up to 20% of Côte d'Ivoire's rice imports. Sometimes the town ends up feeding the countryside, rather than the other way round!

In the long run, the cheapness of imported food changes the dietary habits of the urban population, so that the country is obliged to keep on importing; this has been the case with

bread in Nigeria, which is faced with the prospect of either growing its own wheat, which is disastrously uneconomic, increasing imports, or producing a substitute loaf based on local staples such as manioc or millet.

Imports also stabilise food prices, making it possible for the poor to improve their diet, but this brings them into competition with local crops and tends to depress production. In Abidjan, imported rice is putting considerable pressure on local yams, a seasonal crop with comparatively high, fluctuating prices, which in addition is difficult to store. In Dakar domestic millet, sorghum and maize make up only 10% of cereal consumption. In both these cities rice is particularly cheap, forcing the government to subsidise the local, higher-cost rice cultivation. Imports also replace costly security stocks, at the cost of dependence on a handful of exporting countries.

The local importers and multinationals involved in the import trade form a particularly effective pressure group. This, coupled with the desire to maintain the purchasing power of a potentially discontented urban population, makes it difficult to take deci-



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American wheat for Kinshasa bread. Are food imports the price that has to be paid for social stability in the cities?

sions which favour farmers, who lack the powerful collective voice of their European counterparts.

The contraction of local food production, a process well-nigh complete in Gabon, is bad enough even in rich countries (such as Japan), which offer

imports, well ahead of Côte d'Ivoire, Sudan, Angola or Senegal. Sudan and Ethiopia are the main food aid beneficiaries, each taking over 500 000 tonnes in recent years. Four countries import over 300 000 tonnes of rice a year: Nigeria, Côte d'Ivoire,

Natural factors impose tighter constraints on some countries than others. The rainfall pattern restricts the growing season to under 120 days over 48% of the land area of the Sahel states and forces farmers to use labour intensively over a short period for lack of mechanised equipment. In certain areas, cereals are in competition with cotton for labour and the communities concerned rely on early-cropping millet to prevent a shortfall (e.g. northern Cameroon).

The variation in rainfall from one year to the next is more of a problem in the Sudanese and Sahelian zones than elsewhere, one that can only be solved by the use of irrigation, a practice not traditionally widespread in Africa except in Madagascar and Sudan itself.

Some soils are intrinsically less fertile because they are too saline, poorly-drained, too hard or simply too shallow. Africa is badly-off in this respect, and has tended to neglect soil conservation. In densely-populated areas, the shortage of land is becoming a real problem; around Kano, in the Igbo district of Nigeria, the Rwandan hill country, the Mandara Mountains in northern Cameroon and the old cocoa belt in Côte d'Ivoire. Paradoxically, land shortage has been accompanied by more intensive farming instead of the previous system of fallow periods, so that Rwanda, for example, actually imports very little in the way of cereals. Despite natural handicaps, therefore, many countries manage to avoid excessive import dependence.

Côte d'Ivoire: don't blame the cities

In any study of import dependence the process of urbanisation stands condemned, particularly since the volume of imports has swelled in step with the growth of urbanisation, from 12% in 1950 to 30% in 1980. In the case of Côte d'Ivoire, we can see that there is more to it than blind imitation; people have tried to stick to their traditional diet, adapting it where necessary, in keeping with a lifestyle not completely divorced from that of the countryside.

In Abidjan there is no "urban" diet; the choice of staple ingredients

Table I: Average imports of wheat and rice five-yearly (1961-86)

Years	Wheat		Rice	
	tonnes	index	tonnes	index
1961-1965	34 039	100	49 346	100
1966-1970	71 493	210	57 717	116
1971-1975	82 648	243	79 376	161
1976-1980	146 644	431	139 301	282
1981-1985	198 361	583	311 490	631
11 months 1986	165 427		351 424	

Source: ORSTOM.

their remaining farmers costly protection, and particularly so given that a peasant culture, once lost, cannot be restored. The development of the ACP States, now that the industrial mirage has been dispelled, must be agriculture-based.

Contrasts in import growth

While these countries have long been importers, the scale of imports has increased since independence—tenfold between 1960 and 1985. Even so, at the beginning of the decade it is estimated that food accounted for only 13% of Africa's total import bill compared with over 20% for the Pacific states.

Food deficits may be put down to geopolitical handicaps, as in the case of Mauritania, Botswana and Lesotho; political unrest (Mozambique and Angola); and drought and desertification. And small island states can hardly hope to produce much of their own food—though it is true that, while Cape Verde is the world's largest consumer of food aid, Mauritius used to be largely self-sufficient.

Less easy to account for is the trend in such potentially productive and resource-rich countries as Zaïre, Gabon, Zambia, Liberia or Nigeria towards increasing import dependence.

Nigeria is the biggest volume importer, taking a third of Africa's

Madagascar and Senegal. Exporting countries such as Madagascar or Sierra Leone now have a shortfall.

Observers tend to advance grand general theories to explain these developments, in the absence of reliable data on production, consumption or population trends in the countries concerned. For many of these countries estimates of food production are thought to be as much as 50% out. There is little systematic information about spending and dietary habits, and the most populous ACP countries, Nigeria and Ethiopia, have not undertaken a reliable census for many years.

The Sahel: self-sufficiency and imports

Imports can make up for local shortfalls and vary the local diet. The Sahel is associated in the public mind with chronic food shortages. But some countries, facing environmental conditions no less rigorous, manage better than others. Senegal imports 40% of its cereals, Mali 15% and Niger 5%. Mali and Niger are both poor, landlocked countries with urbanisation rates of around 15%. Niger has kept per capita imports down to 15 kilos for the last 15 years, whereas Mali's per capita food imports, despite the country's "food strategy", are now running at 28 kilos.

Overvalued exchange rates

There is a close relation between certain macro-economic factors and food policy issues, and it is vital to take this relation into account when devising food policy measures. One factor is the degree of over- or under-valuation of the exchange rate directly affects food prices, and therefore also food consumption and production.

The mechanism that frequently leads to an overvalued exchange rate (OER) is domestic inflation in excess of inflation at the level of the world market, while the nominal or official exchange rate is maintained. Domestic inflation has eroded the purchasing power of local currency, but this is not translated into a devaluation. A system of exchange controls and rationing of foreign exchange is usually set up to maintain the nominal exchange rate. For the effects of an OER the origin of the difference between world and domestic inflation is of secondary importance. An increase in inflation is often the result of domestic (bad harvest) or international (price changes) shocks that influence the government budget.

In order to illustrate the effects of OERs a numerical example is given. ECU refers to foreign exchange and LC stands for local currency.

	Starting situation	Situation with overvalued exchange rate
World price grain	100 ECU/ton	100 ECU/ton
Official exchange rates	10 LC/ECU	10 LC/ECU
Real exchange rate	10 LC/ECU	20 LC/ECU
Price non-tradables or wage rates	100 LC/unit	200 LC/unit
Price of local grain	1 000 LC/ton	2 000 LC/ton
Price of import grain	1 000 LC/ton	1 000 LC/ton
World price exp. crop	500 ECU/ton	500 ECU/ton
Local price exp. crop	5 000 LC/ton	5 000 LC/ton

and the dishes prepared from them are similar to those in rural areas. The dozen or so main national dishes can be freely produced. But a more varied diet is possible in towns; yams are more often replaced by rice or *attieke* (fermented manioc semolina) which are cheaper and less stodgy. And new ingredients such as stock cubes are available for sauces.

People are prepared to try new ways, and to "eat out"—there is a flourishing Côte d'Ivoire "fast-food" industry offering fried plantains, *foutou*, and *attieke* etc.

So it is not urbanisation as such that is responsible for sucking in cereal imports, even though it is cited as a reason after the fact.

Import- and consumer-friendly policies

The import propensity of countries such as Nigeria or Côte d'Ivoire is in great part the effect of a combination of regulatory policies, in terms of consumer prices, the lack of tariff protection or import quotas, and overvalued exchange rates (see box).

The situation with OER has several effects on the agricultural sector. The most direct effects are:

— It becomes very difficult to market local grain, because imported grain is so much cheaper. The overvalued exchange rate represents a hidden subsidy on imported grain, and those who have access to such grain benefit from the subsidy;

— The profitability of export crops declines, as the overvalued exchange rate works as an export tax.

There are also more indirect effects such as:

— A stimulus to parallel or black markets; export crops may be smuggled out of the country to avoid the implicit tax; imported goods may be re-exported through illegal channels, because their official value is lower than their real exchange value. The latter could apply e.g. to fertiliser imports for an agricultural project.

— The decline in profitability of agriculture will encourage migration to urban areas and encourage a retreat into traditional subsistence cropping, leading to an increased need for cereals imports.

In many cases governments will attempt to mitigate the effects of OERs through measures such as a wage and price freeze. These measures may help in reducing inflationary pressures and therefore they may limit the degree of overvaluation. However, they work only on official marketing channels and their benefits may not be equitably distributed.

The above list of negative consequences for agriculture of OERs should not be interpreted as an argument for rapid and drastic devaluations. The complexity of an economy with various control measures that interact prevents easy generalisations. The movement towards an exchange rate that reflects the purchasing power of the currency should preferably be gradual, combined with other policy measures, and closely monitored. Vulnerable groups (especially the urban poor) that may suffer in the short run from the changes should be compensated.

The gradual elimination of overvalued exchange rates is a necessary, albeit not a sufficient, condition for restoring agricultural growth. It is significant that countries that have experienced rapid agricultural growth often had a tendency towards undervaluation of their exchange rates.

W.K.

With countries facing debt problems, a system of equalisation is used to adjust price and supply to suit conditions and the purchasing power of various groups and to offset the drain on the national coffers.

During the oil boom Nigeria's cereal imports soared, reaching 2.4 million tonnes in 1981, largely thanks to oil revenues and the overvaluation of the naira. The conversion of this exchange into the local currency and the consequent growth of the money supply, uncorrected by devaluation, produced strong inflationary pres-

tures. The overvaluation of the currency pushed up the price of the country's exports while imports, paid for in dollars, became cheaper. Although food prices had increased, domestic production failed to keep pace, despite some growth, because of the rising cost of labour. The balance of payments surplus had made it possible since 1973 to charge no more than 10% on imports, which kept down prices and maintained urban purchasing power.

Now, with the fall in oil revenues, the dual exchange rate and the curbing of imports, Nigeria has, since 1986, been making an effort to rehabilitate its agricultural sector.

In Côte d'Ivoire demand for imported cereals is due to their relative cheapness rather than any change in dietary preference. A marketing board controls supply and prices and sets a single, fairly low, price for imported rice throughout the whole country. It makes a profit on the world market and subsidises transport from Abidjan and the milling of domestic rice. Producer prices are kept low, which means that the mills make a loss and production stagnates. This encourages consumers in the towns—and in the countryside—to turn to imports.

Food imports are often seen as a way to keep the urban population happy, and they make up for the shortcomings of domestic farm sectors which remain weak because, lacking a collective voice, they have been unable to secure food policies beneficial to themselves. Government intervention is also subject to financial constraints which, while extrinsic to food policy, nevertheless affect it. It seems unlikely that food imports can suddenly be halted; even where a decision to that effect has been taken, it can be circumvented by smuggling, as has been the case in Nigeria.

The structural adjustment policies embraced by many ACP States call for regulation by market forces and give priority to domestic agriculture. But food production cannot be raised without support and protection, as the experience of Europe (or the United States) has shown. Cereal imports will start to decline only when the necessary, costly, agricultural policies have been set up—something which, unfortunately, is not on the horizon yet. ○

G.C.

RICE: its role in Africa's food security

by J.A. LOWE and M.D. WINSLOW^(*)



FAO/T. Fenyes

Twenty years ago rice would not have been considered as a staple food in most of Africa. Only in a few pockets along the West African coast did consumption approach the Asian level. In other areas, rice was an expensive, exotic, luxury dish consumed mainly at weddings, feasts and at Christmas time.

Over the past two decades this situation has been changing. Expansion of highly efficient rice cultivation in Asia and the United States made cheap imported rice available to the burgeoning urban centres of Africa. This highly preferred food is gradually replacing the more traditional, but less palatable root crops like cassava which were difficult to store and process in city apartment households. The average African has been increasing the amount of rice in his diet by about 4.7% each year, which is a higher rate of increase than for any other staple crop. He is now consuming about 24 kilograms per year.

A nationwide survey in Nigeria in 1986 showed rice to be the second most preferred food in the country, well ahead of cassava, beans and maize and nearly equal to the more costly and treasured yam.

(*) Director and Rice Breeder, respectively, Rice Research Program, International Institute of Tropical Agriculture, Ibadan, Nigeria.

Consumers happy, governments worried

Although consumers were happy with the increasing amount of imported rice they were able to afford, governments were worried. They observed that locally-produced rice, which had supplied 84% of total consumption in West Africa in 1964, was satisfying just 48% of the demand 20 years later. Precious hard currency was flowing out to purchase rice; up to one quarter of the total international trade in rice went to Africa. Meanwhile traditional local crops were being abandoned. Although the urban populations were satisfied with cheap rice, the loss of agricultural markets to foreign producers threatened to increase rural unemployment and poverty. Governments feared becoming dependent on imports of staple foods, which would put them at the mercy of international market fluctuations and shortages, which in turn could lead to fiscal and political instability.

Competitiveness: the stumbling block

While foreign rice was flooding the market, African rice farmers were not able to share in the profits because they could not produce at a price level that was competitive with the imported product coming from mechanised countries. The explanation for the high cost of locally-grown rice lies in the rudimentary level of technology used on African farms. Traditional rice production involves only human labour; not even animal power is available. The soil is tilled with hand hoes and weeding and harvesting are done with knives. Little fertiliser is used.

Despite the high labour input, yields and production are low due to the minimal technology used. The result is extremely low labour productivity. The Nigerian rice farmer produces an average of just 8.6 kilograms of rice per man-day of labour spent on the crop, compared with 31.5 kilograms for the Filipino farmer, and an astounding 2203 kilograms for the Californian rice farmer. Despite the higher wages and transport costs, the much higher productivities of the Asian and USA rice farmers (along with export subsidies

in some situations) make it possible for them to sell rice more cheaply on the African market than the local farmer can afford.

Faced with an inability to compete with foreign growers, African rice farmers did not expand or upgrade their capacity for "cash crop" production to satisfy the growing urban demand. They continued with low-intensity cultivation practices, only producing enough for their own family needs. The result was an increasing dependence of the urban dweller on imports.

"Rice, the crop that feeds billions in the Asian tropics, will probably also revolutionise African agriculture in the coming decades"

Attempts to raise production levels

African governments responded to the import crisis with a plethora of projects designed to modernise rice production in the late 1970s. Mechanised irrigation schemes were established at great expense along the floodplains of the Niger, Senegal, and Casamance rivers, along the shores of Lake Chad, and in numerous inland valleys and mangrove swamps throughout West Africa.

However, most such projects ran into technical and socio-economic difficulties that resulted in production levels far below what was hoped for. For example, the Lake Chad scheme in Nigeria, planned to cover 40 000 hectares, was no sooner completed than the long drought of the 1970s and '80s set in. The lake shore receded over 40 kilometers, leaving irrigation pumps stranded high and dry. Virtually no rice has been produced for the past five years. In northern Cameroon, a highly successful scheme produced over 100 000 tons of rice in 1988. However, there were not good roads to the urban markets in the south, and as a result much of the harvest was left piled up at the production point. Meanwhile the cities continue eating imported rice. Along the Senegal River, a favourable price for sugar cane has caused many farmers to convert their rice paddies into cane fields. In many areas near the Sahel, cattle owned by nomadic herdsmen are allowed to range freely; they enter rice lands and break down

the walls of earthen canals and dams as they graze or seek out water during the dry season, debilitating the irrigation schemes and necessitating costly repairs.

Import bans: the choice of last resort

The widespread failure of government "megaprojects" to produce enough cheap local rice to counter the imports has led some countries to consider another option: banning the importation of rice. However, bans on imports of staple food commodi-

ties have resulted in sharp price increases and, as a reaction, civil disturbances in several developing countries in recent years. The political risks involved in such a ban make it a choice of last resort. However, the deteriorating economic conditions and falling export earnings, along with debt burdens in many African countries have left them little choice.

Nigeria is an example of this situation. Faced with falling oil revenues and rapidly increasing dependence on imported rice, it banned importation in late 1986. Although the ban was not totally leak-proof, it did reduce imports enough so that the price of rice almost tripled within a year. The objective of the government was to encourage the population to return to consumption of the traditional root crops. However, consumer preference for rice was strong. The result turned out to be an amazing increase in local rice production. Tempted by the newly attractive prices, farmers responded with a more than threefold increase in production, from 600 000 to 2 million tons from 1986 to 1988. Apparently the farmers, spurred on by the price incentive, were able to overcome many of the difficulties that had handicapped the large government projects.

Research breakthroughs

Research on more efficient production systems and more effective extension of research findings to the farmer played an invaluable catalytic role in this process. A case study is

the spread of the rice variety ITA 257 in Kaduna State in north-western Nigeria. This variety is an "upland" rice type that grows without standing water, surviving only on rainfall. Hence it does not require expensive land development or irrigation. It was developed by the International Institute of Tropical Agriculture (IITA) in Ibadan, Nigeria. It is early-maturing (100 days) and resistant to rice blast disease. This variety is able to survive and yield well in drought-prone northern areas approaching the Sahel. Rice had previously been only a very minor crop in this area, due to the lack of suitable varieties and price incentives. However, the combined stimuli of a well-adapted variety which is economical to grow, an active extension programme led by the Federal Government, and the strong price incentive resulted in skyrocketing production in this area, from 33 000 tons in 1986 to 90 000 in 1987 and an estimated 200 000 tons in 1988. A similar explosion in production in north-eastern Nigeria is taking place with the upland variety ITA 150.

Developing varieties with desirable characteristics for specific types of rice-growing areas, such as those just described in Northern Nigeria, is a major activity of research institutions like IITA. However, there are many types of rice areas in Africa, all having different problems. Scientists have investigated most of these problems and have developed solutions for them.

For waterlogged areas where excessive iron prevents normal plant growth, varieties have been developed that can withstand these iron toxic conditions.

Rice yellow mottle virus is a serious disease in the Republic of Niger and several other countries. This virus drastically reduces yields and has caused up to 50% yield reduction in Niger over the past four years. Varieties that are tolerant to the virus were developed at IITA and several of these are now being multiplied for use in Niger.

Recently, a severe outbreak of an insect pest, the rice gall midge, caused extensive damage in parts of Nigeria and other West African countries. This pest occurs only sporadically and is only severe when weather conditions are optimum for its survival. During 1988, conditions were such that the pest devastated hundreds of hectares in Nigeria alone. Previous research at IITA had isolated several varieties that were tolerant to this pest and these are now being investigated for possible use next year.

Not only are insects, diseases and soil problems critical for rice production, the growth duration is also extremely important. Because of different rainfall patterns, certain areas require longer duration varieties that will mature after the rains have stopped, while in other regions (Northern Nigeria), short duration varieties are needed to fit into the 3-4 month wet season.

Over 50 elite rice varieties have been developed at IITA which possess an array of different characteristics to fit into most of the ecologies found in the rice areas of tropical and sub-tropical Africa. These varieties have various types of grains, varied maturities, resistance and/or tolerance to diseases and physical stresses and all are designed to provide maximum yield under the specific conditions under which they are intended to be grown.

A constraint that is not really researchable is the adoption by the farmers of this new technology. This requires development through extension activities and incentives for farmer acceptance. This constraint can be overcome, as has been witnessed in Northern Nigeria. It can be done, but it takes the combined efforts of all sectors: research, extension and farmers.

Huge potential

The potential for rice production in the humid lowlands of sub-Saharan Africa is tremendous. At present, the crop is grown on about five million hectares. It is estimated that there are another 200 million hectares of untamed wetlands that could be suitable for rice production. This is 54% more than all the rice land in Asia! These are probably the most fertile and potentially productive lands on the continent. No other crop can tolerate the waterlogged growing conditions and therefore the role of rice is crucial. Just as wheat has proved to be the mainstay cereal crop adapted to the temperate latitudes, rice is the most useful and practical cereal of the humid tropics. Long recognised in Asia, this realisation is rapidly coming about in Africa.

It is ironic that malnutrition is widespread in Africa in the midst of ample land and water resources that could produce bountiful rice harvests. However, recent trends in expansion of local production suggest that with the support of price incentives and the provision of new but appropriate technology there is hope for the future. Rice, the crop that feeds billions in the Asian tropics, will probably also revolutionise African agriculture in the coming decades. ◻

J.L. and M.W.



Researchers and farmers inspect a crop of ITA 257 intercropped with maize in Kaduna State, Northern Nigeria. The improved variety, together with a strong price incentive, has pushed up production from 33 000 to 200 000 tons within two years

Zimbabwe cereals: the accelerating food production story

by Constandinos VARDAKIS (*)

Building steadily on its post-Independence agricultural growth, (despite poor rains during the years 1982-1984) Zimbabwe exported 350 000 tons of maize in 1988, a challenge in the sub-Saharan region where countries are usually net food importers. What are the reasons behind this success story of enhanced food self-sufficiency on a sustained long-term basis?

The high output of Zimbabwe's agricultural sector can be attributed mainly to the Government's two-tier agricultural policy followed since Independence in April 1980. This has consisted (a) of continuous support to organised private commercial farming (12 000 farmers) which, unlike certain other African countries, has not been disrupted after Independence by ill-advised policies of nationalisation or other forms of state intervention; and (b) of support to the 700 000 communal farmers producing on 2-3 hectare arable plots through market oriented pricing policy, availability of credit, provisions for inputs supply and marketing services.

Both agricultural sub-sectors benefit from decentralised agricultural extension services, an extensive rural road network, reasonable transport systems, despite foreign exchange constraints which bear heavily on spare part availability and—last but not least—access to information provided by agricultural research services whose performance is rightly praised and not only in Africa.

The natural resource base for agricultural production

Zimbabwe is entirely situated within the southern tropics. The country is generally well elevated and consists mainly of plateaus. The effect of altitude on temperature patterns results in a predominantly sub-tropical climate.

Rainfall is strictly seasonal. During austral summer, from November to April, the inter-tropical convergence zone causes intense but unreliable rain to fall over the country with the northern and extreme eastern areas receiving, with 700 mm and 1000 mm respectively, more rains than the other parts of the country.

The natural growing season coincides with the rainy months but total rainfall, its seasonal distribution and the fact that only 15% of the country's agricultural land has arable potential are limiting factors.

Thirty-five per cent of Zimbabwe receives more than 700 mm of rain per annum, which is the minimum required for sustainable semi-intensive farming.

Agriculture is by far the most important economic activity, with some 80% of the population being in some way dependent on farming for a livelihood.

The grain industry

The grain industry in Zimbabwe is one of the mainstays of agriculture, of the national economy and of the communal sector in particular.

Since 1980, cereals in their diverse forms have been a powerful engine of growth and development in the rural areas.

(*) Rural Development Adviser, EEC Delegation, Zimbabwe.

Summer cereals

The major commodities produced are maize, sorghum, *mhunga* (Pennisetum typhoides or pearl millet) and *rapoko* (Eleusine coracana or finger millet). Planting takes place around November and harvesting commences around April-May.

Deliveries by farmers of those commodities have been as in Figure I below.

These quantities do not include food production retained for domestic use by farmers. National average yields for maize and sorghum are 1.5 t/ha.

At present, the major issues confronting Zimbabwe summer cereals are those of production and price. The large-scale commercial farming sub-sector (35% of total marketed output) has brought to Government's attention the increasing gap between rising input costs and the very limited producer price increases granted over the last years.

A further factor has been the development of a considerable national maize stockpile which has become increasingly burdensome to maintain. The data in Figure II indicates the substantial year-to-year changes in the level of national maize stocks (in '000 tons) which also underlines the occurrence of droughts during the 1980/81, 1983/84/85 and 1986/87 agricultural years.

Winter cereals

The country is a small producer of winter cereals (wheat, barley and

Fig. I. Cereals deliveries ('000 tons)

Year	Maize	Sorghum	Mhunga	Rapoko
1981	815	15	No data available since prices not controlled.	
1982	2 014	30		
1983	1 391	19		
1984	617	5		
1985	942	21	4	1
1986	1 828	82	45	13
1987	1 593	70	23	9
1988	1 190	14	15	5

oats) and, with the exception of barley, it is not self-sufficient.

With increasing urban drift and changing consumption patterns, the present national consumption requirements for wheat have gone up to 380 000 tons and 32 000 tons for barley.

Fig. II

Year	Maize in stock
April 1981	158
1982	1 200
1983	1 085
1984	123
1985	462
1986	1 426
1987	1 900
1988	800

Farmers' wheat deliveries for the winter (austral dry season) of 1988 were the highest on record at 260 000 tons. Winter cereals have been grown for a long time but it was only with the development of irrigation in the 1960s that production became significant. Prevailing agro-ecological conditions favour the production of those cereals during the months June-October under full irrigation.

Average yields for wheat and barley can be compared with yields achieved by industrialised countries, wheat yield being 6 tonnes per ha. However yields of 9 tons/ha have been recorded for both wheat and barley in the best endowed growing areas.

The importance of pricing policy and agricultural support services

Success in agricultural production lies generally in the integration of

agricultural extension and research, marketing and credit to purchase inputs. Whether this is achieved depends on the confidence of the target group: the farmer.

Pricing policy

The success of the cereal industry in Zimbabwe will continue as long as sound and timely produce pricing policy decisions by Government are based on national and international market trends and forces.

Government regulated prices are based on the market and as long as they are agreed in time they allow the farmers to respond to price changes.

The cereal producer prices for the 1988/1989 marketing season are: — maize and sorghum: Z\$ 195/ton⁽¹⁾; wheat: Z\$ 365/ton; *mhunga*: Z\$ 250/ton and *rapoko*: Z\$ 300 ton.

Noteworthy is the fact the country has also had a successful record of gradually removing subsidies on cereals. Official prices are the same country-wide, however, there being no price differential to take account of transport costs, etc.

Agricultural Research

Formal research into improving seed varieties dates back to 1909 but the era of modern plant breeding began in the 1930s with hybrid maize.

Breeding programmes are carried out by the Government's Department of Research and Specialist Services in a number of research stations, backed by the commercial farmers. The main aim of research has been to improve seed varieties, pest control and crop manage

ment, as the key factors in increasing crop yields.

New cereal varieties produced by the breeders are subjected to vigorous preliminary, intermediate and advanced variety trials and are only released for commercial production if they constitute an improvement over existing varieties.

Agricultural marketing

Like many developing countries, Zimbabwe has a state-controlled agricultural marketing organisation consisting of a number of marketing boards under the umbrella of the Agricultural Marketing Authority.

The Grain Marketing Board (GMB) is responsible for the marketing of maize, wheat, sorghum, *mhunga*, *rapoko*, groundnuts, sunflower seed, soyabeans and coffee. GMB exercises strict control over the purchase and export of these commodities, although direct producer-to-consumer sales are allowed in the communal lands. Cereals account for the major part of GMB's trading activities.

Cereal marketing statistics show that since independence peasant agricultural production has steadily improved. Prior to independence, deliveries of cereals to GMB by communal producers never exceeded 100 000 tons or 10% of national marketed output. In 1988, however, communal and resettlement producers delivered no less than 65% of the total cereals taken in by GMB.

Agricultural extension

Agricultural extension means the complex of processes by which rural

(1) In December 1988: Z\$ 1 = US\$ 0.51.



Evidence of bumper crops.

The 1985 harvest was so good that temporary bag storage proved necessary in addition to normal silo storage

people are persuaded to adopt improved farming methods. The gap between the best scientific knowledge and current field practice provides the scope for agricultural extension. In Zimbabwe this is the responsibility of the Department of Agricultural, Technical and Extension Services (AGRITEX) staffed by 3 500 officials, 1 500 of whom are extension workers working at grass-roots level. Extension is directed at 700 000 communal farmers, 45 000 resettlement farmers and 12 000 commercial farmers. It is imperative that extension should reach, effectively and directly, the largest possible rural audience. AGRITEX methods are based on the Training and Visit System which proved successful in India during its Green Revolution.

The efficiency of AGRITEX services to farmers has declined, however, since independence. The Department has experienced high staff turnover, losing skilled personnel through resignations to non-governmental organisations, parastatals and the private sector. The main reasons seem to be uncompetitive salaries, lack of benefits and delays in processing staff promotion. Proposals to reverse this negative trend are being reviewed by Government.

To enhance technical skills training within AGRITEX, the European Community and Dutch bilateral aid are currently appraising a project proposal to finance a Technical Assistance package which will be targeted at AGRITEX Irrigation Division.

Agricultural finance

A total of Z\$ 200 million is to be loaned to smallholder farmers by the Agricultural Finance Corporation (AFC) for the 1988/89 growing season. The largest EDF-financed project under Lomé III in Zimbabwe involves the special loan of ECU 20 m to the AFC for on-lending to communal and resettlement farmer groups. Adding to that the Z\$ 300 million likely to be loaned to large-scale commercial farmers by commercial banks, this is a massive injection of vital finance for the country's farmers and a significant contribution to the growth of the cereal industry. Cereals are amongst the major crops financed by the AFC and commercial banks.

Present costs of production per tonne for maize are Z\$ 170 while those for sorghum are Z\$ 180. Of these costs the largest components for maize are fertilisers (33%), labour (25%), machinery operating costs (20%) and crop chemicals (12%). The variable costs of growing wheat in 1988 were assessed at Z\$ 1 250/ha. Seeds, crop chemicals and fertilisers account for the bigger share of total borrowings by cereal producers. AFC and the commercial banking sector regard themselves as a partner in agricultural development with all Zimbabwe's farming community, and AFC's future viability will depend on its ability to reduce the currently high level of arrears caused during the drought years when the communal and resettlement producers were in many cases unable to repay their loans.

Cloud in the cereals sky: the population boom

In the medium term, the most explosive social issue which may jeopardise the agricultural growth of the 1980s is Zimbabwe's population explosion, with a growth rate of 3.7% per annum. According to the latest World Bank figures the country has one of the highest birth rates in Africa and in the developing world as a whole. Population expansion at such a rate runs the risk of negative real growth rate of agriculture's added value to the economy. If these expectations are realised, economic efficiency will dwindle, rural unemployment rise and urban migration increase. The result will be distorted access to food, cereal products being the first to be affected.

This is the sad story that has been seen in other African countries and elsewhere; the hope must be that Zimbabwe will continue to learn from its own success and the failures elsewhere.

Limited land resources will also affect the use of the marginal agricultural lands by a growing population resulting in environmental degradation.

Zimbabwe cereals and the European Community's food policy

To halt declining food self-sufficiency and increasing outbreaks of

famine in sub-Saharan Africa, it is vital that food production be stepped up both nationally and regionally and that access to food is ensured by generating income for all strata of the population.

Agriculture in Zimbabwe accounts for 40% of merchandise exports and its performance strongly affects the availability of foreign exchange to other sectors.

EEC purchases of Zimbabwe cereals as food aid for third countries is a good example of the interaction between Europe's Common Agricultural Policy and the food policies of developing countries. The European Community's food aid budget buys up foodstuffs in a surplus developing country for shipment to a deficit country in the region through the so-called triangular operations. Zimbabwe has been one of the principal beneficiaries of this policy. From 1985 to 1988, the European Community has bought directly from the GMB no less than 150 000 tons of cereals for deficit countries in the SADCC region — Zambia, Malawi and Mozambique for example, but also for Cape Verde, Nepal and Nicaragua. This figure of 150 000 tons does not include EEC-financed purchases of Zimbabwe cereals carried out by the United Nations High Commission for Refugees, the UN World Food Programme, the International Committee of the Red Cross and non-governmental organisations.

Into the 1990s

Over the last decade, rural development has remained the cornerstone of Zimbabwe's national development. The benefits of this policy orientation have accrued both directly and indirectly to the food producers. Both nationally and regionally Zimbabwe cereal farmers have had a vital role to play.

But there remains the risk of distortion and disequilibrium generated by uncontrolled population growth and by the unusually low level of employment generation. In the 1990s, this will be the major challenge Zimbabwe will have to face to keep its cereal industry on the growth path. ○

C.V.

The Global Information and Early Warning System^(*)

Cereals production is more sensitive to weather variation than most other staple foods, and, as cereals play a predominant role in world food security, advance warning of deficits—as well as of surpluses—is imperative. The FAO's Global Information and Early Warning System (GIEWS), established after the 1974 World Food Conference, plays a vital part in monitoring the world's food supply position as a whole and the position of cereals in particular. The following is an overview of the aims of the GIEWS and of its methods.

The Early Warning System has three main functions. First, it monitors the global food supply position; second, it monitors the food supply outlook at the national level and alerts governments to emerging problems; third, assistance is provided to strengthen national early warning capacities in developing countries. These three main functions are performed by a small central unit with eight professionals. The unit draws heavily on other units in FAO and FAO field offices and field projects and acts as a focal point for channelling all information relevant to the food supply position and prospects.

Warnings of surpluses and shortages

The System monitors the production and the supply position and prospects for all staple foods which are important in the national diet. Thus, coverage varies from one country to another, but include cereals, root crops, pulses, plantains and livestock. The main emphasis is still placed on cereals, partly for lack of information on other products.

GIEWS is designed to provide warnings of *surpluses* as well as *shortages*. An exceptional food surplus can jeopardise food security, either by reducing the incomes of farmers who depend on food sales to support their families or by creating disincentives to planting of foodcrops, leading to reduced production and food shortages in the following year.

(*) Article provided by the Global Information and Early Warning Service, Commodities and Trade Division, FAO, Rome.

Assistance to national early warning systems

FAO-sponsored early warning projects are in operation or under preparation in more than 20 vulnerable countries in Africa, Asia and Latin America. In Africa several sub-regional projects are also being supported. These national and regional projects aim at providing a low-cost system of monitoring which brings together all the indicators which are available in the country on the food supply position and prospects. The basic elements of these national early warning systems highlight their interdisciplinary nature. These include: monitoring of crop conditions through field reports, agrometeorological observations and remote sensing data; pre-harvest crop forecasts and the early assessment of local deficits and surpluses, and finally, the monitoring of socio-economic and other indicators which provide direct clues to emerging food supply problems.

In addition the FAO unit issues a monthly Food Outlook report which analyses the global food supply position; it includes an assessment of the current situation and short-term prospects for production, stocks, exports, imports, food aid and prices. The Foodcrops and Shortages report, also issued monthly, reviews crop conditions, production prospects and national food supplies, particularly in developing countries. Currently, a special periodic report on the Food Supply Situation and Crop Prospects in sub-Saharan Africa is also being issued. As well as more details on the food supply position in the 45 developing countries of the region, this Special Report also contains FAO's country by country estimates of cereal import and food aid requirements

and donor pledges and deliveries. Special country alerts are telexed to potential donors whenever the food supply situation threatens to deteriorate in a specific country. Because of the ongoing threat to food security in the drought-prone Sahelian zone of Africa a special telex report on the crop prospects and food supply situation in the Sahel is issued to donors approximately every 10 days throughout the rainy season.

Monitoring techniques

The GIEWS depends mainly on field reports provided by FAO Representatives, FAO field staff, WFP field staff, governments, bilateral and multilateral aid agencies, NGOs, etc. In "normal" conditions monthly reports are sufficient. Weekly reports are requested as the situation deteriorates, daily telex/telephone reports are required in emergency situations, but this would only be in very extreme cases.

Crop Assessment Missions are fielded in the pre-harvest period. These do not substitute for full-scale agricultural surveys and censuses but provide a useful insight into the crop situation and prospects. Joint FAO/WFP or Multi-Donor Food Supply Assessment Missions are fielded to countries facing unusual difficulties.

Work is also carried out in the field of agro-meteorological monitoring.

Satellite monitoring is also undertaken. NOAA/NASA and METEOSAT satellite imagery are used to derive respectively vegetation indexes and rainfall estimates to complement field reports.

Other socio-economic indicators are monitored to the extent that information is available. These include cereal prices, cereal stocks, market arrivals, population movements, cattle prices and slaughter rates, length of queues at food shops, nutritional indicators, etc. GIEWS collaborates closely with NGOs in this areas.

The overall approach of the GIEWS is to collect as much information as possible from wherever it is available; judgements are then made by country monitors using their experience in crop and food supply assessment and their knowledge of the countries concerned. ○

NGOs help the "victims of progress"

by Montague KEEN (*)

When they built the great hydro electric barrage across the Zambezi to create cheap power for southern Africa and the world's greatest man-made lake behind the dam wall, they forgot about the people living there. And, until recently, that's been the main trouble with many well-intentioned development projects.

Flooded out of their traditional homelands by the rising waters of Lake Kariba in what is now part of the boundary between Zambia and Zimbabwe, the BaTonga tribespeople found themselves forced towards the less fertile, more arid hills to the north in the Gwembe Valley region. Deprived of roads, and hence markets, with no means to pump water up from the lake or raise it from the ground, they did their best to adapt to these unscheduled consequences of twentieth century progress.

For them that was the first product of civilisation. Second product: the internecine conflicts surrounding the battles over UDI (unilateral declaration of independence) by the Smith regime in neighbouring Southern Rhodesia. The fighting engulfed and further impoverished the tribes. Then Nature lent a hand. Drought debilitated the livestock and desiccated what crops there were. Hunger overtook malnutrition. Infant mortality levels peaked. The government was distant, encumbered by debt, virtually helpless to assist.

Enter the Goodfellows

Then word seeped through that a small and neglected branch of the same tribe in the Zambian hinterland had been rescued from helplessness by the efforts of a young Quaker couple, Leo and Ginnie Goodfellow, who have lived all their lives in the country. They had left their thriving horticultural business to work among the victims of natural and man-made disasters. Within two years their efforts had enabled the tribe to double their

crops, despite poor rains, and to establish a clinic and a school.

As a result, the chiefs and village headmen of the BaTonga invited the Goodfellows to visit Gwembe Valley, where they had been forced to settle in villages spread over some 700 square miles along 50 miles of the northern shore of the lake.

The Goodfellows concluded that the project area had much potential, despite the poorer soils, absence of roads, remoteness, disease, illiteracy and proneness to drought. They turned first to the Zambia Religious Society of Friends, a registered charity. With the blessing of the Zambian government it created the Gwembe Valley Agricultural Mission. But to implement a major project of rehabilitation for the estimated 29 000 tribespeople, money would have to be found from outside. The government had none to spare, not even for medical, veterinary or agricultural aid.

Some of the substantial sums needed to implement a comprehensive programme of improvement has come from the EEC through its co-funding scheme. The rest has been found by Harvest Help, a London-based charity dedicated to enabling the Third World countries to help themselves over food production. It has harnessed the support of thousands of charitable donors, all of whom are sent regular progress reports on the scheme. Among them is the International Federation of Agricultural Journalists, which has officially "adopted" the Gwembe project and raised money to help it.

Based on their experience at Ibwe Munyama, the Goodfellows formulated a five-pronged plan. It involved upgrading farming methods, and seeds, using their own experimental plot for trials; providing a lake transport system to and from the port of Siavonga, near the dam end; helping each village to build and maintain a boat; introducing a system of transport by locally manufactured carts to take produce and people from the uplands to the lake shore; installing grinding mills to free women from the enervating tasks of hand pounding;

creating village co-operatives which would assume responsibility for commercial activities, marketing of produce and, eventually, banking as well as bookkeeping transactions; and setting up village clinics to provide a basic medical service and education on hygiene and nutrition.

That was in 1985. The scheme got going the following year. Two years have since elapsed. What has been achieved?

Building for self-sufficiency

Before that can be assessed, one point must be emphasised. While there was an element of emergency famine relief in the first two years, involving distribution of free mealie meal (maize) and milk powder, the scheme aims to avoid the demoralising and addictive effect of dependence on charity. Those who benefit must pay — for the seeds they receive, the grinding mills, the diesel fuel, the raw materials from which boats are built, the cement for essential buildings... everything. They pay to a revolving loan fund out of the money they earn as a result of their purchases. Not only that: it is an essential part of the concept that the beneficiaries should be gradually weaned from their dependence on the leadership and guidance of the Goodfellows and their Zambian aides, so that within a few years there can be a phased withdrawal of external guidance and help, leaving behind a self-sufficient and thriving community.

Moonshine? Many of the Zambian aid-watchers fear so. With growing cynicism they have watched aid or development projects crumble into confusion when the tents are packed and the leaders withdraw to their distant homes. From the outset, the supporters of the Gwembe project have been determined to avoid this danger. They had certain advantages. Foremost was the fact that the initiative came from the tribespeople themselves: it was not imposed on them by those who knew what was best for them. At every stage, it has been the Goodfellows' job, often accomplished

(*) Development journalist based in the UK.

in the face of considerable odds and not a little hardship, to provide the essential starter tools, and help fashion the administrative mechanisms, human skills, enthusiasm and grit to ensure that eventually the villagers will be able to run things themselves. The co-operatives are the core of the self-help system, and they have now begun to perform a crucial role in the purchase and sale of requisites and food, and in the marketing of livestock, produce and crafts. A prerequisite to their success has been the emergence of leading members of the village groups who have acquired literacy and numeracy skills quickly and efficiently enough to enable them to manage simple bookkeeping tasks, and to run the co-operatives on democratic but businesslike lines.

There is nothing natural, or compulsory, about co-operatives; but without them the task of transferring to the local inhabitants leadership, as well as administrative skills, would be impracticable. The best evidence of their success is in reports that membership grew by 50% in the first quarter of 1988. Women play a leading role in running the co-operatives.

An interim balance

By the end of 1987 the gloomy prognoses of the pessimists looked as though they might be realised. Drought had again struck the region. It was designated a disaster area. Emergency relief supplies were sought. The water level of the lake, by now some nine metres below the norm, made it difficult to contemplate building permanent jetties for boats. Goods and people alike have had to be off-loaded into small craft for beaching.

But there were ample signs of enthusiasm and progress. A mobile medical boat was regularly visiting clinics in specially constructed buildings along the shore, and inland. An assault on high infant mortality was being made, with the emphasis on sound nutrition, preventive medicine and regular checks. Ginnie Goodfellow's horticultural trials were showing how wide was the range of cash or subsistence crops which could be grown, so long as the rains came. Boat-building and adobe brick manufacturing were progressing well.

Gradually the villages were being equipped with small diesel-driven grain mills.

This season the rains, although late, fell in abundance. For the first time in years, there is ample food for everyone. The fear that the quelea birds might return to devastate sorghum crops as effectively as they had done in the two preceding seasons was not realised. And the armoured crickets stayed away.

As a result the co-ops have been able to offer for sale a great variety of crops, according to the latest report from Ginnie Goodfellow: not only maize, sorghum and millet, but cowpeas and groundnuts, cassava, pumpkins, cucumbers and okra. Some of the co-ops are beginning to specialise. Temporary school buildings will shortly be replaced by permanent, locally constructed brick school-houses, thereby qualifying for government paid teachers. Healthy rivalry between villages to hasten the completion of their new school buildings augurs well for an era of literacy.

The tasks still facing the project leaders, and the participants themselves, are still huge, however. The BaTongans are naturally skilled farmers, and learn quickly; but they admit to the sin of laziness. Highly musical, they have a tradition of handicrafts which is being put to commercial use. But their valley lacks adequate roads as well as mains electricity; and lack of energy resources is one of the chief constraints upon agricultural productivity and rural development. Some hopes are pinned on the generation of wind-power if enough money can be found to install the award-winning Intermediate Technology windpump which is already being made by licensees in several African countries and which can lift 200 cubic metres a day from shallow wells and rivers. Money will also be wanted to find a satisfactory way to improve livestock husbandry by that most basic of requirements: stock-proof fencing impervious to the ravages of termites.

Where the money goes

In the first year, 1986, most of the £95,400 spent went on building staff accommodation and buying materials to build lakeside clinics, grain mills

and shops. In the second year, 1987, a total of £117389 was spent on the project, of which a mere £10386 went on salaries—the Goodfellows themselves receive no salary at all. The biggest items were building supplies, generator equipment, agricultural and veterinary work, steel and engines for boats, fuel and maintenance for road and water transport, educational work, including school buildings and teachers' houses, and the purchase of a barge for famine relief distribution.

The amount spent is astonishingly small considering the scale and the difficulty of the project. A nice balance has to be maintained between the demand for strict accounting to the many donors, large and small, and the need to give people on the spot the maximum flexibility of decision and the knowledge that their work is understood and their dedication respected.

In Africa there are well over 1 000 development schemes, large and small, supported by FAO alone. Voluntary agencies like the Gwembe Valley Agricultural Mission are working in scores of developing countries on projects no two of which are identical, although most have similar objectives. Even in the Gwembe area there are some 15 different agencies or individuals helping with different aspects of the same task; and it is encouraging to learn from a recent visit by a Harvest Help emissary that there is willing co-operation, rather than selfish rivalry, among them.

Increasingly, these agencies are profiting from the mistakes of the past. A bottom-up approach, in which the potential beneficiaries play the major role in fashioning their own future, is now becoming the norm. In Gwembe the sponsors have been deliberately, and prudently, vague about the number of years which may have to elapse before the umbilical cord can be cut, or the last apron string severed. But unless it can happen there within three or four years, so that a reinvigorated community can stand on its own feet and contribute, rather than constitute a burden, to the rural economy, not only will the brave venture have failed: the chances are that many others with comparable tasks and ambitions will have failed too. ○

M.K.

The international trade in tropical timber

by Simon COUNSELL (*)

In October 1988, the European Environment Bureau convened a meeting of interested parties, EEC and ACP alike, for a conference on "Lomé IV and the Environment". The growing realisation that environment and development are interlinked, the urgency of the Brundtland Report, "Our Common Future", and the increased concern of ACP countries that little time remains to address environmental problems, all prompted this meeting. In a previous edition of *The Courier*, we highlighted one of the most scandalous environmental problems facing the ACPs—the dumping of European toxic wastes. Now, we reproduce the contribution to the "Lomé IV and the environment" conference of the Friends of the Earth, dealing with another, literally burning, issue—the destruction of tropical forests. This article, based on that contribution, deals with one aspect of the problem which the EEC is the best placed to tackle with its ACP partners, namely the international trade in tropical timber where Europe is one of the world's "big three" consumers.

"The lives of more than one thousand million people in the developing countries, primarily the urban and rural poor, are disrupted by periodic flooding, fuelwood scarcity, soil and water degradation and reduced agricultural productivity—all caused in whole or in part by deforestation. Scientists estimate that some 40% of the biologically rich tropical moist forests have been cleared or degraded already. Some 11 million hectares are being lost every year. In many developing countries tropical forests will all but disappear in two or three decades if present trends continue". (EEC Fourth Environment Action Plan).

Most people are now aware of the broad causes of tropical deforestation, all of which deserve wider discussion in the context of Lomé. However, this paper relates only to commercial logging and the tropical timber trade.

Commercial logging directly destroys or degrades up to 5 million hectares of tropical forest a year, roughly one quarter of the total loss, and twice that due to unsustainable fuelwood gathering. Loggers, in seeking the sparse, slow-growing broad-

leaved species, are concentrated in previously undisturbed closed moist forests, which are ecologically the most valuable. The knock-on secondary damage caused may often grossly exceed that done simply through removal of trees.

Commercial timber operators open up previously inaccessible areas and are therefore a vital link in further uncontrolled deforestation. Logging roads are an open invitation to the disinherited of the tropical countries, shifted cultivators following in the tracks of the road labourers, who are often themselves abandoned without means of subsistence when the job is done.

Tropical logging is characterised by vast wastefulness. A US Task Force on Tropical Forests reported in 1980, that in one typical South East Asian concession, 57% of the residual forest was destroyed or seriously damaged, although only 3.3% of the trees were removed for commercial purposes.

As if this was not bad enough, the FAO estimates that: "for every cubic metre of timber taken from the forest, roughly one cubic metre is left behind in logging areas, and a further one quarter cubic metre or so is wasted in processing".



Photo: Doc. Française

Loggers in Gabon

"Loggers... are concentrated in previously undisturbed closed moist forests"

All of this means, according to the World Bank, that of the 33 developing countries that are now net exporters of forest products, less than 10 will be exporting these products within just over a decade. This includes four out of the five developing countries who are major exporters to Europe. The total value of the export trade will have dropped from \$2 billion. Several timber exporters have already lost a source of income.

The cumulative effect of unsustainable logging will undoubtedly be disastrous, not only ecologically, but also socially and economically.

The constraints to sustainable tropical forest exploitation are not simply ecological: basic reforms in the timber trade are long overdue.

A grim review of forest policy failure and misuse of forest resources has just been published by the World Resources Institute. The main conclusions of the report are that national policies and fiscal incentives have often been to the detriment of economically sound and ecologically viable forest exploitation.

Systems of concession allocation, inappropriate revenue systems, plus incentives to processing industries and

(*) Of Friends of the Earth.

industrial country barriers to value-added tropical timber products, have resulted in producer countries benefiting from only a fraction of the potential revenue from forests, but incurring disproportionate disbenefits.

A bewildering array of tax breaks, credits, holidays and waivers encourages the establishment of grossly inefficient wood-processing industries, which, once established, demand and generally receive continued raw material despite inherent economic inefficiency.

Basic reforms are desperately needed, for example: royalties and revenues from timber production should be increased and based on the value of the forests, not volume of timber extracted; incentives for inefficient processing radically restructured; concession allocations should be based upon an open and minimum acceptable bid, and conditional upon the payment of a "good forestry practice" bond; concessions terms should be for a sufficient period to allow for at least two cuts on a sustainable basis.

The resource and policy inefficiency of the tropical timber trade is, of course, reflected in macro-economic inefficiency.

In 1975, the former Senior Director of Forestry in the FAO summed up the extent to which the economic benefits of the timber trade are overstated: "exploitation, with a few honourable exceptions, has been reckless, wasteful, even devastating... the operations have had no profound or dura-

ble impact on the economic and social life of the countries where they have taken place... local needs are not being met; the employment opportunities created are trifling." A recent World Bank study states that "rough estimates show that the economic costs of unsustainable forest depletion in major hardwood exporting countries range from 4-6 % of GNP, offsetting any economic growth that may otherwise have been achieved".

Where do the consumer countries, especially the EEC countries, fit in this pattern? In terms of economic value of hardwood products, Europe is on a level pegging with Japan and North America, importing about 31% of all the tropical timber entering the world market. In terms of volume, the figure is 37%, not that much less than Japan, the largest consumer.

Certain European countries maintain direct control of logging and processing in ACP countries. Thus, in terms of the value and volume of timber imported, the diversity of timber products and country of origin, direct links and old colonial ties, Europe is strongly placed to influence the development of sustainable tropical forest management.

The potential for bringing about change extends beyond the volume and value of timber imported. There are three areas where the EEC can act:

- a) ITTO (International Tropical Timber Organisation)
- b) Legislative initiatives
- c) Lomé

ITTO

ITTO is a unique commodity agreement, bringing together more than 40 of the major commodity producers and consumers on an institutionally equal basis. It is unique because it is concerned not only with trade but also with the development and environmental aspects of the trade's resource base, the tropical forests. Its Articles of Agreement specifically state that it will seek to "preserve the ecological balance of the (timber producing) regions concerned". The EEC wields one-third of the consumer voting power within the ITTO, and thus has the opportunity to vigorously pursue policies to promote rational resource use.

There are, indeed, some indications that the EEC helped at the last session of the ITTO to formulate an agreement on priorities for discussion and action, which included emphasis on sustainable forest management and conservation. However, the ability of the ITTO to execute its programmes for sustainable management will ultimately depend upon the resources available to its Special Projects Fund. So far, the trade itself has failed to contribute any money to ITTO. This may change in the light of recent announcements from the British and Dutch hardwood importing federations that they will seek to implement a surcharge on tropical timber imports in order to raise funds for sustainable management and conservation of tropical forests.

As yet, apart from its Member



Photo: Piret

"The African timber-producing countries have not managed to develop sizeable exports of plywood"



Photo: The Courier

Europe imports 37% of the world's tropical timber. Here, timber awaits loading at the port of Maputo, Mozambique

States' basic membership fees, the EEC is prevented by its constitution from committing any funding for project activities and can only play a coordinating role. This situation should be considered during Lomé IV negotiations.

Parliamentary activities

Legislation relating directly to the tropical timber trade and tropical moist forests has yet to occur, although initiatives within the European Parliament have already happened. Earlier this year, a resolution was passed unanimously within the EP calling for an immediate moratorium on imports into the community from Sarawak, where commercial loggers, principally serving the export trade to Japan and Europe, are causing massive environmental degradation, and, even more importantly perhaps, the complete destruction of tribal homelands and indigenous cultures.

The EEC can go further. In 1986, FoE proposed a European Trade Regulation to promote and integrate the trade and conservation principles of the EEC and ITTO. Such a regulation is now evolving in the Parliament. It sets out to ensure that only timber derived from ecologically sound, sustainably managed areas is imported into the Community. The mechanism for establishing this is the establishment of Forestry Management and Conservation Plans within the timber-producing regions, the adoption of which would qualify the exporting country to ship timber to Europe. This sounds very much as if the entire burden is being placed on those developing countries, including our ACP partners, but it is not so. Any proposed trade legislation would necessarily be linked with the establishment of a European Tropical Forest Management Fund, the proceeds of which would cover 100% of the costs of establishing the Forest Management Plans. It is thus a reciprocal arrangement which provides for continued markets for forest products, whilst ensuring that the method of production is economically, socially and ecologically sustainable. Again, funding from the timber trade itself may be available, but the establish-

ment of the Tropical Forest Conservation Fund should be specifically addressed by the Lomé IV negotiations.

Legislative initiatives

It is frequently argued that if tropical timber producing countries had greater incentives to develop their own timber processing industries, then this would result in reduced exploitation of forests, and hence promote tropical forest conservation. The theory is that increased added value of processed timber products, along with the advantage of less reliance on unstable commodity markets, would provide an incentive for developing countries to build up more sustainable forest management practices. However, while market adjustments of this sort can help tropical timber products, there are dangers in considering trade regulation policies out of context. A comparison of the African and South East Asian timber industries provides a good example of this situation.

The absence of any major domestic African timber industry illustrates the difficulties facing ACP countries. It would seem that African ACP states, with unlimited potential for duty free export to Europe, would be at an advantage over Asian states constrained by quotas on many processed timber products under the General System of Preferences (GSP). However, in general, the African timber producing countries have not managed to develop sizeable exports of plywood over the last 20 years.

In West Africa, with the exception of Nigeria and Ghana, processing industries are mainly controlled by foreign interests, which have concentrated on veneer production rather than plywood. Even in Gabon, which is one of the main purveyors of logs for the domestic European plywood industry, the expansion of plywood exports has been very limited, from 41 to 54 000 m³ per year between 1973 and 1984.

Manufacturing in Gabon is controlled by the same French companies that are importing raw *okoume* into France for their own plywood manufacturing. As these firms are under no pressure to develop a locally-based

processing industry, there have been few changes during the oil-rich years when Gabon could have expanded its domestic industry in the same way as Indonesia.

South-East Asia, on the other hand, has considerably increased plywood exports to Europe, especially to Britain, despite less favourable trade terms. It has now supplanted the Far East Asian suppliers such as Taiwan and South Korea. Indeed, the European market has helped South-East Asian exporters to survive despite the closure of the Japanese market.

Thus, whilst GSP has helped existing Asian plywood industries to expand, the theoretically more favourable Lomé Convention has been insufficient to encourage the development of indigenous African plywood industries in competition with Asia. Other important factors, such as lack of infrastructure and available capital, and control by European companies, have offset the advantage of Lomé.

In conclusion, the negotiation of Lomé IV opens the opportunity for discussion with the EEC's ACP partners on measures to ameliorate tropical deforestation. Policy dialogue, plus ensuing Indicative Programmes, with major timber producers such as those of West and Central Africa should seek to address the underlying mechanisms which drive continued non-sustainable forest exploitation. Development and funding priorities to the forestry sector should not be set according only to the direct economic returns of the timber trade, but according to the wider role moist tropical forests play in stabilising hydrological, climatic, soil, and therefore agricultural regimes. Specific measures, such as the extension of the Stabex system to include processed products like plywood, joinery and furniture components, and manufactured forest products, should also be considered. Lomé IV should also be used as an opportunity to encourage and support the relevant ACP countries to participate in, and benefit from, the ITTO. More generally, the present crisis in tropical forest management is so extreme that it must be addressed through every available channel, including explicit recognition in the Articles of Lomé IV. ○ S.C.

Return from the grave^(*)!

The African continent has, in the past 20 years, been in the headlines often enough as the focus of natural and man-made catastrophes. Starvation, drought, civil war and floods have filled newspapers and television screens with graveyards—human graveyards, animal graveyards, desolated fields and inundated towns. But only the experts know of yet other graveyards—not as dramatic perhaps, as the others, not as immediately horrific—which yet may have considerable impact on the lives of ordinary Africans. These are the graveyards of equipment which lie scattered throughout the continent—reliable estimates put the number of abandoned tractors alone at well over 100 000—which spell the end of high hopes of agricultural advance. Donated in good faith, or bought with scarce cash, these tractors represented the dream of self-sufficiency until they broke down. Foreign exchange for spare parts was not forthcoming, or technical skills were inadequate, and the dream faded.

The problem of foreign exchange is one facing many ACP governments, and governments everywhere are seeking better value for the money they spend. A specific problem has emerged in recent years, that of parastatals and food production organisations which are heavy consumers of machinery but which are poorly equipped to give the necessary after-sales support in the fields of servicing, training and spare parts supply. The situation is recognised by numerous donor agencies and is incidentally one of the main reasons for the EEC's use of the Special Import Programme. Under the reconditioning programme launched by this one tractor manufacturer, spare parts and skilled technical assistance are funnelled into the appropriate places through the Massey-Ferguson local dealers while the beneficiaries, be they corporate, parastatal or private farmers, can pay for the 'new tractor' in local currency.

But how is the revival of these long-abandoned 'veterans' possible? Basically it is because the tractor, unlike a car or bus, is an ageless vehicle, built robustly and designed for a life of more than one generation. The bulk of the tractors abandoned in Mozambique, for example, are of the MF-100 variety, built in the 1960s and '70s, and are a minimum of 15 years old. The ROC process retains the "carcase" of

the tractor—rear axle, gearbox, centre housing and basic assemblies, once they have passed a quality test. A new diesel engine, clutch assembly and hydraulic system are fitted as the basic minimum. Customers who wish to do so can "customise" their tractor so that it is virtually indistinguishable from the new MF-200 model made in Britain. Indeed, in Mozambique the model is stamped with the ROC logo and repainted as an MF-200. Abdu Amir Molgy, General Manager of Companhia de Buzi in Mozambique, one of the country's largest sugar estates, said "I had difficulty in convincing my factory workers that the first machine delivered... was not in fact a brand-new model".

Mozambique is an excellent example of the benefits of this scheme, which is financed by development funds from Brazil, the USA and Britain and fully supported by the Ministry of Agriculture. It was this latter which estimated that 5000 tractors were lying idle in "graveyards" around the country. Between 1985 and 1986, 2570 of these tractors were given the basic rehabilitation required by Entrepосто Comercial de Moçambique, the country's Massey-Ferguson dealer.

Entrepосто Comercial is a technical giant in Mozambique. It has maintenance, service and spare parts depots in Maputo, Beira, Nampula, Chimoio, Tete, Quelimane and Pemba with 1335 staff on the payroll. The initial



Rehabilitated tractors at the Acucaveira de Moçambique at Maffambisse near Beira. 2 570 of these tractors, all over 15 years old, are now back at work.

Now, a remarkable initiative, undertaken by the British tractor manufacturer Massey-Ferguson in 1985, has put nearly 400 old tractors back to work as practically brand-new models in Mozambique, Malawi, Zimbabwe and Zambia and pilot projects are under way, or being started, in Nigeria, Tunisia, Somalia, Ethiopia and Uganda.

rehabilitation project, covering 60% of the country's tractor fleet, has had a dramatic effect on both parastatal and private agricultural production. The economic benefits are manifest: the rehabilitated tractors cost between 25% and 30% less per unit of horsepower than an imported machine. The foreign exchange element in the price drops by 33%. And the dealers, like Entrepосто Comercial, receive a healthy boost to their cash flow and technical capability. Entreposto have modernised their workshops, increased their parts holding capacity and trained several hundred of their own staff as well as government field and service personnel. According to Manuel José, Entreposto's Managing Director: "The rehabilitation project has had a snowball effect. Our business is growing and turnover is far greater than it was pre-independence". Rehabilitation has almost reached its limits in Mozambique and Entreposto sees the next stage as being the rebuilding programme which was described earlier, a transformation which turns a 20-year old model into a new one at a fraction of the cost.

In the fight to increase agricultural output, save foreign exchange, revive and expand technical skills and broaden the use of mechanised agriculture, the tractor rebuilding scheme is proving to be of considerable use. It is one of the rare cases where a successful fight ends, not by filling the graveyards, but by emptying them! o T.G.

(*) Based on material provided by Colin Church, Church, Orr and Associates of Nairobi, Kenya.

The stone sculpture of Munyaradzi

by Chris McIVOR (*)

The idea of the artist in Western culture is very often of an individual who has undergone a long process of training and education. An understanding of, and acquaintance with, the works of his artistic predecessors is regarded as essential, and only when these have been fully assimilated will he or she be able to embark on something creative and new. The idea that only experts can make art, however, has been turned on its head by a generation of stone sculptors from Zimbabwe. It is now reckoned that 5 out of the 10 top sculptors in the world are Zimbabwean and all of them, without exception, have come from simple peasant backgrounds, received little or no formal training yet have managed to produce some of the most visually exciting work to have come out of Africa this century.

Perhaps the most famous of these is Henry Munyaradzi. His work has commanded prices of over £ 20 000. He has exhibited in Los Angeles, London, Paris and numerous African countries, and, in the words of one art critic, is more of a master in the art of stone sculpture than Michelangelo. Yet 22 years ago, at the age of 37, the closest to art that he had come was working as a blacksmith in the village of Guruve, 100 km north of Harare. "No, there was nothing in my early life that made me believe that I would end up sculpting. I received no schooling at all, I had no training in art let alone stone sculpture, and by the time I started when I was 37. I was unemployed and had done a variety of jobs none of which had any relation to what I am doing at present," he said.

It was in 1967 when he was looking for work that Henry Munyaradzi discovered Tengenenge, an art community started the year before by Tom Blomefield, a farmer turned sculptor. Sanctions against what was then Rhodesia had bankrupted Tom and while putting his farm up for sale he had urged his workforce to try their hands at sculpting. When Henry asked if he could join

them Tom Blomefield gave him a hammer and chisel, told him to build his hut close to the stone quarry and said he could start the next day. "At Tengenenge there were 10 of us working. But we all lived away from each other so that we could work out our own ideas about sculpture", claimed Munyaradzi. "At the same time we were cut off from other influences that Mr Blomefield felt would distract us and compromise our naturalness. We had no newspapers, radio, television, formal art training, books, etc. We worked outside, close to nature, and I suppose if you ask me who gave me my training and inspiration I would have to say it was the world around me."

Henry's talent was spotted immediately, even in those early works which were largely experimental. He was encouraged, not only by Tom Blomefield but also by the director of the National Gallery of Zimbabwe, Frank McEwan, who began to display the works of the Tengenenge sculptors. "These artists are still not encumbered by their learning", Mr McEwan once stated, praising the fact that the absence of formal training had allowed them a freedom to express their own ideas and cultural beliefs, denied artists brought up in a more professional environment.

"Yes, I believe my art is very Zimbabwean", claimed Munyaradzi. "A lot of my themes come from Shona culture and legend, and depict animals and plants that we have a special relation to." But even in a formal sense the Tengenenge sculptors see their art as particularly Zimbabwean. "We did not seek to give an exact pictorial representation of the world around us. We are not photographers. In Shona culture we believe that every animal and plant has a particular spirit or essence behind it and it is our aim to make this characteristic in things more manifest." Like many of his fellow artists Munyaradzi does not plan or draw or measure his work before he begins. He speaks of "the form in the stone waiting to be revealed" and believes that the kind of planning and measuring among Western sculptors can destroy their spontaneity.



The artist at work

Munyaradzi believes that a work of art should stand on its own, that is, should exist as an object of contemplation, but he also claims that his work has an important political and social element. His ability to capture the culture and history of rural Shona life is important at a time when many young Zimbabweans are beginning to reject the life of their fathers and assume the culture of urban centres like Harare and Bulawayo, a culture which, he claims, is largely foreign and Western. "I hope that when young people see my work they might reflect on the history and significance of the rural life they come from. Today many of them have forgotten Shona words for the animals and plants that sustained our forefathers. This is a tragic loss of identity."

Does his art have any relevance to a European audience? "Yes, I believe that people in the West are now questioning the exploitation of their environment that has taken place for centuries. The destruction of the world around them has left them at a loss and once again I hope the sculptures I produce will remind them that nature is not just a field of exploitation but a place of beauty and dignity."

Artistic success has not changed Munyaradzi's lifestyle or his perception of what he considers to be important. He lives and works in a farm north of Harare with his wife and nine children and continues to oversee the planting of his crops and the herding of his 40 cattle. "My art, I believe, is nothing more than an expression of a relationship worked out centuries before between my people and the world around them", he concluded. "If I lived any differently I would lose this talent that has been given to me." ○ C.McI.

(*) Coordinator of a British aid agency in Zimbabwe.



The importance of healthy seeds in agriculture

by S. B. MATHUR (*)

Health of seeds has been defined as the absence of disease-causing organisms, such as fungi, bacteria and viruses, and animal pests, such as eelworms and insects. Once disease-causing organisms become associated with seeds and get transmitted to seedlings and plants, they are called "seed-borne" and the diseases thus produced as "seed-borne diseases". Almost all crops which are cultivated by planting seeds in the soil suffer from such seed-borne diseases. Agricultural scientists all over the world are aware of the heavy losses these diseases cause and the devastating part they play in reducing food production.

Seed-borne organisms can affect seed germination, cause seed abnormalities in the form of reduction or increase in normal size, discolorations and spottings of various colours, shapes and sizes, and sterility. Transmission of important pathogens from seed to plants may cause disease or death of plants resulting in outright loss of crops and food. When, instead, seeds are used for direct food and feed consumption, seed-borne organisms may cause chemical changes, important deterioration in seed contents or the release of mycotoxins in seed with potential harmful effects on human beings and livestock, resulting in food losses or famine.

In 1985, while lecturing to graduate students of the University of Mysore in India, Paul Neergaard said that global loss due to seed-borne diseases is a major negative factor in world

agriculture. Based on available records and estimates on losses in the world's major crops, Paul Neergaard calculated that the total annual global losses are equal to the loss of the total cultivated land area of Latin America, or to the total amount of food needed for the entire population of Latin

America. He did not include losses caused by organisms during storage. Such waste cannot be accepted as a natural law. He said diseases can be controlled. Many animal and human diseases have virtually been eradicated, regionally or worldwide. It is cheap to organise scientific checking of seed for sowing and, where applicable, to treat the seed before sowing.

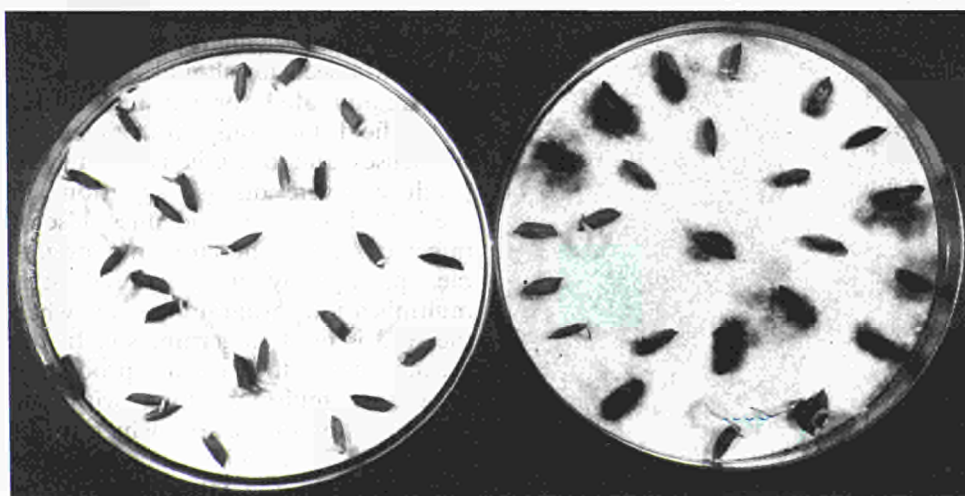
Dr Luigi Chiarappa, retired Senior Plant Pathologist of the Food and Agricultural Organisation of the United Nations said in 1988 that although it is very difficult to secure reliable data on worldwide losses caused by seed-borne diseases, there is sufficient direct and indirect evidence to show that these losses are very great. Worldwide losses, according to him, amount to several billion dollars each year. He emphasised that pathologists and agronomists cannot and should not allow these losses to take place on such a scale. Dr Chiarappa further added that it is our responsibility to see that such waste in money and human efforts is drastically reduced.

The magnitude of the problem

A few examples of losses produced by seed-borne diseases in rice, wheat and maize, the three most important cereals of the world, will illustrate the magnitude of the problem.

Classical examples of seed-borne diseases, which can be seen by human eyes, are ergot, smuts and bunts in cereals, head blights and ear rots. Losses due to such diseases are easy to calculate. In advanced countries, such losses have now been generally reduced because of various control measures. Occasionally, however, they can still be quite extensive. As late as 1976, for example, losses in seven of the western states of the USA of 240 000 ha of wheat infected with dwarf bunt (*Tilletia contraversa*) were estimated at \$ 3.3 million. In Turkey in 1972-74, common bunts (*Tilletia caries* and *T. foetida*) caused 10 to 15% losses in wheat fields sown with treated seed and losses of up to 90% in the fields sown with untreated seed. In the northwestern regions of India

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Rice seeds of high quality (left) showing high germination. On the right is a sample having high infection and very low germination. Many seeds are covered with heavy fungal growth

in 1967-71, losses of up to 40% were caused by smuts in wheat. In the same country, losses in rice caused by false smut (*Ustilagoideae virens*) ranged from 0.2 to 44.4%. In another report, in the state of Rajasthan, false smut and kernel smut (*Tilletia barclayana*) in rice caused 36.5% and 17.1% yield losses respectively.

Blast, (*Pyricularia oryzae*) is by far the most devastating disease in rice. In 1930s and 1940s it was regarded as a biological menace to food production as it created famine in several districts of Japan. Annual losses in Japan during 1953-1960 ranged between 1.4% and 7.3% with an average of 3% in spite of extensive chemical control. In the State of Bombay in India, losses of up to 66% were recorded in 1959, more than 50% from many areas of the Philippines and up to 100% in certain fields in Italy (1960). In Africa, losses ranging from 1% in Ghana and Togo, 5% in Kenya, Malawi and Sierra Leone, and up to 14% in Nigeria are reported.

In many areas of the world, losses comparable to those caused by blast are due to brown spot disease (*Drechslera oryzae*). During 1942-43, 50-90% of the rice crops in Bengal, India were destroyed by this disease. As a result two million people died because of famine. Heavy losses have been reported from a number of countries, including Nigeria where losses ranged from 12-43%.

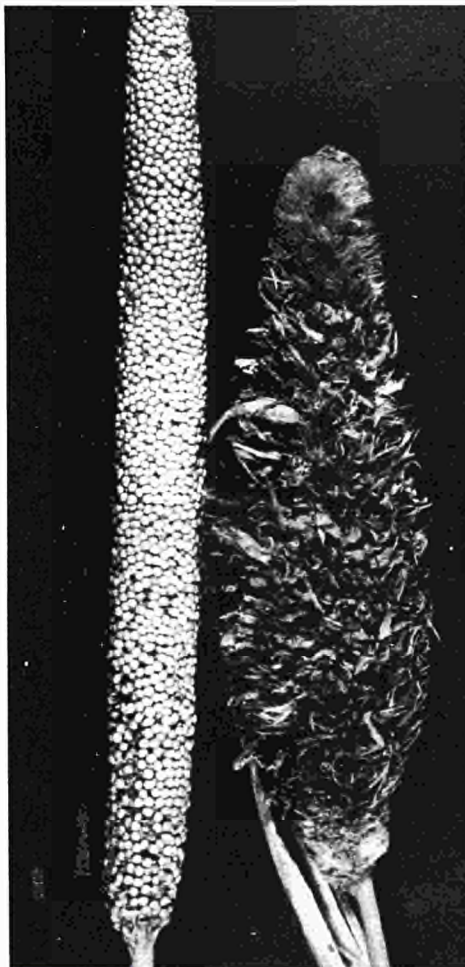
White tip disease in rice, induced by a nematode, *Aphelenchoides besseyi*, is known to cause considerable losses, 10-35% in Japan (1950); 29-46% in Taiwan (1959).

Bacterial leaf blight in rice (*Xanthomonas campestris* pv. *oryzae*) also causes severe losses. Considerable yield reductions have been recorded in Japan (20-30%) and India (6-60%), even in recent years. The disease is destructive in the Philippines and Indonesia.

Seed transmission of this bacterium is controversial. However, non-transmissibility of the bacterium would be exceptional given the many seed-borne xanthomonads in other crops. According to one investigator, new evidence for seed transmission will probably be produced in future investigations. A few infected seeds might constitute the source of pri-

mary inoculum in uncontaminated areas.

Maize is attacked by a number of seed-borne diseases. Some seed-transmitted downy mildews constitute serious pathological problems in the tropics. Philippine downy mildew can destroy 40-60%, and sometimes up to 100% of the maize crop. Growers have sometimes been forced to stop growing maize because of the disease. In 1970, Southern leaf blight in maize (*Drechslera maydis*), had devastating effects in more than 80% of the maize-growing areas of the United States, causing losses of up to 100%. The seed-borne fungus infects the seedlings, from which the disease spreads to adjacent plants. The sudden appearance of the disease in such an epidemic form was due to the high susceptibility of the Texas male sterile cytoplasm (Tms cytoplasm developed to avoid manual detasselling). The estimated losses amounted to approx-



Pearl millet is an important source of food in Africa. It is often severely attacked by downy mildew disease (right)

imately one billion dollars. The disease has subsequently been recorded in some countries of Africa and in India. In Zambia in 1974, maize crops were severely attacked by two fungi (*Fusarium* and *Diplodia*) owing to prolonged April-May rains. It was estimated that 60% of the entire maize crop, about 270 000 tonnes, was lost. In addition, the level of mycotoxins was so high that most of the remaining maize was found unfit for human or animal consumption. This situation called for an emergency international assistance operation.

Glume blotch (*Septoria nodorum*), one of the worst diseases of wheat, is known to have caused a 20% yield loss in Georgia, United States, in 1972-73. Under certain environmental conditions, losses caused by this seed-borne disease may be much higher, especially where infections of this fungus are combined with those of other organisms. Such was the case in Paraguay in 1973 when about 50% of the wheat crop was lost due to *S. nodorum* and *Drechslera sorokiniana*.

Risks involved in using infected seeds

Examples of losses cited are a good indication of the risks involved in using seeds carrying disease organisms. Sowing of infected seeds with non-infected seeds makes sure of the even distribution of the organism in the field. Infected seeds often become the centres and sources of primary infection for the spread of the disease.

In seed-borne diseases it is not essential that a high proportion of seeds in a seed lot should be infected or contaminated for causing disease in the field. Generally, trace infection of viruses and bacteria is enough to produce severe disease situations in the field, leading to epidemics. Use of infected seed is therefore not desirable, particularly in organised seed multiplication programmes or when the seed is used as germplasm. In the former case the disease-producing organisms multiply along with the multiplication of the seed which is not what agricultural scientists would like to happen. In the latter, the risk is much higher, especially when the germplasm material is associated with dangerous strains and races of organ-

isms which are not present in the importing country.

Detection and control of infection in seed

Seed health testing methods have been developed whereby the presence or absence of fungi, bacteria, viruses and nematodes can be detected in the laboratory prior to sowing and dispatch of germplasm from one country to another. The Plant Disease Committee of the International Seed Testing Association (ISTA) has taken a leading role in standardising testing methods which are internationally acceptable. These methods were included in the International Rules of Seed Testing in 1985. The recommended methods in the rules must be followed when International Quality Seed Lot Certificates are issued by officials of the seed testing stations of different countries. The methods are now even being used by plant quarantine laboratories, which is a good sign. Once seed lots are tested by internationally-accepted methods, the testing authorities know the health status of seed lots, which helps in taking the right decisions. Seed lots having least infections by important organisms must be selected for further multiplication in seed certification programmes and for export. The selected samples should be given effective seed treatments (physical or chemical). Seed health test results assist in choosing the correct seed treatment. Such a policy should be adopted in all countries. A number of seed treatments are known today which can even eradicate seed-borne infections. This is achieved particularly when the selected seed lots have low infections.

CTA seminar in Seed Pathology for the ACP countries

One of the important prerequisites to achieving higher food production is the use of high quality seed and, as far as possible, disease-free seeds by as many farmers as possible in a country. This is how many of the industrial countries have increased

The Danish Government Institute of Seed Pathology for Developing Countries

The Institute, situated on the outskirts of Copenhagen in Denmark, is a teaching institution running courses on seed pathology for scientists and technologists whose interest is to improve agricultural production by using, as far as possible, disease-free seed of high quality. The Institute was established in 1966 by the Danish International Development Agency (DANIDA), under the technical assistance programme for the developing nations of the Third World.

The Danish Institute has trained 371 scholars from 65 developing countries on regular courses conducted in Denmark, while approximately 533 participants from about 60 developing countries have been trained in 15 short courses and workshops organised in different regions of the Third World.

their food production and become self-sufficient. The Technical Centre for Agricultural and Rural Cooperation (CTA), Wageningen, the Netherlands has taken a keen interest in spreading the idea of using high quality seed in the African, Caribbean and the Pacific countries (ACP).

The seminar in Seed Pathology held in Copenhagen, Denmark from June 20-25, 1988 was the second CTA had sponsored for the ACP countries in the field of seed science.

Prior to the seminar, the participants were requested to prepare country reports on the status of seed pathology and seed health testing. These reports were discussed in two sessions, one for the French-speaking participants and the other for the English-speaking participants. Observations made during the two sessions are reflected in the recommendations which were made in a joint session. They are:

1. The ACP countries should be made aware of the importance and necessity of certified seed to improved crop productivity, especially amongst agricultural policy makers and farmers.
2. Legislation on the production of high quality seed should be implemented and regularly improved.
3. Existing seed programmes, certification schemes and procedures should be evaluated in order to strengthen the seed programmes and certification systems in the respective ACP countries.
4. ACP countries should make an assessment of present and projected trained manpower needs in the field of seed testing technology, including seed health.
5. Training in seed technology should be organised in the ACP countries on a regional basis with particular emphasis on seed-borne diseases. This training should be organised both in French and English. Part of such training could also be obtained at established institutes such as the Danish Government Institute of Seed Pathology for Developing Countries.
6. Possibilities of establishing a seed technology institute for ACP countries should be investigated by contacting international organisations and donor countries for financial and technical support.
7. Seed health testing should become an integrated part of seed testing services and quarantine services.
8. Each country should prepare lists of seed-borne diseases of important crops and draw up programmes to investigate the incidence, severity and importance of such diseases. Research projects on seed-borne diseases could be initiated on a priority basis. Co-operation with other countries should be encouraged.
9. Seed pathology should be included in plant pathology courses at all levels of the training of agricultural manpower, including in-service personnel.
10. A seed technology newsletter for the ACP countries should be organised. ○

S.B.M.



Best wishes to ACP-EEC officials

As a loyal and grateful reader, I should like to wish you a Happy New Year and convey my best wishes for health, happiness and prosperity in 1989.

As a fan of your democratic approach, I hope that what you are doing for world peace and for the economic expansion of the poor countries is successful. Your political maturity, your generous open-mindedness and your wisdom ensure that it will be.

May God be with you in your noble task.

Abbès Zakri, Casablanca, Morocco

I should like to say how pleased I am to get The Courier regularly. The topics it covers, backed up with all the surveys and reports in the field, are such that it is an efficient instrument that is vital to some cadres in the ACP States, particularly those in Africa.

I should like to thank you and your colleagues, and particularly the specialised journalists on The Courier, for the clear, thorough analyses which tell us so much about the realities and burning issues of the Africans and contemporary Africa.

In 1989, I should like to see The Courier give objective criticism of the development systems and models that developing country leaders use as development strategies.

Sorgho Joseph, Ouagadougou, Burkina Faso

Yes to structural adjustment for development

As far as I am concerned—and others too, I am convinced—structural adjustment is no longer just a concept. For several years now, newspaper editorials have been waving the structural adjustment flag and we have heard about it regularly on radio and television too.

The media often skip over the content of the idea, however, and only use it as a springboard for their reports on, say, events in countries in difficulty which have decided to restructure their economies.

So, to my mind, the one thing the concept of structural adjustment does is enable us to see which of the so-called developing countries are actually in a bad way and in need of immediate help from outside.

Some people, maybe because they really haven't understood what is going on, see the structural adjustment programmes, of which there are so many in sub-Saharan Africa, as the new face of western imperialism—worthily represented by the IBRD and the IMF.

So there is no doubt about the fact that the Dossier

in The Courier No 111 will do away with a lot of misunderstanding and, better still, that the ranks of the pro-adjusters—which I have now joined—will swell. However, the fact that I believe in the principle of structural adjustment does not, on the face of it, mean that I am completely in favour of anything that might be done in its name.

People are not discerning when they talk about structural adjustment. Although some countries have more or less made a success of this new approach, there are others which have seen very few improvements since they opened their doors to the IBRD and the IMF.

In the light of everything I have learned from the Dossier in No 111, I think the only kind of adjustment that is acceptable is the sort that guarantees development—above all with sustained economic growth—and the social fairness that is synonymous with a narrowing of the gaps between the standard of living of different people in a given country.

Ismaila Goudiaby, Dakar, Senegal

Water points in Togo — my experience

I was interested in the article on waterpoints in Togo (No 112, Nov.-Dec. 1988). I have long been concerned with the problem of hand pumps and I spent more than six years working in Togo (1978-85) where I was closely involved in the development of village water engineering in that country.

The Courier article is a very interesting one and it demonstrates the setting up of a proper system for the installation and maintenance of village pumps.

It would have been a good idea, I think, to put greater emphasis on the following:—

1. It was not easy to get the system going in Togo. It took years. Togo had in fact embarked on a different scheme whereby a state maintenance system was to be set up from the word go and, in 1984-85, lots of pumps were broken. I think the article would have gained from making more of the dynamic developments and the awakening to the fact that maintenance had to be organised differently. Didn't Togo in fact look to its northern neighbour, Burkina Faso, for inspiration here?

2. At the time I left Togo in 1985, at least, there were serious problems with getting spare parts supplied by the private sector (SGGG), which was something the article did not go into in enough detail.

3. As the article makes clear, the type of pump is important. There has to be competition. The risk of over-diversification should be borne in mind too. There is a real profusion of different models in Togo, as there is elsewhere.

**X. Marchal, Resident Adviser in Malabo
to the EEC Delegation in Cameroon**

Les Afriques en l'an 2000: perspectives économiques (Africa in the year 2000 — economic outlook) — Afrique contemporaine, special issue edited by Philippe Hugon — 156 pages — 1988 — FF 45

The year 2000 deadline set by the Lagos Plan of Action is approaching. The Plan, which dates from 1980 and was drawn up by the OAU following the 1979 Monrovia Conference, covers the period from 1980 to 2000. At the present halfway stage, this special issue of *Afrique contemporaine* reviews the current situation, with the help of a large number of African affairs specialists and experts from national and international bodies, and outlines various scenarios for the African continent in the year 2000.

In the foreword, Edem Kodjo, the former Secretary General of the OAU, recalls that "of the thirty-five least developed countries, twenty-five are in Africa: gross national product (GNP) *per capita* in these countries is less than US\$ 300 a year. Less than 10% of the population is literate and manufacturing accounts for less than 10% of total GDP... It is clear that the African continent is becoming a marginal part of the world: in 1986 the GNP of Africa as a whole was estimated at US\$ 360 billion, i.e. less than 3% of world GNP."

In the rest of the publication, the authors of the various articles, taking the contrasts within Africa today as their starting point, draw a picture of even greater contrasts at the turn of the century, depicting a number of possible courses. These scenarios tend largely towards economic analysis and do not, it is true, always take account of the complexity of African societies, but they do provide food for thought and prepare the ground for action.

Alain LACROIX

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Marc CHERVEL — **Calculs économiques publiques et Planification — les méthodes d'évaluation de projet** (Government economic analysis and planning — project evaluation methods) — Publi Sud, Paris, 1987.

The author is familiar to all economists interested in the planning and appraisal of development projects, because he is one of the founders of

the so-called "effects" method whose uses include assessment of the efficiency of public-sector investment in developing countries. His new work partly continues the work carried out over the last 25 years by French economists sponsored by the Ministry for Cooperation, but also tries to review all the methods of public-sector economic analysis of projects and possible ways of integrating these methods into the process of drawing up a national development plan. He also deals with the debates to which these different methods (and in particular the "reference price" method) have given rise.

The most novel passages are those extending the area previously covered: economic analysis in developed countries, the first applications of the "effects method" to projects in France, combining it with the "surplus accounts" method to evaluate completed projects, comparison with attempts to make assessments in terms of labour time, and an examination of the latest methods recommended by UNIDO or the World Bank.

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ODA (Overseas Development Administration) — **Appraisal of Projects in Developing Countries** — a Guide for Economists — HMSO Publications London — 1988 — 238 pages — £ 12.95.

This is the 3rd edition of the British bilateral aid agency's economic guide and it deals with appraising projects in the developing countries.

The first part discusses the principles and methods of economic appraisal as practised by the ODA, i.e. an approach based on the work of the British authors Little and Mirrlees, stressing opportunity costs and net present value as a criterion for decision-making. Yet—and is this the influence of the French method of economic analysis?—effects outside but linked to the project are also taken into consideration. Of these effects, those which involve the environment are getting more attention than they did before and a number of methods of calculation are suggested to take account of them. Other, relatively new factors are also mentioned—the distribution of income

attendant on the project (particularly as far as women are concerned), the importance of proper project management, recurrent costs and institutional aspects (including staff planning). There is also a chapter on financial analysis.

Part two contains case studies of various sectors—a detailed analysis of a mining project and an irrigation scheme and shorter studies of industrial, agricultural, road, energy, hydraulic and other projects. Problems of method—how to assess a standard conversion factor, for example—are also discussed. There is a short table of discount factors and, to complete the guide, a glossary of economic terms and a bibliography of English language works on the economic appraisal of projects.

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RAMSES 89 compiled by Thierry DE MONTBRIAL — Institut français des relations internationales, 6 rue Ferrus, 74014 Paris — 1988 — 407 pages — Bfrs 966

The name of this book, prepared every year by the IFRI's team of specialists, is the French acronym for Annual World Report on the Economic System and Strategies. Its aim every year is to give a picture of world developments in a style accessible to all readers, taking account of the major geopolitical events.

Ramses 89, which was completed during 1988, is divided into four parts dealing with highly topical themes such as East-West détente and disarmament negotiations, the situation in Central and Eastern Europe and the socialist system with the advent of *perestroika*, the effects of the October 1987 stock exchange crash, Latin American debt at the crossroads, the growth of Japanese investments, the telecommunications revolution and its international implications, not forgetting a whole exposé on the hopes for peace in the Middle East, Asia and Africa.

Obviously, the range of subjects dealt with is very wide. There are very useful maps, and many thought-provoking insets designed to catch the reader's attention.

A.L.

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René DUMONT — **Un monde intolérable. Le libéralisme en question** (An intolerable world. Doubts about liberalism) — Editions du Seuil, 27 rue Jacob, Paris VI — 1988 — 288 pages — Bfr 748

In his fifty-second book, René Dumont, with examples and figures to support his arguments, describes the threats facing the planet. He does it in his usual provocative style, but more subtly than is first apparent. Though he rejects the liberalism proclaimed in Guy Sorman's famous book which we reviewed in this column and says we must "abandon capitalism", Mr Dumont also thinks it necessary to "escape from the bureaucratic, centralist state communism which is blocking any chance of development for the Soviet Union, this being Gorbachev's aim". He finishes the book by giving pacifism, Third Worldism and ecology as his basic reference points, with the final question; "Social democracy on a world scale?"

Apart from these general considerations, his book is a mine of information, containing the experience of 50 years as an agronomist, strikingly relevant statistics and quotations from the best sources—he even quotes on page 79 a passage from *The Courier* of May-June 1987!

It is impossible to discuss all the problems raised in the book, because it covers practically all the Third World's problems. For example Mr Dumont lucidly notes that China is taking off after many struggles, and the same is true of the rest of the East Asiatic world, a development which we have recently referred to in these columns. He also vigorously stresses that the greenhouse effect caused by carbon dioxide emissions and the hole in the ozone layer over the North Pole are warming the atmosphere, leading to the melting of the polar icecaps, and that if this continues fertile land will be lost and the risk of skin cancer will increase.

Mr Dumont places special emphasis on two very serious problems which are related to each other: population and food production. "Population growth of 3% per year, which is usual in Africa, would multiply the population by 19 in a century. It is

clear to agronomists that food production would not keep up." He adds that "its population doubled between 1960 and 1985 and is increasing by 17 million a year (1988). *Per capita* food production, more or less stable between 1950 and 1970, has fallen by 20% since".

René Dumont also raises a question which many people are asking: "Why has Africa, unlike Asia according to the ill-informed, not had a Green Revolution? These people forget that a prerequisite for the Green Revolution is control over water and irrigation. Compared with the 133 million hectares of irrigated land in Asia, Africa has only 9.5 million.

... Peasant farmers in Black Africa, unlike those in Asia, have no tradition of irrigation, which is something that cannot be improvised". Apart from the problem of difficult natural conditions in Africa, surely any long-term progress has in the end to come from education? A.L.

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Zimbabwe's Prospects, Issues of Race, Class, State and Capital in Southern Africa — Edited by Colin Stoneman-MacMillan — 377 pages — 1988 — £ 6.95

In early 1980, after a long period of political, social and military engagement, representatives of Zimbabwe's black majority population finally took over office in Zimbabwe. Expectations for its future—especially its economic future—were high, and many saw in it a possible model for African development. How has Zimbabwe fared in the past eight years, then, and to what extent have the hopes placed on it been fulfilled?

In *Zimbabwe's Prospects* Colin Stoneman has put together a thorough and authoritative examination not only of the country's economic record throughout the 1980s (a relatively successful one, certainly compared with most of the rest of Black Africa) but also of its achievements, or shortcomings, in the fields of health and education, as well as at developments in the all-important issues of class and race. As the book's title suggests, the country's potential is also examined, in the shape of its prospects in the context of SADCC,

its possible future political developments and its prospects for agricultural transformation.

But though it is chiefly a study of an independent nation in its infancy, it is impossible to study Zimbabwe in isolation from the overall Southern African context. Indeed, in his concluding thoughts, in which the editor brings together some of the issues raised by the various contributors, the following suggestion is aired: "Zimbabwe's experience in some ways may be a precursor for at least some elements of the experience of a future liberated South Africa. Thus observation may provide powerful example or warning to South Africans, white as well as black".

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PLISNIER P-D., MICHA J-C & FRANK V. — **Biologie et exploitation des poissons du Lac Thema (Bassin Akagera, Rwanda)** (Biology and the exploitation of fish in Lake Thema (Akagera Basin, Rwanda)) — Presses Universitaires de Namur (Belgium) — 212 pages — 1988 — Bfrs 785

Biology and exploitation—difficult to reconcile, apparently, and a source of disagreement between naturalists and managers. The authors (biologists and agronomists) start by trying to show that specific basic knowledge about the types of fish in a particular lake is needed if proper methods of exploitation are to be laid down. They move on to an analysis of the results of experimental fishing with a view to locating the best stocked areas and defining fishing standards, a technical approach which shows that, with a simple graphic analysis, researchers in the developing countries can obtain sound information on their fish stocks. Lastly, they compare the experimental catch results with artisanal fishing results and set out practical ways of improving the exploitation and production of fish resources.

The author's source material is drawn from both international publications and their personal experience as researchers and consultants. All theoretical data is backed up with practical illustrations. This is a work which should be of interest to all researchers, managers, teachers and decision-makers involved in the exploitation of fish resources.

Lomé IV: ACP-EEC Council of Ministers in Brazzaville

Political go-ahead for the negotiations

The ACP ministers met in Brazzaville (Congo) on 12-15 February and the joint ACP-EEC Council on 16-17. It was the first ministerial session since the negotiations began in Luxembourg in October 1988, so no major decisions were expected on any of the main subjects under discussion. And, as the outcome of the various meetings of the central negotiating group (CNG) in Brussels had suggested, the same words did not always mean the same thing either side of the negotiating table.

The prime aim of the Brazzaville Council, as at the previous negotiations, was to politically ease the often entrenched positions and agree on some specific guidelines—particularly since little progress had been made in Brussels over the previous five months. The gap between the ACPs, who look as though they are lining up a whole series of claims for a new, catch-all Convention, and the EEC, which only plans to complete and improve the existing agreement, seemed to be widening. It was only the beginning of the talks, of course, and there was time for differences to be ironed out and substantial agreement to be reached. But there was no optimism in Brazzaville. The further deterioration of their economic situation has made the ACPs set their sights fairly high. "The size of the problem is beyond the scope of the present framework of cooperation", said Congolese President Denis Sassou-Nguesso when he opened the session of the Council of Ministers. "Lasting achievements, things that hold hope for the future ... can be undertaken in this same framework of ACP-EEC cooperation", he said, "if the political will is there --- but the noblest aims of the next Convention will be no more than pious hopes if the procedures that go with them are

Denis Sassou-Nguesso
President of the Republic of Congo



not flexible and efficient". And indeed the workings of the new Convention seem to be a major concern of the ACPs, as we shall see.

The President of the Council on the Community side, Francesco Fernandez Ordonez, the Spanish Foreign Minister, who was attending his first meeting of this sort, said that the main point of the negotiations was to "adapt and complete Lomé III so as to preserve what has already been achieved" over the three previous Conventions. "The next Convention should solve the bulk of the ACPs' economic problems, but it cannot solve them all", he said. Hence the need for international action. The next Convention should be "a contract of human and economic solidarity" between ACPs and Europeans, he maintained, promising that the Community would "do its utmost to wipe out apartheid". It was of course in the Congolese capital that the settlement of the Namibian conflict, which should mean independence for the former German colony of South-West Africa very soon, was concluded.

Africa's political and colonial problems have to be solved if there is to be progress, for "conflicts interfere with development", said Manuel Marin, the Commission vice-president who is responsible for Development and Fisheries. "The present détente will enable us to achieve peace and development in the countries destabilised hitherto". (See box).

Ratu Sir Kamisese Mara, President of the ACP Council, responded to the European President and to the vice-president of the Commission. The Brazzaville meeting, he said, should be a decisive step forward in the negotiation of the new Convention between the ACPs and their partners

Francisco Fernandez Ordonez (Spain)
President of the European Council



in Europe. The Fijian PM went on to say that, although the first Convention (in 1975) had been dominated by raw material supplies to Europe, ACP concern today focused on "the question of sound agriculture, the processing of ACP products and the development of services in our economies". The Convention we seek to obtain from this Ministerial Council must serve to make a leap in that direction". Although the new Convention could not come from nothing, it should still not be just a new version of the old one, he said. "It should naturally reflect continuity with the past without being tied to that past".

He also listed what the ACPs saw as the principal subjects of negotiation (commodities, trade, financial cooperation and so on), rejecting outright the Community's idea that the unsatisfactory results of ACP-EEC trade were due to a lack of competitiveness in the ACPs. There was no doubt, he maintained, that "some ACP products are not competitive ... but the ACPs still think this is because of the absolute decline in the flow of European and other investments to their countries ... and of competition from European subsidised goods and the reduction of Community preferences for ACP products to the benefit of third countries in the GSP extension operation". Ratu Sir Kamisese Mara also told the meeting that the Uruguay Round (the trade negotiations under GATT), would cause a serious loss to ACP-EEC trade. The ACPs were worried about the suggestion that "the Community does not intend to adhere to the commitments it made in Annexe 38 to the present Convention" — which says: *The Community is conscious of the need to ensure, in the overall application of the Convention, the mainte-*

Ratu Sir Kamisese Mara (Fiji)
President of the ACP Council



nance of the competitive position of the ACP States when their trade advantages on the Community market are affected by measures relating to general trade liberalisation.

Ratu Sir K. Mara also mentioned the slowness of financial and technical cooperation — for which each party blamed the other (only a small part of this chapter of Lomé III had actually been spent). He ended by stressing the structural weaknesses of the ACP economies, saying that he thought the ACPs should stop being just raw material suppliers if they wanted to get away from the traditional international division of labour which was so unfavourable to them.

Trade, financial cooperation and commodities at the heart of the negotiations

Commodities. This was a subject of bitter discussion among the ACPs and between them and the Europeans. Although both sides agreed on the importance of these products to their economies, they differed on the causes of the general decline in exports to the Community market and the rest of the world. The main causes are the saturation of the markets in some products, the phenomenon of substitution or overproduction in the world today and the increasing fluctuation in international prices — for which the ACPs blame the Community especially (with the slackening of demand and the increase in substitute products, not to mention the multinationals and their heavy speculation on commodities).

Meanwhile, say the ACPs, the Community is “insisting on the structural expansion of supply, wherever it comes from”, beyond what the markets can absorb.

But the ACPs had solutions, starting with negotiating “special arrangements” whereby commodities could be exported at remunerative prices that were guaranteed in the Community — an idea which failed to enthuse the Europeans, who stressed that the ACPs had to diversify their products if they were to boost their export potential and find new outlets. Diversification, they said, had also to be both horizontal (variety) and vertical (industrial processing). Although



The Courier

L. to r.: R. Chasle (Mauritius), Chairman of the ACP Committee of Ambassadors; Ratu Sir Kamisese Mara, President of the ACP Council of Ministers; E. Mpoungui, PM of Congo; Pierre Moussa, Minister of Planning, and E. Carrington, Secretary General of the ACP Group

some ACPs, Mauritius especially, were wary about horizontal diversification (which could mean expanding the production of things for which there was no outlet), others, such as Cameroon, thought the accent should be on the industrial processing of ACP products. However, Cameroonian Planning Minister Elisabeth Tankeu pointed out, Europe should make an effort to “reach agreement on special arrangements as the essential support for commodity prices”. With political will of the sort that had enabled the exchange rates to be reduced, Europe could also help come up with a type of special agreement that would make a big contribution to solving the commodity issue, she said. And she insisted on vertical diversification of the economy, a policy already followed in her country where “the agricultural sector can support a growing industry”.

But the commodity problem is linked to Stabex and the ACPs are calling for a big increase in the reserves channelled into the system, which they want to see more flexible, according to the priorities of each State. Some countries also said they wanted the Stabex lists improved, in particular by the addition of some ores and tourism (Seychelles).

The danger of this, the Community replied, was that the system might become inoperable through lack of funds. It also insisted that it keep its original agricultural vocation. Stabex resources had to be used to palliate the harmful effects of unstable export earnings, it maintained, as support for a drive to improve production structure in the affected sector.

It did not prove possible to deal with other aspects of Stabex—product coverage, the all destinations derogation, consideration of inflation and the terms of trade etc.—which the ACP hoped to discuss in detail at Brazzaville and they will be covered in depth in Brussels. But the Community is determined not to let Stabex become “sup-

port for the balance of payments” of the recipient countries.

Sysmin, it was felt, could be altered, although there would not be the full-scale revision hoped for by the ACPs.

Financial and technical cooperation.

This has been a difficult and sometimes controversial subject ever since the negotiations started. As in previous Conventions, the ministerial group invited to look at it in Brazzaville only managed to agree on the general approach, the aims and the principles. It reached no agreement on establishing a correlation between the aims of the Convention and the resources earmarked for their achievement.

The Community is unwilling to discuss the volume and terms of financial aid until a much later stage in the negotiations, but it is understood that financial cooperation will be made more efficient and provide support for structural adjustment efforts in the ACP States.

Trade. This was where the ACP and European negotiators had the most genuine exchange of views, first of all because this is a sensitive issue (99% of ACP trade is declining) and secondly because the analyses and the solutions proposed by both ACP and EEC seemed in some cases to be diametrically opposed.

What are these different ideas? The ACPs say that their dwindling exports to the Community market are to be blamed on the rules of origin, the safeguard clause and the non-tariff barriers and they are calling for suppression of the barriers and substantial changes to the rules of origin. They reject the non-competitiveness argument.

The Community says that the non-competitiveness and the structure of ACP products are behind their declining sales, for the system it offers is “the most liberal in the world”, so “a change in the present arrange-

ments would have no significant effect on the ACP export trade".

Food for thought

In Kingston (Jamaica) in 1974, at a similar Council of Ministers for Lomé I, PM Michael Manley said that "the classic concept of free trade, with the prices and movement of resources being governed by free market forces, was no longer right for a world which believed in the political idea of equality and international justice". By making such a strong stand, Manley wanted to get as broad agreement as possible on developing his natural resources, especially bauxite

and sugar. But things have not changed much on the commodity front over the intervening 15 years.

Another point was made by Mr Tyggesen, the Danish Minister, at Brazzaville, who gave ACP trade figures to show that ACP processed products had declined from 30% in 1979 to 10% in 1988, while the opposite trend had occurred in the other developing countries, he said. And in 1986, nine commodities accounted for 70% of ACP trade. He concluded that the ACPs should diversify their production with industrial processing and, above all, explore new markets outside the Community.

Tyggesen's words may not have struck an ACP chord, but they are nonetheless of considerable importance for the future of ACP-EEC trade. However good the agreements are, the Community will no longer be able to ensure the ACP position on its market if the ACPs cannot impose themselves through their products and their dynamic attitude — particularly since this market, due to be much coveted very soon, is not extensible.

In trade as in many other areas of cooperation, the ACPs have every interest in taking a closer look at the figures and perhaps thinking about what Bergson's claim that "nine out of every 10 political mistakes amount to no more than thinking something is true when it has ceased to be so and that the 10th and potentially the worst mistake is thinking that something is no longer true when it still is". Economic competitiveness is something the ACPs should be taking very seriously.

The Council also looked at all the other areas of negotiation. The ministers found that the positions developed in Brussels had changed very little and they invited further discussion so as to come up with texts which could be the subject of fruitful talks at the next Council of Ministers on 1 June. There were very many subjects to look at here (including the environment, the least developed countries, cultural cooperation, regional cooperation, industry and energy and mining) and the views on two of them, toxic waste and the ACP debt, were clarified — and disagreement recorded.

The Community had strong reservations about the ACP request for the total ban on and export controls of toxic waste which the ACPs felt would provide a proper guarantee. It doubted whether such measures would be effective and wanted to see an agreement on control and consultations on "the other major threats and risks", a term which provoked discussion as to what it actually meant. Mr Fairclough, a Commission deputy director, replied on the Community's behalf, defining consultation as "something which should take place whenever there are such dangers in the world". This did not satisfy the ACPs.

There was no change on the debt either, but at the press conference at the end of the meeting, the Commu-

Manuel Marin, Vice-President of the Commission

"To act effectively we must have a clear view of the main issues"

This is an extract of the Commissioner Marin address in Brazzaville.

"In taking up my new responsibilities and entering into this negotiating session, I am struck by the importance of ACP-EEC cooperation and the Lomé Convention in the overall framework of international relations in full flux, not to mention the importance of the negotiations for which we are gathered here today (...).

The features of the Lomé Convention and its merits reside not just in the technical aspects but also in the spirit of our cooperation.

"Continuity and security"

It is not easy to discuss the terms of cooperation and implement this cooperation on a truly equal footing when on the one hand you have wealthy countries with room for manoeuvre and, on the other, much poorer countries that are often in the grip of intolerable economic and social pressures. However, the mere fact that we negotiate the terms of cooperation, "group to group", is in itself a guarantee and gives you a chance to present your points of view and interests. The continuity of our relations and the security derived from the fact that our coopera-

tion is codified in a treaty constitute further guarantees (...).

Moreover, we must not forget that the Lomé Convention is inseparable from its international environment. The state of the world economy greatly influences the trade performance of the two parties to the Convention, the level of employment and the resources available for domestic and foreign development financing. And there are problems that call for discussion and solutions in a wider international context than that of Lomé (...).

"The consequences of the single market"

We had made a mistake in not explaining our objectives and our perception of relations between this large market and the rest of the world, you in particular, earlier and more clearly. Convinced that this undertaking was essentially beneficial for everyone, we obviously did not make enough effort to inform non-member countries of our intentions towards them.

The negotiations on the next Convention will show you that Europe is keeping her doors open and that it is anxious to contribute, thanks to its greater strength, to international prosperity (...). And to act effectively we must have a clear view of the main issues (...).

ity once more affirmed that the ACPs owed it just 2% of their total debt and that this amount only represented 1% of their debt servicing. So nothing direct could be done under the Convention. The Europeans also pointed out that the ACP requests sometimes went to both the Community and the individual Member States at the same time — which ruled out the Convention as a framework in which solutions could be sought.

The ACP Council

The ACP Council of Ministers met in Brazzaville on 12-15 February, just before the ACP-EEC joint meeting, which was the opportunity to look at their negotiating dossiers and discuss

the questions of internal and regional cooperation.

They were sorry to see that the ACP regional organisations were still unable to take a full part in the negotiation and implementation of the Convention. Representatives of these regional economic bodies who attended the Brazzaville meeting said that economic integration and the formation of sufficiently large markets in the ACP regions would be speeded up if the States actually used their services.

The Council also discussed the budget of the Secretariat General for the current year, as there were several points to settle before it could be finally adopted.

Lastly, Haiti and the Dominican Republic were admitted to the ministerial meetings as observers, except when the subject of their possible accession to the Convention was up for discussion. Haiti finally got official observer status on the ACP side but the Dominican Republic is still waiting because of reservations on the part of the Caribbean countries, which see it as a serious competitor for their sugar and bananas on the European market. The Republic in fact produces almost as much sugar as all the Caribbean ACPs combined. But the Community said nothing about this in Brazzaville. ○

LUCIEN PAGNI

The main topics of discussion at Brazzaville⁽¹⁾

Agreement. The two parties already agreed on most of the aims and principles of the next Convention — the idea of extending cooperation to non-governmental operators, the approach to rural development and food security, the boosting of regional cooperation, the importance of maintaining and improving Stabex and Sysmin, recognition of the role of the firms (SMEs and the private sector in particular) in industrialisation and economic development and the importance of services. And they ultimately managed to agree on the principle of providing specific support for structural adjustment in the ACP countries and on the main lines of the approach to be taken towards this too.

Geographical scope of the new Convention. The ACPs let it be known that they felt that Haiti fulfilled all the conditions required for accession, although they had still not finalised their position on Santo-Domingo. There was no question of total divergence on the decisions, more a feeling that greater caution was called for in one case than in the other. The Europeans said they still had not decided on their position.

Duration of the new Convention. Both parties feel that a period of more than five years could well be a good thing.

Institutions. Both parties agreed that too many institutions would interfere with efficiency.

Human rights. The Community and the ACP States agreed to underscore the importance of human rights and of the link between the development drive and the promotion of human dignity and the interdependent nature of the various categories of human rights.

The President of the Community Council also told the ACP Ministers of the European political cooperation decision to take another

(1) Source: EEC Commission.

look at Europe's policy on apartheid in South Africa.

Consultations. The ACPs complained about the Community's failing to fulfil its obligations as regards information and prior consultation properly when preparing measures likely to affect their interests. The Community recognised the importance and the difficulty of the problem and it was agreed that the negotiators would try to make the procedures more efficient.

Back-up policies. The ACP want to see coherence between Lomé aims and European policies (both internal and external) at all levels. Indeed, they even think that the Europeans, Member States included, should take positive initiatives to help the ACPs at these levels.

The Community said it was aware of the importance of coherence between its development policy and all its other policies.

Sectoral and thematic aspects of cooperation. Both parties agreed on the importance of environmental issues and the protection of the natural environment in the future Convention. The ACPs called for the Community to impose a total ban on the transfrontier movement of toxic waste, while the Community concentrated more on seeking ways of controlling the international traffic. It would obviously agree to the ACPs themselves banning imports of this waste.

Financial aspects. Broad agreement was reached on two basic principles:

- (i) consolidation and improvement of what has been achieved so far;
- (ii) the opening up of new avenues.

Volume and conditions of aid. The ACPs recorded the Community's decision only to discuss these matters later on in the negotiations. But both parties now agree that Community aid should involve a greater degree of concessionality.

Debt. Both sides stressed the importance and seriousness of the debt situation in many of the ACPs. They realised that the Community was already making an efficient job of lightening the ACP debt burden, both as a donor

and a trading partner under the Convention and in the international efforts made by both it and the Member States.

Quality of cooperation. Agreement was reached on the need to make Community aid more effective in terms of methods and instruments.

Trade and commodities. This is a traditionally difficult subject of negotiation where positions are still at considerable variance and there are many points to settle. They include the access of ACP products to the Community market, the rules of origin, the safeguard clause (which the ACPs want to see done away with but the Community believes has to stay) and the Uruguay Round (where the Community maintains it has never been obliged to stick to the levels of relative preference offered to ACP goods over the exports of other developing nations).

There is now an agreement in principle as to the need for better handling of the ACP-EEC services and trade in the next Convention.

Single market. Both ACPs and EEC agree—a big achievement—that realisation of the single market is an internal Community matter and not a topic for the negotiations. However, an exchange of views did in fact take place at the request of the ACPs — who expressed their concern.

Commodities. The Community supports the ACP's aim of doing more processing, marketing, distributing and transporting of their commodities. The ACPs are calling for temporary special ACP-EEC arrangements guaranteeing minimum prices for given quantities of their exports to the Community market, but the Community cannot see its way clear to agreeing to this.

Stabex. Both sides agree on stepping up the system but differ as to how it should be used.

Sysmin. The ACP States want to overhaul the whole facility and include a wider range of products, including oil. The Community also thinks the system needs to be clearer and simpler, but does not want to see it completely overturned. ○

IXth SADCC Annual Consultative Conference

“A momentous time in the history of the region”

SADCC's 1989 Annual Consultative Conference was held on 2 and 3 February in the Angolan capital, Luanda. The place of this year's venue, though decided a year ago, could not have been better chosen: ever since the signature on 22 December 1988 in New York of the treaty formalising the agreements reached in Brazzaville as a result of the tripartite talks between Angola, South Africa and Cuba—with the USA as mediator—on peace in Angola and independence in Namibia, much of the world's media attention has zeroed in on this part of the world, and on Luanda in particular.

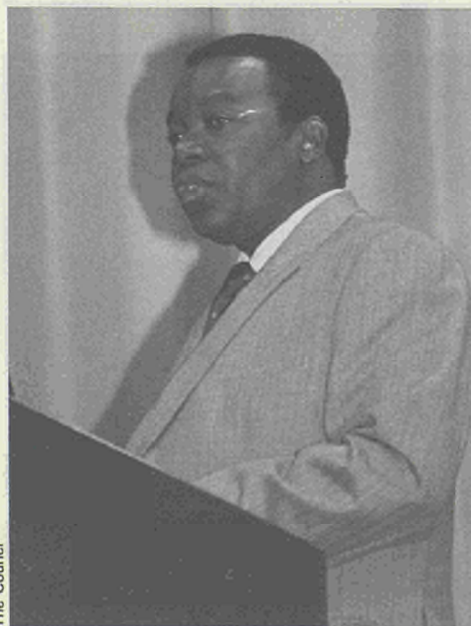
Chaired by Peter Mmusi, Vice-President and Minister of Finance and Development Planning of Botswana and Chairman of the SADCC Council of Ministers, the Conference was officially opened by Angola's Minister of Foreign Affairs, Pedro de Castro-Van Dunem. Other addresses were given by Mrs Kirsti Kolle Groendahl, the Norwegian Minister of Development Cooperation, who spoke on behalf of the Nordic countries, and by Babacar N'Diaye, the President of the African Development Bank. SWAPO President Sam Nujoma addressed the meeting on behalf of the Liberation Movements of Southern Africa, while Mozambique's Minister of Transport and Communications Armando Guebuza, on behalf of the SADCC Member States, presented this year's Conference theme: Productive Sectors—Engine of Growth and Development. Thirty-seven cooperating governments, as well as 36 cooperating international agencies and three liberation movements (ANC, PAC and SWAPO), took part in the two-day Conference.

EEC Member States were represented by several Ministers and by other high-level representatives. The European Community's viewpoint was presented both by Luis Yanez Barnuevo, Spain's Secretary of State for International Cooperation and current President of the EEC Council

of Ministers, and by Manuel Marin, Vice-President of the European Commission and Commissioner for Development and Fisheries.

The challenge: self-reliance

The theme of this year's Conference was obviously in line with the themes of both the Annual Consultative Conference in 1987 in Gaborone—“Investment in Production”—and that of 1988 in Arusha—“Development of Infrastructure and Enter-



Angola's Minister of Foreign Affairs, Pedro de Castro-van Dunem: “... a climate of hope for a future of political and military stability for the countries of Southern Africa”

A breakthrough as significant as this one will obviously have far-reaching consequences for the strengthening of SADCC as an organisation as well as for it reaching its objectives of promoting economic growth and cooperation in Southern Africa and reducing dependence on South Africa. The dual prospect of peace in one of SADCC's major member countries, Angola, and of independence in Namibia, potentially SADCC's 10th Member State⁽¹⁾ gave new impetus to SADCC's already well-oiled mechanisms for regional cooperation, often referred to as exemplary.

prise”. Indeed, whereas prior to 1986, SADCC's first priority, ever since its creation, was clearly on infrastructure programmes, especially transport and communications, since then it has embarked upon what it calls “the most formidable challenge in its effort towards collective regional economic self-reliance, namely production and trade”. This has now clearly become SADCC's top priority. The reasons for this gradual shift are obvious: much has been achieved in all major SADCC transport and communications projects (181 projects costed at nearly US \$4.7 billion), mainly the four Corridors of Dar-es-Salaam, Nacala, Beira and Limpopo, and works on the fifth—the Lobito Corridor—are also in the offing (see box), while progress is also being achieved in all other SADCC cooperation areas.

However, looking at the overall economic outlook of the region as a whole, prospects were less rosy despite its resource and growth potential. Taken globally, SADCC has a total population estimated at 73.4 million, covers about 4.9 million km², and has a total GDP of US \$22.5 billion (1987). At regional level, agriculture is the dominant sector, representing 34% of total GDP, employing 80% of the labour force and bringing in more than 26% of foreign exchange earnings. As a region, SADCC is endowed with vast mineral resources: 1986 mineral exports were worth US \$3.2 billion, almost two thirds of total exports (US \$5.1 billion). However, SADCC has had to conclude that “despite this

(1) The current Member States of SADCC are: Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia, Zimbabwe.

Community backs Lobito Corridor

On 26 and 27 January, the European Commission and the EEC Member States played an active role at a donors' conference on the Lobito Corridor.

The Lobito port transport system, as it is referred to by the Southern Africa Transport and Communications Commission (SATCC)—the coordinating body for all SADCC transport projects—links southern Zaïre (non-SADCC member country) and northern Zambia to the Angolan ports of Lobito and Benguela, via the 1400 km-long Benguela railway. Rehabilitation of this whole transport system, disrupted by countless attacks of "armed bandits", will not only directly benefit the three countries mentioned but also SADCC as a whole by reducing pressure on the other transport corridors in this region and by lessening dependence on transport through South African ports. As opposed to the other main four corridors (respectively Dar-es-Salaam, Nacala, Beira and Limpopo) all leading to the Indian Ocean, the Lobito Corridor will be the sole outlet to the Atlantic Ocean. The overall rehabilitation of the Lobito Corridor, outlined in a 10-year SATCC Development Plan, will require some US \$ 575 million (at January 1988 prices).

The Luanda donors' conference, organised at the initiative of the Angolan government and SATCC, concentrated on an 18-month preparatory phase, during which—for security reasons—works will be mainly carried out at or in the proximity of Lobito, Benguela and Huambo.

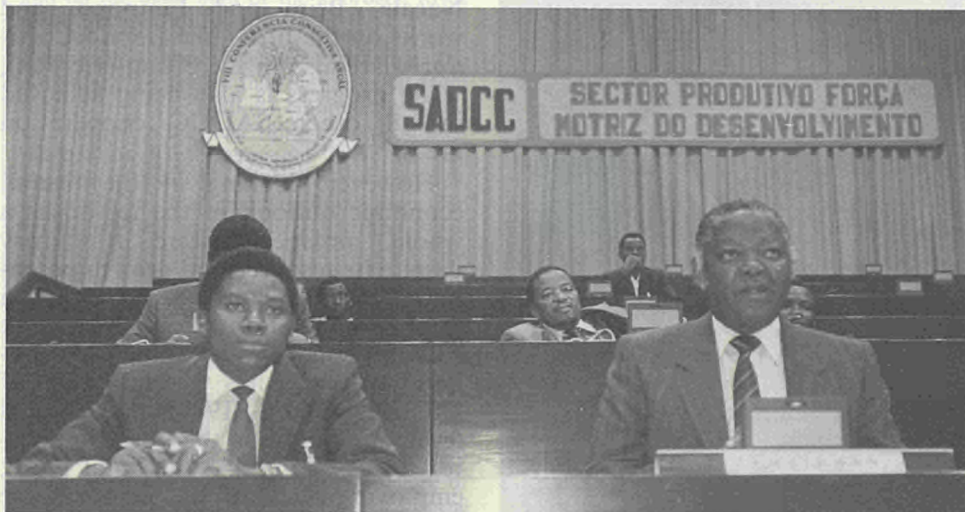
Apart from providing technical and logistical support to the donors' conference itself, the European Commission set the tone through a constructive statement on its intended pledging: out of the US \$ 94.3 million needed for the preparatory phase, the EEC will provide some US \$ 20 million. It should be noted that of the approximately US \$ 80 million pledged so far, about two-thirds stems from the combined efforts of the EEC Member States and the European Commission.

The Commission will be involved in a number of key projects in the preparatory phase, such as the project coordination unit, the provision of technical assistance and a wide range of crucial works, supplies and equipment for the port.

Through its pledging, the Commission clearly approves and supports the realistic approach of the Angolan authorities. ○

abundance in mineral resources, the historical pattern of their exploitation and development has not encouraged their downstream processing within SADCC countries. Consequently, the mineral exports of the region are mainly semi-processed products". In manufacturing, the balance is as uneven: while manufactured items average more than 70% of total imports of most SADCC Member States, they bring in less than 12% of all export earnings. The region is also richly endowed with considerable water resources, which have allowed it to install 6760 MW of electricity generation capacity to date. Here again, though, SADCC's Secretariat notes that: "Despite the region's enormous natural resource endowment, the SADCC countries, as a group, remain among the world's poorest and most underdeveloped, the difference being merely the degree between them...". Both per capita food production and industrial output have also declined in recent years throughout the region.

And neither is the international background any too bright from a developing country's viewpoint, the Secretariat believed: "The world economic system within which developing countries operate, puts them at a crippling disadvantage". Referring to the "stillborn" New International Economic Order (NIEO) and the "practically abandoned" North-South Dialogue, SADCC recalled however, that: "Central to the concept of the NIEO and the North-South dialogue are the twin elements of production and trade, and the mechanisms and modalities for redressing their chronic imbalance between North and South". While singling out for praise the ACP-EEC cooperation model and the combined efforts of the Nordic countries for their particular region, as offering both "new approaches to a more equitable North-South economic relationship", SADCC nevertheless concluded that "the fundamental problems in North-South economic relations, including non-remunerative prices for the South's raw materials and protectionist tendencies in the North, are as intractable as ever".



Left, Mr Simba Makoni, SADCC Executive Secretary; right, Mr Peter Mmusi, Vice-President and Minister of Finance and Development Planning of Botswana and Chairman of the SADCC Council of Ministers. By next year, SADCC may well celebrate its 10th anniversary with 10 Member States, the current 9 together with newcomer Namibia

The enterprise sector at centre stage

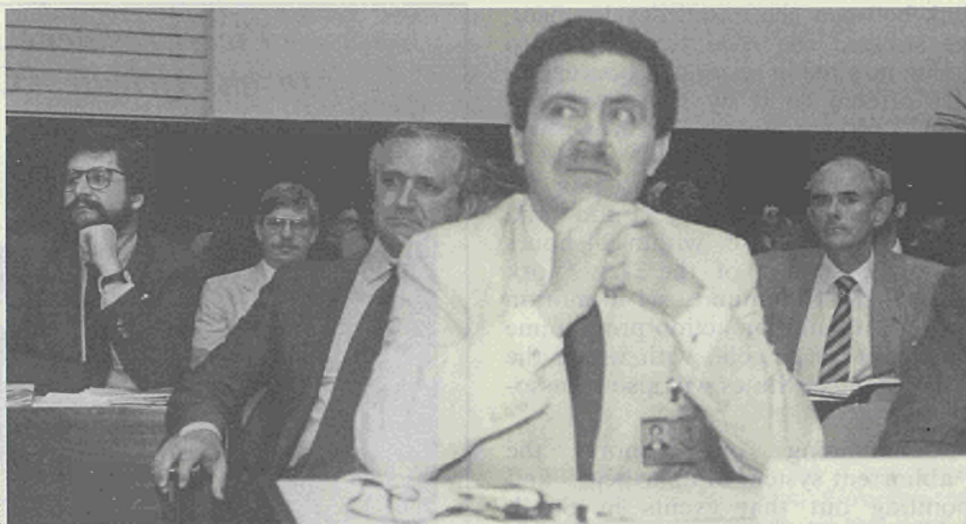
Against this overall background, SADCC has shifted its focus towards

the achievement of its own self-reliance, thereby putting the enterprise sector at centre stage of regional productive sector development. The SADCC Council of Ministers therefore underlined "the need to create the necessary conditions conducive to the promotion of investment in the region" and noted that "even under the existing difficult economic circumstances, investible financial resources could be mobilised from within the region". The Conference itself concluded that improvement of the overall investment climate in the SADCC area would "include economic policy reforms and measures to promote greater enterprise by individuals and companies at the national level", while programmes at the regional level are aiming "to ease the current foreign exchange constraint on investment, and the promotion of both intra-SADCC and international trade". Last year SADCC witnessed a slight improvement in the overall performance of the region's economies, but its debt situation was described as "a serious impediment to economic growth". The successful outcome of structural adjustment in the area and of its investment promotion efforts would therefore require increased resource flows into the region, it was stressed.

Breakthrough in the stalemate

Most speakers covered the theme of the Conference extensively, but none failed to highlight the importance for the region of the breakthrough in the drawn-out stalemate on Angola and Namibia. Angola's Minister of Foreign Affairs, Pedro de Castro-van Dunem spoke of 1988 as "a milestone that stood in our minds as *the year of detente in international relations*" and of "a climate of hope for a future of political and military stability for the countries of Southern Africa". While calling upon all the parties concerned to comply with the commitments and obligations set out in the New York treaty, he also referred to Angola's internal changes, highlighting both the coming into effect of an amnesty law on 4 February (the anniversary of the beginning of Angola's armed struggle against colonialism) and his country's new economic and financial recovery programme.

The Chairman of SADCC's Coun-



The Courier

The European Community's viewpoint was represented both by Mr Luis Yanez Barnuevo, Spain's Secretary of State for International Cooperation and current President of the EEC Council of Ministers (forefront) and by Mr Manuel Marin, Vice-President of the European Commission, in charge of Development and Fisheries (left)

cil of Ministers, Peter Mmusi, called this "a momentous time in the history of our region. These are developments that SADCC and its cooperating partners have been yearning for, for a long time". Speaking of "encouraging prospects on the horizon, that greater peace will come to Angola and independence to Namibia", he nevertheless reiterated his concern over "the principal cause of instability and conflict in Southern Africa: the existence of the evil system of apartheid". Seeing "no sign of progress towards the eradication of this cancer in our midst" but rather "a worsening of the situation in South Africa", he urged participants "not to fall prey to the deception of the South African regime parading itself as a peace-maker and beneficent neighbour". For him it is clear, therefore, that "efforts need to be redoubled, spurred on by the recent achievements, to take resolute measures to bring democracy to South Africa". Calling on Member States and cooperating partners to help to ensure that the shared vision of Southern Africa be realised, M. Mmusi concluded: "To us in Southern Africa, peace in Angola and independence in Namibia will require efforts analogous to the Marshall Plan for Europe, after the Second World War".

Europe's positive response

Speaking on behalf of the European Community, both Secretary of

State Yanez Barnuevo, and Commissioner Marin, highlighted the EEC's fruitful cooperation with SADCC to date, as well as its work to maintain SADCC's momentum and response to the new needs created by the Angola-Namibia breakthrough. Having congratulated SADCC for its competence and efficiency, Mr Yanez Barnuevo first reminded participants of two major events which had occurred in 1988 which had direct relevance to this gathering: firstly the Special Meeting at Ministerial level between EEC Member States and ACP States on the situation in South and Southern Africa, held in April, and, secondly, the opening, last October, of ACP-EEC negotiations for the renewal of the Lomé Convention.

Turning to the recent political developments, the Minister expressed the Community and its Member States' support: "We will do everything in our power to contribute to the early implementation of the United Nations Settlement Plan and to help restore conditions of peace, stability and dialogue throughout Southern Africa". Europe would respond positively, he said, to the needs created by Namibia's transition to independence and contribute to its social and economic development thereafter. The President of the EEC Council of Ministers reiterated Europe's "hope that in the near future an independent Namibia may ask to join our ACP-EEC cooperation". Underlining the

link between peace and development, he stressed the need for Angola to "lose no time in seizing all opportunities offered to it by the new situation". Where possible, Europe will help; already it is "notably ready to support Angola's request to join the International Monetary Fund and World Bank"; also, within 24 hours after the signing of the New York Treaty, the Community set in motion an ECU 60 million action programme in favour of Angola, with which the EEC Member States will also be associated.

Condemning once more the "abhorrent system of apartheid" and pointing out that events in South Africa seem to indicate "the regime is not ready to commit itself to real change", he stated: "Faced with this situation, the Twelve have actively pursued their policy aimed at the total eradication of apartheid through peaceful means; they have also continued to implement their two-track approach, combining positive and restrictive measures. It is our intention to continue with this course in pursuit of our objective".

1992:

"Europe will remain a reliable partner"

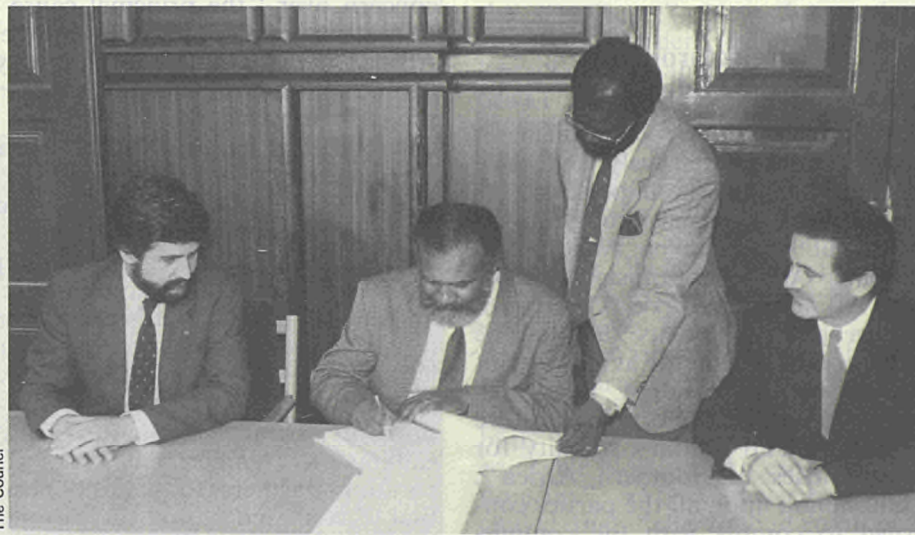
Vice-President Marin for his part felt that "Southern Africa, for a variety of reasons, seems to have present a number of preconditions which could make it a model for our support to other regions". Among these preconditions, Mr Marin cited "a tradition of interdependence for a number of economies in the region, a transport system which, despite some problems, is acting to integrate markets, and productivity and earnings in the sectors which are higher than elsewhere; and last, but certainly not least, a regional organisation which is solidly implanted and dynamic". He welcomed the fact that the States of the region have realised "the very real potential of the private sector and its possible role within the economy". Mr Marin's reference to the Commission's goal of fostering polycentric cooperation (the involvement of different milieux such as European and ACP businessmen, banking and financial institutions, Chambers of Commerce) was obviously in tune with the Conference's explicit wish to involve not only governments, but also the enterprise sector and NGOs.

Vice-President Marin's first visit to an African ACP State — Angola



The Courier

From 1 to 3 February, Mr Manuel Marin, Vice-President responsible for Development and Fisheries, paid his first visit to an African ACP State. During his stay in Luanda, he not only attended SADCC's 9th Annual Consultative Conference, but also held bilateral talks with Angolan authorities on the continuing and constructive EEC-Angola relationship. Mr Marin was received by Angolan President Jose Eduardo dos Santos (photo above) and had discussions with a score of Angolan Ministers, including Mr Antonio Henriques da Silva, Minister for Planning and National Authorising Officer. During his stay he also signed, together with Mr Luis Yanez Barnuevo, the current President of the EEC Council of Ministers, a Fisheries Agreement with Angola, the latter represented by Mr Francisco Ramos da Cruz, Minister of Fisheries (photo below)



The Courier

Mr Marin also tackled the widespread concern among ACP countries that has arisen—stemming from a lack of proper information—about the prospects of the European Single Market scheduled for 1992: "The Single Market will be an open market... Overall, I can assure the devel-

oping world, and SADCC thereby, that the EEC will not turn itself into an economic fortress, but will remain a reliable partner".

On the political developments in Southern Africa, Mr Marin stated "the Commission has been following them closely and warmly welcomes

the Brazzaville agreement". However, despite the changes in the situations in Angola and Namibia, he felt that this should "not lead us to assume that the problems of South and Southern Africa are over". He reminded the European Community's condemnation of the apartheid system and of South Africa's policy of destabilisation and assured his audience of the EEC's continued cooperation with SADCC and its member countries in meeting their objectives of reducing the region's economic dependence on third countries, particularly on South Africa.

Throughout his speech, Vice-President Marin reminded participants of the substantial assistance the European Commission has provided already and will continue to provide to this Southern African region. As far as Namibia is concerned, this assistance has gone to refugees, mainly in the form of food aid, assistance to non-governmental organisations and through the provisions for refugees in the Lomé III Convention. Furthermore, the Commission has assisted Namibia in preparing for independence in the educational, training and professional fields. With a view to securing a smooth transition to independence, the 1989 Community budget contains a special budget line for assistance to Namibia.

The Community also supports a programme of reconstruction for Angola. In December 1988, the Commission pledged ECU 60 million to this programme and is working in close collaboration with EEC Member States to determine how bilateral assistance can contribute most effectively to the financing and implementation of such a rehabilitative programme.

On the other hand, for some time now the Community has been running a Special Programme for Assistance for the victims of apartheid in South Africa and Namibia, which today covers 222 projects in the two countries for a total amount of nearly ECU 56 million. These projects are largely focused on the sectors of education and training, and social, humanitarian and legal assistance programmes. The special programmes will continue and ECU 25 m have been made available for them for 1989.

As far as assistance to Front Line States and SADCC Member States to

counteract the destabilising activities of South Africa is concerned, a new budget line of ECU 5 m was made available for the first time in June 1988 and a further ECU 7 m has been made available for 1989.

In 1986, the Commission signed a Memorandum of Understanding with SADCC for an amount of ECU 110 m for regional programmes and projects in Southern Africa. In view of the importance of the region, the problems it currently faces and its potential for development, the Commission has decided to increase this regional allocation made available under Lomé III, by ECU 31 m, raising the total amount to ECU 141 m. This considerable increase of EDF regional funds for SADCC is the best evidence of the Community's continued support and of the fact that "it is fully behind the objectives of SADCC", to quote Mr Marin. And the Vice-President concluded, referring to the ongoing negotiations for the renewal of the Lomé Convention, by calling "upon SADCC and its Member States to use this opportunity to shape the future framework of our cooperation".

SADCC's 10th anniversary with 10?

While there is every chance of Namibia joining a future ACP-EEC Convention, there was even less doubt among participants that next year, when SADCC will hold its 10th Annual Consultative Conference in Zambia's capital, Lusaka, it will also see its membership increased, to 10, with the inclusion of an independent State of Namibia.

In the view of Simba Makoni, SADCC Executive Secretary, SADCC will by then be confronted with entirely new challenges: integrating Namibia as new Member State, and considerably enlarging its role and tasks for and with Angola in the event of it achieving full internal peace. Notwithstanding the obvious need for increased support from the cooperating partners, Mr Makoni felt that the region itself could gain even more impetus if part of the considerable investment now tied up in security and defence-related areas in both Angola and Namibia, could be redirected to what SADCC is all about: development.

Roger DE BACKER

Somalian delegation visits the Commission

A high-level Somalian delegation, led by Deputy PM Hussein Kulmiye Afrah and including Finance Minister Dr Abdurahman Jama Barre and State Planning Minister Yusuf Ali Osman, was received at the Commission on 30 January by Manuel Marin, Commissioner for Development, and André Auclert, Deputy Director-General of DG VIII.

During the talks, the Commission welcomed the Somalian Government's recent official position on the need to find a political solution to the fighting in the north and the liberation of, or amnesty for the political prisoners.

The situation of refugees in Somalia and the diverging views of the Government and the UNHCR were discussed and the Commission told the Somalian Delegation that, once an action plan had been set up by joint agreement between the two parties, action programmes and projects could be financed in Somalia with a view to self sufficiency and integration of the populations that decided to stay in the country.

The Commission was given details of what the Government had done in various areas of the economy and of its firm decision to involve the private sector closely in the nation's economic development. This drive should soon result in an agreement on a policy framework paper and a shadow programme with the Bretton Woods institutions (i.e. the IMF and the IBRD), so the Commission could release the ECU 16 million which was earmarked for Somalia in its special debt scheme. At the country's request, this amount would be used for a sectoral programme to import petroleum products.

The Commission also confirmed its willingness to finance regional schemes to strengthen the peace agreement which Ethiopia and Somalia concluded in April 1988.

It reminded the Somalian Delegation of various clauses (particularly those on the counterpart funds) in the agreement on Community food aid concluded with the Government in May 1988. They had to be adhered to if the aid decided upon in 1988 was to be mobilised and Community food aid decision taken in 1989. The Finance Minister reaffirmed the Government's clear intention of respecting these clauses and said that the paying over of the counterpart funds was imminent.

Manuel Marin at ACP House

The first visit

Manuel Marin, the new Commissioner for Development, was invited to ACP House by the ACP Committee of Ambassadors in Brussels on 15 January to meet them in the presence of Edwin Carrington, the Secretary-General of the ACP Group, and Dieter Frisch, the Director-General of Development at the Commission of the European Communities.

Mr Gambouélé, the Chairman of the ACP Committee of Ambassadors, welcomed Commissioner Marin, stressing the triple significance of the meeting. Mr. Marin's European mandate was continuing, but with fresh responsibilities, for development, "at the start of 1989... a time right for

the Community "from the outside" in the recent past (i.e. at the time of Spain's accession negotiations) and he admitted he had felt "anguish and despair" at European attitudes which sometimes seemed difficult and even "extravagant". However, he quickly went on, once inside the EEC, it was easy to see that "the Community is an adventure that is worth taking part in". He said he was fascinated by his new duties, that he preferred management and action to politics and ideology and that he was committed to being a Development Commissioner above all else.

Raymond Chasle, doyen of the ACP Ambassadors, who was to



From left to right: Messrs Edwin Carrington, Secretary General of the ACP, Manuel Marin, the new Development Commissioner, Ambroise Gambouélé, Chairman of the ACP Committee of Ambassadors and Dieter Frisch, Director General for Development, flanked by Mr M. Gomez, head of Commissioner Marin's private office and Mr Ryelandt, head of the Relations with Institutions Unit at the Directorate-General for Development

taking stock" and for making resolutions. Mr Gambouélé recalled the main stages of the Commissioner's career and gave one or two examples of problems he would be handling with the ACP representatives — in particular the growing gap between the economic progress of the West and the constant deterioration of the situation in Africa.

Manuel Marin said he was touched to get an ACP invitation so soon after taking up his duties and he presented the European ideal to them with simplicity and conviction. He underlined a similarity which would help him understand the ACPs he was dealing with since like the present ACPs representatives, he had negotiated with

succeed Mr Gambouélé as Chairman of the ACP Committee of Ambassadors in Brussels on 1 February, then spoke, saying how pleased he was to see that Manuel Marin wanted to encourage realism, candour and boldness in the dialogue with the ACPs. He mentioned a whole series of problems—debt, trade issues, the situation of students and migrant workers, the problems of vulnerable sections of the ACP populations, apartheid, etc.—which it would take "creative imagination" to solve and ended with a remark clearly shared by many of the Ambassadors present: "Mr Commissioner, we expect a lot from the dialogue with you".

ACP wishes for 1989

The Chairman of the ACP Committee of Ambassadors, Mr Ambroise Gambouélé, gave a press conference to the international press at ACP House on 18 January 1989. "We have not achieved the objectives of Lomé in 1988," he began, "but we hope that 1989 will be what we want it to be."

Mr Gambouélé touched on every aspect of ACP-EEC relations most of which were to be aired later at the Brazzaville ACP-EEC Council of Ministers meeting (see pp. I to IV).

On agricultural cooperation, ACP concerns ranged over food security, fisheries, agricultural research and environment. The ACP, he said "consider that food self-sufficiency has not had enough support. A joint examination is required in order to give preference to food security in the regional context and to exploit its content better."

ACP concerns include the erosion of their preferential access to the EEC market, "the threat of reductions in the conditions of the access of tropical products to the Common Market which is materialising due to the multilateral negotiation of the Uruguay Round," and "the possible effect of the harmonisation of the EEC's domestic regulations on ACP trade with a view to achieving the Single European Market."

The ACP, he said, "hope the appropriate compensation measures will be applied on the EEC market as provided for by the Convention and that the provision will be maintained in the next Convention."

The rules of origin should be made more flexible and the derogations made automatic and applicable for longer; a safeguard clause should be included removing all barriers to ACP-EEC trade and making the ACP benefit from fair and non-discriminatory treatment.

The ACPs' aims on commodities for the next Convention include, among other things: maintaining and improving present Protocols; increasing export earnings through strong support to international commodity agreements, implementing buffer stock and/or export quotas and

SALON

International Salon on Cooperation and Development (SICAD)

removing all customs tariffs, internal taxes and protective measures adopted in respect of ACP commodity exports.

On STABEX, the ACP want the objectives to be transformed into a compensatory mechanism or device for economic diversification, and for the list of commodities covered, and the reference periods, to be examined.

European Commission-Cultural Foundation Protocol

Dieter Frisch, Director-General for Development at the Commission of the European Communities, and Ambassador Raymond Chasle, the Secretary-General of the Foundation for ACP-EEC Cultural Cooperation, have signed a Protocol laying down the framework for concertation and cooperation between the Commission and the Foundation.

Given the various resolutions which the ACP Council of Ministers has produced to confirm its support of the Foundation and its approval of the three-year action programme which the Secretary-General presented to the ACP Group and the Community on behalf of the ACP Council of Ministers, the EEC recognises in the Protocol that the Foundation is an organisation whose job is to present cultural schemes of interest to all the ACP countries on behalf of the ACP countries and that it can present the Community with socio-cultural projects from other international, governmental, non-governmental and private organisations if they are highly significant and likely to promote the aims of ACP-EEC cultural cooperation.

The Protocol provides for the Community now to grant the Foundation, via the schemes it finances, the resources required to devise and implement the projects for which it is responsible.

The Foundation will also be provided with appropriate technical assistance.

The Protocol is valid until the end of Lomé III or, if the two parties so agree, until the next Convention takes effect.

This event, run in Paris for the first time last year, was in Montpellier this time in conjunction with the fourth international Agropolis meeting (of 18 scientific-agricultural institutes).

The main idea was to bring together various categories of people involved in cooperation (official national and international bodies), local authorities, research institutes, non-government associations and organisations), to encourage them to communicate with each other and to foster all forms of partnership with the nations of the South.

The Montpellier meeting was a considerable step forward from the 1987 Salon, as there were 150 exhibitors representing the various categories listed above, including some from several African countries. Meetings and discussions (on industrial cooperation, joint ventures, territorial communities and North-South cooperation, assessment of the Council of Europe's North-South campaign, developing countries through the media etc.) were run alongside.

Although the discussions were not an entirely convincing part of the proceedings, as there were obviously far more events than the SICAD organisation could cope with, the Salon itself seems to have been entirely satisfactory as far as the exhibitors were concerned in view of the number and quality of the contacts they made.

Community involvement

This was:

- DG VIII financing for the African participants;
- a DG X information stand;
- a CDI stand.

The "Community" stand was an undeniable success and busy all the time and we estimated that 500-600 of the roughly 3 000 visitors actually asked for information and documentation.

Assessment

An operation of the SICAD type obviously meets a need now that both the people involved in cooperation and the various forms of partnership are becoming increasingly diversified.

At the moment, in spite of one or two "foreign" exhibitors (from Belgian and Spain), the event is primarily a Franco-African one. It would be a good idea gradually to work towards a real European Salon so that operators from the South could explore the whole range of potential partnerships in the Community as a whole. Clearly an event of this kind would be a mainly professional one, but if it were bigger, it would also involve the media.

And with more exhibitors in the various categories, it would be possible to have relatively autonomous sections, some of which could concentrate more on the general public.



During the signing of the Protocol, Mr Frisch (right) and Ambassador Chasle

EDF

Following a favourable opinion from the EDF Committee, the Commission has decided to finance the following projects.

Fiji

Kubuiau peninsula road

6th EDF

Grant: ECU 2 125 000

Fiji is a group of 300 islands with an estimated population of 716 000, 77% of which lives on the main islands of Viti Levu (445 000 or 62%) and Vanua Levu (103 000 or 15%).

The proposed scheme, which is a logical continuation of the two previous EDF projects on Vanua Levu, is intended to provide access to isolated areas and complete the road round the island. It involves building a 25 km section of road between Korovou and Coga.

Fiji, Kiribati, Papua-New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu & Western Samoa

Development of maritime resources in the Pacific

6th EDF

Grant: ECU 10 700 000

The total land area of the eight Pacific ACPs comes to less than 5% of their exclusive economic zones of almost 12 million km² of ocean. The marine resources, biological and non-biological, are the islands' most important source of economic activity, offering major development potential. The annual tuna catches are around 600 000 t, representing about ECU 500 million, and the mineral resources are no doubt enormous.

All this has encouraged the Pacific States to take up a regional approach in research into general supervision of their marine resources and three regional bodies have been set up for this purpose—the Forum Fisheries Agency (FFA) in Honiara in the Solomon Islands, the joint research coordination committee for mineral resources off the coast of Asia and in the South Pacific (CCOP/SOPAC) in Suva, Fiji and the South Pacific Commission (SPC), in Noumea, New Caledonia.

The approved report, which the Commission of the European Communities and the office for South Pacific Economic Cooperation (SPEC) signed in March 1986, considers marine resources as part of the focal sector of the Lomé III regional programme.

The programme, a five-year one, involves supplying equipment, carrying out construction work and providing technical assistance and training. It should improve knowledge and management potential in the marine resource field and enable the Pacific ACPs to make a better job of formulating and implementing their present and future marine resource development policies and ensuring the best economic exploitation of the sector, one which will continue to play an important part in these countries' drive for economic self-sufficiency.

Nigeria

Rural health dispensaries

5th EDF

Grant: ECU 6 100 000

The project will ensure basic health care in 19 rural communities where such facilities are either non-existent or entirely inadequate. It will also improve the running of the existing installations by providing a maintenance service—another thing which is wanting at the moment. It covers six states in south western Nigeria—Benue, Kwara, Lagos, Ogun, Ondo and Oyo. Between 350 000 and 375 000 people will get direct benefit from the new health services.

The project involves putting up new buildings and renovating existing ones (there will be four health centres and 15 hospitals in all), providing the equipment needed for the running of this rural health infrastructure and laying on the relevant support services.

Guinea, Guinea Bissau, Senegal, Mauritania, Niger & Mali

Development of the Fouta Djallon and Upper Niger basins in Guinea

6th EDF

Grant: ECU 31 500 000

This is the first stage of a vast operation which will take a long time to complete.

It involves full-scale application of the decision taken by both the Member States of the European Community and all the ACP States of West Africa to put special priority on defending the natural factors of production and containing the destructive effects of drought.

The idea is to combat erosion in the upper basins of the big Sudano-Sahel rivers which have their source in Guinea, with a view to improving flow in the long run.

The scheme focuses on proper involvement by the population—which has contributed to the thinking on the

design and methods of implementation of the project from the word go. This involvement, which could well slow things down in the early years of the programme, should ultimately be the basis of success. Emphasis is therefore on:

- the elementary catchment basin and, above all, the village territory;
- the implementation of simple anti-erosion techniques that are easy to reproduce;
- the insertion of specific anti-erosion techniques in more general rural development schemes.

In addition to this idea of participation, which means that the unit areas of intervention have to be small, there is the notion of providing a response to desertification phenomena in the West African region—tens of millions of hectares. So, if the schemes are to have an effect commensurate with the challenge of the drought, they will have to cover hundreds of thousands of hectares fairly quickly.

Part one of the programme involves:

- hydro-ecological development of the elementary basis over:
 - about 130 000 ha of the Upper Niger;
 - about 20 000 ha of the Upper Tinkisso;
 - about 100 000 ha of the Upper Gambia, 40 000 ha of which is the Badiar National Park, which will be the southern extension of the Niokolo-Koba National Park in Senegal;
 - pre-development projects in 50 or so basins (about 500 000 ha) in the Upper Niger and Upper Gambia.

Sahel Countries in CILSS (Mauritania, Senegal, Gambia, Guinea Bissau, Mali, Burkina Faso, Niger, Chad & Cape Verde)

Regional programme to promote the use of butane

6th EDF

Grant: ECU 8 260 000

The idea here is to promote the use of butane (LPG) to replace wood and charcoal in the countries of the Sahel to relieve the pressure of urban consumer demand on the forests.

The means to be deployed are:

- LPG information, awareness and introduction schemes for low-income sections of the population to encourage families to use gas instead of wood and charcoal;
- financial aid to cut the cost of using butane. Each country will have a Gas Fund to be used, as required, to set up

an adequate stock of 3 kg and 6 kg tanks, help the households get set up to use the gas and bring down gas price structures.

Djibouti

Rural development programme

6th EDF

Grant: ECU 6 100 000

The programme is to be run in the primary sector and is particularly concerned with rural hydraulics, a Government priority (Policy Law of 1983-89). It is part of the emergency water plan recently devised to cope with the effects of the drought—which will be monitored by a newly created interministerial committee.

The programme will boost the output of the existing water resources, improve research and mobilise new sources, thereby improving availability in rural areas. The poorest people will thus be encouraged to develop productive activities, a new situation which should hold back the rural exodus.

Ethiopia

Improving production

6th EDF

Grant: ECU 28 500 000

Loan: ECU 9 600 000

This project, which follows on from others financed under Lomé II, is intended to boost coffee production on smallholdings. It will do this by supplying extension services, credit facilities, input and maintenance to 18 zones in the coffee industry improvement project so they can mature and maintain the disease resistant strains already being grown. At the same time, resistant strains will be planted to replace sick and dying coffee bushes and the sick bushes will be treated to halt the cycle of infection and rehabilitate them. Spraying units will be provided to get the disease under control and the farmers will be trained in improved coffee-growing methods every year. The project will include aerial photographic cover to improve the basic project data.

Organisation of Eastern Caribbean States & The British Virgin Islands

Ecseda: Eastern Caribbean States Export Development Agency and Automatic customs data handling systems

6th EDF

Grant: ECU 4 430 000

This organisation—comprising Antigua-Barbuda, Dominica, Grenada,

Montserrat, St Kitts-Nevis, St Lucia, St Vincent & The Grenadines and the British Virgin Islands—has adopted a policy of economic development based on export-oriented growth. The cornerstone of the strategy is the creation of a single, sub-regional agency to develop the exports of the Eastern Caribbean States (ECSEDA) which is to help the exporters in each country with their marketing procedures and production techniques. ECSEDA will be set up as an independent organisation under a board of directors (representatives of the private and public sectors), headed by an executive director.

The OECS has decided to adopt a common data collection system for customs information and trade statistics. This is to be based on a system which UNCTAD developed and which has been used successfully elsewhere with EDF help.

Mauritania

General import programme

5th and 6th EDFs

Grant: ECU 7 000 000

Given the increasingly poor performance of its economy and the extreme dependence on external contributions, Mauritania has been running a series of schemes and reforms since the early '80s to re-establish the fundamental balances and bring back sustained growth. The Economic and Financial Recovery Programme launched in 1985, which combines support in the form of structural adjustment credits from the World Bank and other funders, has reached a critical period.

Given the still hesitant national economy, it is important to keep up the effort and support what the Mauritanian authorities are doing to improve the measures taken so far by a new programme of consolidation and recovery (1989-91).

The Community contribution will be a general import programme, which will be run in conjunction with the schemes to aid the balance of payments and the import programmes financed by the IMF, the World Bank, the Federal Republic of Germany, the Netherlands, and Saudi Arabia, particularly as regards the conditionality for the nation's development policy.

Togo

Sectoral import programme

5th and 6th EDFs

Grant: ECU 10 000 000

The idea here is to finance imports of fertiliser for food and cash crops during

the 1990-91 agricultural year. The project aims to lighten the burden of these imports on foreign exchange reserves and generate counterpart funds so that support can be offered to priority projects in the State's investment budget.

It is part of the structural adjustment policy on which the country embarked, with the support of the IMF, the World Bank and other aid sources, in 1983.

Benin

Programme to import petroleum products

5th and 6th EDFs

Grant: ECU 11 000 000

This petroleum import programme is part of the drive which the Government began in 1985 with a bold policy of adjustment and reduction in State spending.

It is part of a coordinated operation whereby the nation's development partners are backing up the running of this economic reorganisation programme. It completes other schemes currently being run for the same products (but not needs beyond the coming months) and other imported goods.

Mozambique

Sectoral import programme

6th EDF

Grant: ECU 30 000 000

Mozambique is a poor country, a heavily indebted one, in Sub-Saharan Africa and is therefore eligible for aid from the European Community's special programme for countries of this sort. The programme uses these funds with a view to providing speedy support for some sectors of the economy, thereby boosting the effort being made with the economic recovery programme.

It is mainly concerned with the raw materials which local industry needs and with goods for the transport sector, agriculture and fisheries. There are also plans to provide small tools. These are urgently required and the relevant methods of signing the contracts for them have been settled.

Burundi

Import programme

5th and 6th EDFs

Grant: ECU 12 000 000

The Government has undertaken to continue with the structural adjustment programme started in 1986 with the fundamental aims of liberalising the economy and ensuring stringent management of public investments.

It has just signed a second structural adjustment credit paper with the IBRD with this in mind.

The Community contribution will be made as part of the special Community Programme in favour of Certain Poor and Highly Indebted Countries of Sub-Saharan Africa and will be in the form of an import programme which is more particularly geared to the import requirements of private economic operators. ○

EIB

Botswana: ECU 3 million for a hotel in the capital

The construction of a business hotel in Gaborone, Botswana's capital, will benefit from an ECU 3 million loan from the European Investment Bank. The hotel, which will be of international standard, will be located 3 km west of Gaborone on the road to the airport and comprise 200 rooms. The hotel's ancillary facilities also include a 250 seat conference room and a wide range of sports facilities.

The loan to the Botswana Development Corporation (BDC), has been granted under the Third Lomé Convention for 12 years at 5% after taking into account an interest rate subsidy from the resources of the European Development Fund. The proceeds of the loan will be onlent to the Gaborone International Hotel Company (GIHC) set up in 1987 to implement the project and run the hotel. GIHC is a joint venture company incorporating mainly Botswanan and European interests: BDC and Bouygues Botswana, a subsidiary of a major French construction company; Sheraton which will manage the hotel, also is a shareholder.

Scheduled to be opened in June 1990, the hotel will cost a total of ECU 15.7 million. Financing from the Commonwealth Development Corporation (London) has also been sought.

Burkina Faso: ECU 2 million for a plastic plant

The European Investment Bank is lending ECU 2 million to Burkina Faso for modernising and extending a medium-sized plant producing plastic sheeting and sacks. The project is located in the capital Ouagadougou and comprises a woven polypropylene production line, an extruded polyethylene unit and a small polyethylene injection facility.

The funds are advanced in the form of a conditional loan, for 12 years at 2%, from risk capital resources provided for under the Third Lomé Convention and managed by the EIB. Burkina Faso will on-lend the proceeds of the loan to Société des Plastiques du Burkina Faso (Fasoplast), a majority-owned private enterprise set up in 1986 with the participation of local interests.

The scheme, costed at ECU 3.15 million is scheduled to be implemented between the end of 1988 and the fourth quarter of 1989. In addition to increasing capacity and boosting productivity it will allow Fasoplast to satisfy specific customer requirements and broaden its clientele by bringing out new products.

Burundi: ECU 2.5 million for coffee processing

The European Investment Bank is lending ECU 2.5 million for coffee storage and sorting facilities in Burundi. The installations will be built close to an existing coffee curing plant at Gitega, in central Burundi and will include storage containers, and electronic sorting machines with a capacity of 5 tonnes of green coffee per hour.

The conditional loan to the Republic of Burundi for 20 years at 2% is from risk capital resources provided for under the Third Lomé Convention and managed by the EIB. The government will on-lend the proceeds to Office des Cafés du Burundi (OCIBU), a state-owned company and leader in Burundi's coffee sector.

Total investments are estimated at ECU 7.2 million; the Caisse Centrale de Coopération Economique, Paris, has also been requested to provide funds for the project.

Cape Verde: ECU 3 million for improved electricity supply

The European Investment Bank is lending ECU 3 million to the Republic of Cape Verde for improving electricity supply in its capital, Praia. The project comprises the installation of two 3 MVA diesel generators and transformers, as well as 5 km of medium tension mains and a 30 km low voltage grid.

The funds advanced in the form of a conditional loan from risk capital resources under the provisions of the Third Lomé Convention were made available to the Government for on-lending to Empresa Publica de Electricidade e Agua (ELECTRA) in form of a shareholder's advance convertible into an equity participation.

The project is estimated to cost ECU 5.9 million and the Commission of the European Communities is making available a 2.5 million grant towards its financing.

ELECTRA, a public company set up in 1982 integrating the country's three largest power stations and two water desalination plants, has previously received a ECU 1.8 million EIB loan from risk capital for upgrading a power-station.

The distribution component of the project is scheduled to be implemented between 1989 and 1992. The first generation set is expected to go into operation in 1989 and the second in 1991.

Congo: ECU 16 million for the palm-oil industry

The European Investment Bank is lending ECU 16 million for palm-oil plantations and palm-oil mills and a refinery in the Congo. The funds go to the People's Republic of the Congo. The final beneficiaries are Sanghapals, a state-owned company set up to establish and operate an agro-industrial complex in the north of the country which will produce crude palm-oil, and Société des Huiles du Congo, a semi-public company concerned with the construction of a new plant to refine and fractionate crude palm-oil at Brazzaville.

The scheme will allow the Congo to promote national production of vegetable oil to replace imports of refined oils. The scheme is expected to cost ECU 64 million and also comprises the rehabilitation of the principal soap factory in the country.

The EIB's financing is in the form of a conditional loan for 20 years at 2% from risk capital resources provided for under the Third Lomé Convention and managed by the EIB. The Caisse Centrale de Coopération Economique (Paris), the Banque de Développement des Etats de l'Afrique Centrale and the African Development Bank are cofinancing the project.

Djibouti: ECU 2 million for an electricity scheme

The European Investment Bank is lending ECU 2 million to Electricité de Djibouti (EDD) to reinforce Tadjourah power station in the north of the country by adding a 1 MW diesel generator set, bringing total capacity to 2 280 kW, and for a 30 kV transmission line of 55 km from Tadjourah to Obock, a town currently supplied from its own small, old power station.

The funds are advanced in the form

of a conditional loan for 20 years at 2% from risk capital resources provided for under the Third Lomé Convention and managed by the EIB.

The scheme, costed at ECU 3.25 million, is part of EDD's long-term plans for integrating the national power system. The transmission line and diesel generator as well as local distribution networks in Obock and Tadjourah are expected to be operational by the end of 1989.

The Obock power station which dates back to the late '50s will be overhauled and remain on stand-by for line outages and consumption peaks.

Ethiopia: ECU 10 million for extension of the Assab port

The European Investment Bank is providing a loan of ECU 10 million under the Third Lomé Convention, to co-finance the construction of a new terminal at the Ethiopian port of Assab on the Red Sea.

The funds are advanced in the form of a conditional loan to the State, for seventeen years at three percent, from risk capital resources provided for under the Convention and managed by the EIB. The State will onlend the proceeds of the loan to the Marine Transport Authority (MTA).

The new multi-purpose terminal for general cargo, container- and roll-on roll-off ships will be located in a new area and comprises a 450 m concrete blockwork quay with two 12 metre deep berths and a special ramp for roll-on roll-off ships, a 6 400 square metre transit shed, office space and a 2 300 square metre workshop as well as general cargo and container handling equipment.

Construction of the new terminal is planned between mid 1989 and 1992, with the first berth expected to be completed by March 1991.

The extension of the port of Assab is one component of an integrated transport scheme estimated to cost ECU 124 million. The International Development Agency (World Bank Group), the African Development Bank and the Ethiopian Government will also contribute to the financing of this scheme.

Malawi: ECU 11 million for power grid

The European Investment Bank is lending ECU 11 million to increase electricity supply in Malawi. The project includes the expansion of four substations on the main line from hydroelect-

ric stations in the south to the capital Lilongwe and the north of the country and new ring mains for the networks of Lilongwe, and Blantyre, the country's main business centre.

The funds provided under the provisions of the Third Lomé Convention are being made available under two separate headings:

— a conditional loan of ECU 8 million (20 years, 2%), from risk capital resources provided for under the Convention and managed by the EIB, to the Republic of Malawi, for on-lending to Electricity Supply Commission of Malawi, for on-lending to Electricity Supply Commission of Malawi (ESCOM), and

— a loan of ECU 3 million from EIB's own resources (mainly the proceeds of the Bank's borrowing operations on the capital markets) to ESCOM, for 15 years at 5.15%, allowing for an interest subsidy drawn from European Development Fund resources.

ESCOM's electricity supply expansion programme has been prepared in collaboration with the World Bank and the EIB has agreed to finance the most urgent components scheduled for completion in stages between 1989 and 1992.

Mauritania: ECU 1.5 million for iron ore prospection

The European Investment Bank is lending ECU 1.5 million for the prospection of new iron ore deposits in the Zouerate region in north-western Mauritania. The study comprises the geological prospection aimed at ascertaining the extent of the deposit and the quality of the ore, and the evaluation of the feasibility of exploiting it.

The funds, from risk capital resources provided for under the Third Lomé Convention and managed by the EIB, are advanced in the form of a conditional loan to Société Nationale Industrielle et Minière (SNIM) which is currently working two deposits in the Zouerate region.

The cost of the study amounts to some ECU 4.2 million of which about 1.2 million will be borne by SNIM itself. The Caisse Centrale de Coopération Economique, Paris is also participating in its financing.

Anguilla: ECU 1.5 million for a hotel

The European Investment Bank is lending ECU 1.5 million for a 25-room hotel on the island of Anguilla in the British West Indies. The funds for 20 years at 5%, go to the Anguilla

Development Board to be onlent to Anguilla Tourism Development Company set up in 1985 to run the hotel.

So far the island has not been reached by mass tourism. The hotel built in the West Indies style will be the first on the island to be owned by local businessmen and will cater to the upper range of the market. Five bungalows, each containing five rooms, will be constructed in a semi-circle facing the sea.

The funds are being granted in the form of a conditional loan from EIB-managed risk capital resources provided for under the 1986 Decision of the Council of the European Communities running parallel to the Third Lomé Convention and making specific aid available to overseas countries and territories enjoying special ties with certain EEC Member States.

East Caribbean: ECU 2 million for equity participation in small and medium scale companies

The European Investment Bank lends ECU 2 million to the Caribbean Financial Services Corporation (CFSC), a private sector institution based in Barbados and operating in the eastern Caribbean region. CFSC will use the proceeds of the loan to take equity participation in small and medium scale enterprises in the industrial, agro-industrial and tourism sectors of Antigua and Barbuda, Dominica, Grenada, St Kitts-Nevis, St Lucia and St Vincent and the Grenadines.

The funds are advanced for 25 years at 2% in the form of a conditional loan from risk capital resources provided for under the Third Lomé Convention and managed by the EIB.

CFSC's shareholders comprise private-sector investors in the region, alongside 3 international financial institutions, namely the Commonwealth Development Corporation (UK), DEG-Deutsche Gesellschaft für Beteiligungen in Entwicklungsländern (Germany) and International Finance Corporation (World Bank Group).

St Lucia: ECU 3 million for improved electricity supply

The European Investment Bank is lending ECU 3 million to St Lucia Electricity Services Ltd (LUCELEC) for improving electricity supply on the Caribbean island of St Lucia. The funds will go towards financing the installation of two 6.3 MW diesel generators and a 66 Kv overhead transmission line along the coastline integrating the northern and southern networks.

EMERGENCY AID

The loan made available under the Third Lomé Convention, is for 18 years at 5.15%, after deduction of an interest subsidy from European Development Fund resources.

The project scheduled for completion in March 1990 is costed at ECU 30 million. Commonwealth Development Corporation (CDC), (UK), is also participating in its financing.

Set up in 1964, LUCELEC is responsible for the supply of electricity throughout the island. Its capital is held 53% by CDC and 47% by State and local authorities.

LUCELEC previously received loans amounting to ECU 5 million from the EIB in 1986. The present loan brings EIB finance to St Lucia under Lomé III to ECU 8 million, of which 6 million from the Bank's own resources and 2 million from risk capital provided for in the Convention and managed by the EIB.

St Vincent and the Grenadines: ECU 4 million for electricity generation

The European Investment Bank is lending ECU 4 million for improving electricity supply to St Vincent and the Grenadines (West Indies). The scheme comprises a 3.2 MWe generation set on St Vincent and two 0.5 MWe generators on Bequia, as well as transmission and distribution facilities on both islands.

The funds being lent to the Government under the Third Lomé Convention are made available in the form of:

- a loan of ECU 3 million from the Bank's own resources, for 18 years at an interest rate of 5.15%, after deduction of an interest subsidy from European Development Fund resources, for on-lending to St Vincent Electricity Services Ltd (VINLEC), the country's sole supplier of electricity to the public, and

- a conditional loan of ECU 1 million for up to 25 years at 2%, used by the Government to subscribe for new shares in VINLEC with a view to strengthening the company's capital base and helping it to finance the planned works. This loan is drawn from risk capital available under the Convention and managed by the Bank.

The project is estimated to cost ECU 6 million and works are expected to be completed by the end of 1990. The new generators will have a favourable impact on air and noise pollution levels.

Somalia

The Commission has just decided on emergency aid worth ECU 300 000 for Somalia, under Article 203 of Lomé III.

The fighting in northern Somalia has seriously affected both the local population, which has had to move away and the Ethiopian refugees in the region.

The aid, which will be provided through Médecins sans Frontières (Netherlands), is to involve medical assistance and other urgent relief.

Gabon

In December, the Commission decided to send emergency aid of ECU 100 000 to Gabon, where exceptionally heavy rain had caused serious flooding in six provinces, affecting tens of thousands of people and leaving them homeless.

The aid, which was implemented by the Commission Delegation in Libreville, was used to purchase and distribute basic essentials.

Armenia

Following the December earthquake in Armenia, the Commission mounted a series of emergency relief operations. First it provided ECU 500 000 which paid for three planes to go to the disaster area:

- one from the Netherlands, carrying Red Cross staff and surgical equipment, blood, antibiotics etc, on 10 December;

- another, provided by Aeroflot, which went from Belgium, carrying Médecins sans Frontières staff and blankets, tents, medicines etc, on 10 December;

- and yet another, cofinanced with the British Government, carrying a consignment of tents and medicines and British Red Cross staff, shortly afterwards.

On Monday 12 December, the Commission announced another decision to send emergency aid worth ECU 1 000 000 for the Armenian earthquake victims.

By Tuesday 13, ECU 600 000 of this had already been committed so five planes could be sent to the disaster area.

The operation, cofinanced with Médecins sans Frontières (France, Belgium and the Netherlands), which released a further ECU 150 000, involved:

- one plane leaving Brussels and one plane leaving Paris on 13 December 1988;

- one plane leaving Amsterdam and two planes leaving Paris on 14 December 1988.

Two of the five planes were put at MSF's disposal by Aeroflot. They took mainly dialysis apparatus, heating equipment, generators, winter tents, medicines and extra food.

In response to the European Parliament's resolution of 15 December 1988, the Commission then provided ECU 8 500 000.

These funds, together with the ECU 1 500 000 decided on 9 and 12 December, will go to finance schemes to improve survival and subsistence conditions in the disaster area.

Thailand

In December, the Commission decided to send emergency aid of ECU 100 000 to help people in Thailand hit by torrential rains in which 650 died, 1 000 disappeared and 250 000 lost their homes.

It will be channelled through Médecins sans Frontières (France), which will be distributing medicines and basic essentials.

Nicaragua

The Commission sent emergency food aid—5 000 t cereals and ECU 720 000 to buy pulses—to Nicaragua in December.

Mozambique: aid to refugees

The Commission has just decided to provide financing of ECU 580 000, under Article 204 of Lomé III, for a programme to improve the health structures available to about 300 000 Mozambican refugees in central and southern Malawi.

It will be run by Médecins sans Frontières (France) and involve improving hygiene and first aid care and, above all, training local medical staff.

STABEX

Help for least developed countries which are not signatories of the Lomé Convention

Four countries—Haiti, Nepal, Bangladesh and North Yemen—are eligible here and the Commission has received 10 applications for 1987 from them.

Investigation has proven five of these applications to be eligible for transfers, for an amount of ECU 9 058 102.

Unfortunately, the Stabex-LDC funds for this year only amount to ECU 10 594 150 and so the Commission has reduced the size of the transfers by a percentage equal to the difference between the sums available

and the transfer entitlements, in accordance with the Stabex rules.

So the transfers are as follows.

Recipient State	Product	Amount in ECU
Haiti	Coffee	4 854 941
	Cocoa	278 867
Nepal	Hides & skins	519 541
	Tea	1 580 912
Bangladesh	Tea	1 580 912
	Jute	3 089 889
Total		10 594 150

FOOD AID

The Commission has just decided to send the following food aid.

Malawi: 15 000 t cereals — ECU 4 350 000

This will be used to meet the food needs of the people of Malawi, who have had very little maize for the period April 1988–March 1989.

It should also mean that maize stocks, which were badly run down after the poor harvest of April 1987, can be reconstituted.

The present crisis is mainly due to major external constraints on the nation's economy. They include transport costs that are too great for the balance of payments and the burden of having more than 700 000 refugees (from the fighting in Mozambique) to assist.

UNBRO (UN Border Relief Operation): 2 760 t pulses and 2 037 t fish — ECU 2 800 000

This is the Community's contribution to UNBRO's food aid supplies so that this organisation can go on giving relief and assistance to the roughly 250 000 Cambodian refugees in Thailand.

The aid is being supplied through the WFP, which is acting for UNBRO and buying products on the spot and shifting them to their various destinations—where UNBRO distributes and monitors the food aid.

WFP-UNHCR: 88 185 t cereals and 2 250 t vegetable oil — ECU 27 800 000

The WFP and the UNHCR are looking after the transport and distribution of this aid for Afghan refugees in Pakistan and Iran, Laotian refugees in Thailand and Ethiopian refugees in Sudan.

ACP EMBASSIES

A new Ambassador has just presented his credentials to the Presidents of the Council and Commission of the European Communities. She is Miss Patricia Elaine Joan Rodgers of the Bahamas.

Aged 41, Miss Rodgers holds a PhD in Political Science from the University of Geneva. She has worked in the Bahamas Ministry of External Affairs since 1970 and has held a number of diplomatic posts: Counsellor and Consul at the Bahamas Embassy in Washington DC, from 1978 to 1983, deputy High Commissioner to Canada 1983 to 1986 and High Commissioner to Canada from 1986 until her appointment to Brussels. ○



Patricia Elaine Joan Rodgers

EUROPEAN COMMUNITY

Declaration by the Twelve on the Brazzaville Protocol

The Twelve welcome the important Protocol of Agreement signed in Brazzaville on 13 December 1988 among Angola, Cuba and South Africa with the mediation of the United States, which brings the independence of Namibia on the basis of United Nations Security Council Resolution 435 (1978) closer than ever before.

They pay tribute to the constructive spirit and efforts of the parties involved as well as of all those who have contributed to making possible the remarkable progress achieved so far. They also express their appreciation and support to the significant role and efforts of the Secretary General of the United Nations.

The Twelve have always been firmly and consistently committed to Namibia's independence in accordance with the United Nations' settlement plan endorsed by the Security Council Resolution 435 (1978).

They will do all in their power to contribute to its early implementation and to help restore conditions of peace, stability and dialogue in the entire region of Southern Africa.

In this connection, they welcome the agreement on a bilateral accord between

Angola and Cuba, which will include a timetable acceptable to all parties for the staged and total withdrawal of Cuban troops from Angola.

The Community and its Member States also wish to reiterate their readiness to continue and, if necessary, expand the aid to the Namibian people with a view to securing a smooth transi-

tion to independence. Furthermore, they reaffirm their intention to promote economic and social development in Namibia by providing it with substantial economic assistance once it becomes independent, as well as their willingness to receive from an independent Namibia an application for accession to the Lomé Convention. ○

standard of living of 2% in 1980-86 in the intermediate-income countries, with a further 0.5% in 1988. Per capita income in sub-Saharan Africa is 25% less than what it was in the '70s".

"But has the growth potential of the indebted countries improved? I fear the answer is no. Because a shortsighted adjustment policy means that you sometimes achieve a cure, but the general state of the patient is so weakened that any further progress is compromised".

"Certainly, there have been some improvements lately, first of all the guidelines the Toronto Summit laid down for the poorest nations. And if I can open a bracket here, we were pleased to see the Europeans speaking with one voice. Then the market itself is beginning to admit debt reduction techniques".

"But, nevertheless, even in a year of strong growth and sustained expansion of international trade such as we had in 1988, the net financial transfer of the poor countries to the rich was still \$40 billion in addition to the \$100 billion of the four years prior to that".

"We know what the bases for a viable solution are. A combination of structural efforts by the countries with the debts, an increase in private and public financing and greater openness of the markets in the industrialised world, of our markets".

"Can the Community make a contribution and must it do so? It can and it must. It must because democracy and social equilibrium are threatened, something which concerns all Europeans and our relations. And it can, because the trade link in the finance-trade-currency chain is partly in the Community's hands. And it is as a trading partner, capable of giving and of asking for and getting, that the Community can take the steps that will enable it to have more imports from these countries to stimulate their growth potential—which will lighten the financial burden and give room for manoeuvre so the future can be catered for with adequate investment programmes.

"In other words, the Community can, by setting the example, trigger a new policy whereby short-term rationalisation can be reconciled with medium-term development. It will have the opportunity to finalise its proposals both at multilateral level and in the Lomé IV negotiations with the countries of Africa, the Caribbean and the Pacific. And in the promising dialogue with the countries of Central and Latin America..."

Commission President Jacques Delors speaks to the European Parliament

Jacques Delors, the President of the Commission of the European Communities, spoke to the European Parliament on 17 January. We print below some of what he said about EEC cooperation with the outside world, especially with the developing countries.

"Because Europe is manifesting its dynamism and because this market of 320 million people with their high standard of living makes many envious, they have no hesitation in depicting us erecting walls and watchtowers. Let us make no mistake about this. The people who say that are the people who want to see an open Europe, with no common policy, no reactions and no political will. They are the people who vote in protectionist trade laws in their own countries and trump up all sorts of things to slow down any timid opening up of their own markets. We tell these people that Europe will be open, but not a pushover. It will be firm, as it has already made clear in relation to unfair trade practices. It will continue to go to GATT in cases of dispute and it will react strongly to illegal and discriminatory action by third countries. In a word, Europe will not be intimidated, but it will of course continue to be open and make proposals, as it has done since the beginning of the Uruguay Round, so as to contribute to the vital expansion of multilateral trade..."

"And going beyond its role in trade, Europe genuinely wants to be a loyal partner, but a watchful and ambitious one, anxious to build a fairer and more effective economic order".

"Being a partner in the quest for a fairer order means breathing fresh life into the North-South dialogue—which has been interrupted by the crisis and the feeling that, with the sudden wealth of one or two oil-producing countries and the emergence of new industrialised nations, times were changing".

"But there is one part of the world where this is not the case. You know it

as well as I do. Not doubt the spectre of major financial crisis has been pushed away, but at the price of an effort by the indebted countries, which in the process sometimes chips away at a democratic system that is all the more fragile for being young. The response to the debt cannot just be what we heatily call structural adjustment—the threat to democracy is too great!"

"Let us look at the figures. Adjustment led to a continuous decline in the



"And going beyond its role in trade, Europe genuinely wants to be a loyal partner, but a watchful and ambitious one, anxious to build a fairer and more effective economic order".



INDUSTRIAL OPPORTUNITIES

PUBLISHED EVERY TWO MONTHS

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REGIONAL COOPERATION MEETING: SOUTHERN AFRICA

REGIONAL ACTION PRESCRIBED FOR ILLS OF INDUSTRY

A common currency for member states of the Southern Africa region should be included in a regional action programme to revitalize industry and the development of trade.

This was just one of the recommendations endorsed by some eighty delegates, at the end of a major four-day conference, which saw independent experts and representatives of industry and government, from the eight ACP countries in Southern Africa⁽¹⁾, and from the twelve EEC countries, converge on Zimbabwe's capital, Harare.

The meeting, the fourth in a series of six, all on industrial cooperation themes, which CDI is sponsoring in each of the ACP regions, focused on identifying the main bottlenecks to dynamic regional industrial cooperation, and to producing suggestions for improvements in the policy framework.

On the basis of the evidence presented to them, by both independent analysts and business people with direct experience in the region, the participants hammered out a strategy for future action.

LOCAL CONSULTANTS NEEDED

Delegates called for, *inter alia*, the setting up of a regional consultancy organization and the documenting of a "shopping list" of consultants working within the eight ACP nations of the region.

Such a list, it was agreed, would be of immense advantage to investors, and developers with ideas for projects in the region. Consultancies combining both expertise from abroad with local experience would offer the best overall service, it was felt.

Delegates also urged negotiators of the successor convention to the current Lomé III, which expires in 1990, to ensure that CDI would be given a greater financial role to play in industrial projects, than is the case at present.



View of the podium during one of the sessions at the regional industrial cooperation meeting for Southern Africa held in Harare, Zimbabwe.

FRAGMENTED MARKET

Participants at the Harare meeting were welcomed by CDI's Director, Dr. Isaac Akinrele, who said that the domestic market in the region was "narrow and fragmented".

Intra-SADCC⁽²⁾ trade accounted for only 4% of total trade in the region, he said, and manufactured goods made up 95% of imports in SADCC States.

Given that the SADCC States' main supplier is the Republic of South Africa, or overseas suppliers through the Republic, and that trade routes are seriously endangered, the region would have to adopt "an industrial strategy which gives priority to the development of resource-based industries supplying the regional market, as well as other privileged external markets," Dr. Akinrele said.

SCOPE FOR PARTNERSHIP

Mr. Kumbirai Kangai, Zimbabwe's acting Minister of Industry and Technology, who officially opened the meeting, acknowledged the need for foreign investment in the region, but called on EEC companies which operate from subsidiaries in the Republic of South Africa to relocate to the independent Southern Africa States.

There was wide scope for fruitful partnership between ACP and EEC countries, the

minister said. The two regions were complementary, he went on, "it is for you the policy makers and entrepreneurs to establish the linking mechanisms".

OWNERSHIP IRRELEVANT

The meeting was closed by Mr Aranda da Silva, Mozambique's Minister of Trade, who said that the governments of the region would certainly take note of the recommendations of the meeting.

The strengthening of the economies of the region would reduce each State's dependence on the Republic of South Africa and assist in stabilizing the region.

Mr da Silva told delegates that the question of the ownership of enterprises in developing countries was irrelevant as long as a nation and its people benefited from the business. "The major question facing developing countries is not whether an industry is in private or public hands, but with finding the fastest way to industrial growth and development".

⁽¹⁾ All member countries of SADCC (see Note 2) except Tanzania.

⁽²⁾ SADCC: Southern Africa Development Coordination Conference (comprising Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia, Zimbabwe).

KEY STATEMENTS

REGIONAL INFRASTRUCTURE

One of the major reasons for the slow progress of industrial development in ACP countries is the lack of progress in developing "a critical economic infrastructure". Without this there is little hope that the products of African industries would be able to compete in the world markets for manufactures or semi-manufactures.

It is not enough, however, just to expand the relevant infrastructure. Repairs and maintenance also have to be provided for. The rehabilitation of existing infrastructural facilities should be the focus of policy makers.

– *Professor H.M.A. Onitiri, Former UNDP representative in Southern Africa*

PLANNING NEW INDUSTRIES

There is little point to investment in new industries if they meet the same fate as the old ones.

The Southern Africa region already has numerous industries running at very low capacity (10-20%), or closed down altogether, pending the arrival of spare parts, essential repairs, or a cessation of war. If the conditions cannot be found for the successful rehabilitation of existing industries, they cannot be found either for the success of new ones.

The SADCC countries are advised to focus on planning industries geared to the domestic or regional market.

– *Dr Colin Stoneman, Economist Intelligence Unit, United Kingdom*

EXPORTING

All too often manufacturers try to sell what they produce rather than concentrate on manufacturing what they can sell.

Priority in the region should go to processing resource-based commodities, both agricultural and mineral. If ACP states in the Southern African region are to export successfully, then a shift of production to dynamic product groups (engineering and metal products, clothing, leather products, vehicles, pulp, paper and board and rubber products) should be encouraged.

It is especially important to encourage trade collaboration at the level of enterprises.

– *Dr Carol Cosgrove, CTA, Economic and Export Analysis Ltd., UK*

USE OF LOME FUNDS

From the funds available under the third Lomé Convention, Ecu 60 million has been earmarked for regional activities aimed at the development of trade and services.

But because of the priority accorded to rural development under Lomé III, almost no ACP countries have included in their indicative programmes any activities of importance under the scope of industrial cooperation.

– *Miguel Anacoreta Correia, Commission of the European Communities*

THE SEARCH FOR MARKETS

Through a trade promotion project supported by the German Federal Ministry for Economic Cooperation and the German Agency for Technical Cooperation, in conjunction with the Confederation of Zimbabwe Industries, Zimbabwean products reached new European markets.

German advisers added to the existing level of promotional knowledge, product management, information on pricing in foreign markets, improvements in quality standards, packaging requirements and distribution of samples to prospective buyers.

– *Dr Martin Krämer, Vice President, Afrika Verein, West Germany*

ROLE OF PRIVATE INVESTMENT

Public and private investment are not mutually exclusive. They go hand in hand.

Public investment is useful for creating the infrastructure to make Southern Africa more attractive for private investment. Private capital's scope par excellence, is productive investment. This can be in agriculture, industry or services.

Investment should be directed towards significantly changing the production base of the countries of Southern Africa, and injecting capital into key sectors, either to meet growing domestic and regional demand, or to meet the demand of sectors in the main international markets.

– *Antonio Neto da Silva, Economic and Social Committee of the EEC*

INVESTING IN MOZAMBIQUE

Exciting results have been achieved in both public and private sectors as a

result of Mozambique's Economic Rehabilitation Programme, launched in 1987. Improved product quality and industrial productivity has aroused interest among foreign investors.

Among the significant hurdles which could jeopardize investment, is the fact that many industrial enterprises in need of foreign investment face a network of administrative and technical problems. Simply getting hold of factual data about industrial sectors can be a long and arduous process.

– *Neves Correia, President, National Institute for Local Industrial Development (IDIL), Mozambique*

CURRENCY CONVERTIBILITY

Foreign exchange scarcity in Zambia since the early 1970s has been one of the most inhibiting factors for the growth of industry.

The lack of currency convertibility between the countries of the Southern African region demonstrates the need for regional cooperation on such matters. The idea of a PTA⁽³⁾ Clearing House should be strongly supported.

– *Michael S. Mulenga, Executive Director, INDECO Ltd, Zambia*

EXPORTING FROM SWAZILAND

The absence of bank credit insurance for exporters selling on credit terms to foreign countries is one serious setback for producers in Swaziland. Export trade could be increased, if the exporter were assured that he would be paid.

Swaziland's exporters are fortunate in not encountering an excess of red tape, since government ministries tended to operate an open-door policy.

– *M. Ramkolowan, managing director, Swazi Timber Products Ltd, Swaziland*

INVESTMENT CLIMATE

International capital and know-how will move only to places where it can prosper in a liberal economic climate with guarantees for at least relatively free movement of capital and expertise.

Foreign investment, in addition, requires investment protection guarantees by the host country, transfer guarantees with respect to profits, double taxation agreements, non-discriminatory treatment of the foreign investor, and a liberal employment policy towards qualified expatriate staff.

– *Wolfgang Ulbrich, General Manager, Malawi Development Corporation*

⁽³⁾ East and Southern Africa Preferential Trade Area, with 14 member States.

CONCLUSIONS AND RECOMMENDATIONS

Following a detailed discussion on the problems inhibiting regional industrial cooperation, the meeting proposed the following strategy as a basis for action.

1. FOR SOUTHERN AFRICA GOVERNMENTS

- SADCC⁽⁴⁾ should identify the size of the potential market of the entire region in order to assist in establishing manufacturing projects of appropriate scale in the correct locations.
- Aid should be channeled with priority to the development of production not consumption.
- The payment system for inter-regional trade inhibits industrial development. The PTA⁽⁵⁾ clearing system needs to be strengthened.
- Local and regional institutions need to be strengthened to meet their stated objectives.
- Local private entrepreneurial skills should be encouraged as a basis for sustained industrial development through a network of small and medium-sized enterprises.
- A reduction in red tape is advisable.
- Technical training is needed in order to guarantee investors that they can employ a qualified and productive workforce.
- Local savings should be mobilized urgently by governments and financial institutions.
- Diversification of local financial institutions and the creation or refinement of local capital markets will improve the environment for industrial development.

2. FOR LOME CONVENTION INSTITUTIONS AND AGENCIES

- More assistance for rehabilitating existing industries and providing training to upgrade technical and managerial skills in the region, is needed.
- CDI's budget does not match the needs of the region, and should be expanded under the next ACP-EEC Convention.
- The next Convention should also enable CDI to assist in project substantiation in association with local expertise. This could include World Bank and other projects/proposals.

⁽⁴⁾ See note 2 (page 1).

⁽⁵⁾ See note 3 (page 2).

- CDI should be provided with a risk capital fund to enable it to take a small equity stake in an enterprise it supports.
- A list of local institutions and consultants relevant to industrial development should be drawn up and made available to interested investors.

3. FOR LOCAL INDUSTRIAL COMPANIES, ENTREPRENEURS AND PROMOTERS

- Manufacturers should be encouraged to diversify their product range to reduce risk and to concentrate on higher value added by further processing.
- The use of existing African centres of excellence and expertise should be encouraged; and aid projects involving expertise should, where possible, utilize local experts to encourage and develop South-South cooperation.
- Rehabilitation of existing plant and equipment can be more cost-effective than investing in new industrial projects.
- Measures suggested by industrialists to facilitate regional trade include:
 - Countertrade, including triangular bartering (although not recognized by some multilateral funding agencies)
 - Implementation of a revolving fund for export pre-financing under SADCC/PTA.

Such solutions are, however, very expensive to implement and require specialized skills. CDI will not be in a position to assist unless specific funding is provided in the next Lomé Convention.

4. INVESTMENT CLIMATE

- Both governments and regional organizations should be made aware that the general conditions for investment required by both foreign and local investors are as follows:
 - Political stability.
 - Efficient and helpful public organizations with a lack of bureaucracy.
 - Constitutional guarantees for protection of property and industry and commercial know-how.
 - The investment climate and fiscal po-



Attending the regional industrial cooperation meeting for Southern Africa, were Dr. Subhas Ch. Mungra, Chairman of CDI's Joint Governing Board (left), and Mr Aranda da Silva, Mozambique's Minister for Trade.

- policies must be both stable and transparent.
- Reliable and inexpensive transport both locally and for export.
- A sound infrastructure including good supply of services (water, electricity and communications).
- Non-discrimination against industrial investment.
- There are also specific requirements for foreign investors:
 - Investment guarantees against nationalization or expropriation.
 - Transfer of funds, including capital and profits must be facilitated.
 - Liberal policies concerning the employment of skilled expatriate staff.

5. DEVELOPMENT OF TRADE AND INDUSTRY

- Macro- and micro-economic policies should adequately reflect the need for economic diversification through trade and industry, in development cooperation programmes with external donors.
- The trade diversification strategies of the countries of the region should be market-led rather than production-oriented, concentrating on dynamic product sectors such as steel, fish and fruit processing, while maintaining competitive quality standards and gradually improving liberalization measures.
- The overseas commercial representation of the countries of the region could be examined with a view to achieving greater benefits in relation to costs.
- Cooperation between the private and public sectors could be accelerated through sector and market-specific programmes (such as the Zimbabwe export promotion programme) funded by the EEC and other developed countries.

(Continued on page 4)

"DAKAR FORUM" 1988

The 8th West African Industrial Forum took place in Dakar, Senegal, from November 28 to December 1st, 1989.

This two-yearly event to promote industrial cooperation between Europe and Africa was organized by the Dakar-based CICES (Centre International du Commerce Extérieur) under the aegis of ECOWAS and the EEC. The event was also supported by CDI and UNIDO⁽⁶⁾.

The 1988 "Dakar Forum" was attended by some 650 participants with more than 220 from Europe. The organizers were highly pleased with the outcome reporting that some 1,500 business meetings took place.

52 INVESTMENT PROJECTS

As in previous years CDI was heavily involved in the preparatory work for the Forum.

To ensure a highly productive Forum in industrial terms, some 52 investment projects were screened by CDI and UNIDO for presentation at Dakar. These covered a range of sectors such as wood, textiles, plastic, metal-working, agro-food, chemicals, building materials. The companies involved were drawn from a good cross-section of the African economy.

Some 22 EEC companies with a special interest in discussing cooperation arrangements with African firms, were identified and invited to the Forum by



The symbol of the West Africa Industrial Forum.

CDI. All these firms had already signalled that they were potentially interested in finding ACP industrial partners.

Some 23 ACP promoters were also present at the invitation of CDI to ensure proper follow-up of any investment or joint-venture proposals. Also present at Dakar were 50% of CDI's antennae in West Africa. At the Forum itself CDI staffed an office with experts able to advise firms and help in negotiations.

"We tried to ensure at this Dakar Forum that we had both a good spread of viable investment projects from African firms and good representation by firms from Europe who are seriously looking for cooperation arrangements," said Patrick Keene of CDI's Investment Promotion Division.

CDI Director, Dr. Isaac Akinrele, addressed the Forum and stressed that all projects selected by CDI for support must show evidence of potential viability and have credible sponsors. "Additionally the project should have the objective of transforming a local resource material into a higher value product."

Addressing wider investment issues, Dr. Akinrele said that financial institutions in the region should demonstrate greater development vision and flexibility, by removing disincentives to domestic private investment in small and medium-sized industries.

"Encourage entrepreneurship by allocating more resources for venture capital which should, in turn, be associated with technical services and expertise at home or from overseas," he went on. "In this context, CDI is willing to offer its technical assistance services to support venture capital funds or companies."

"The growing confidence in our capability and the success of many of our interventions," Dr. Akinrele concluded, "have persuaded the sponsors of this Forum to ask CDI, possibly in cooperation with UNIDO, to undertake the follow-up of the projects presented."

⁽⁶⁾ UNIDO: United Nations Industrial Development Organisation.

CONCLUSIONS AND RECOMMENDATIONS

(Continued from page 3)

6. ASPECTS RELATED TO THE LOMÉ CONVENTION

- The trade and industrial development provisions of Lomé III cannot be significantly expanded. However they are neither fully understood nor adequately exploited by the countries of the region, for national and regional programmes.

Governments of the countries of the region and regional organizations such as PTA and SADCC should give greater priority to the development of trade and services in their national and regional programmes with the EEC.

- Particular attention by the countries of the region and their regional organizations should be given to industry, trade and services, in the context of the current negotiations and the programming pro-

cess which will follow the agreement and ratification of the successor Convention to Lomé III.

- The comparative advantages offered by the processing of available resource-based commodities in the region, should be exploited, and advantage taken of the facilities of the current Lomé Convention, for more intensive support for the marketing of selected commodities.

7. ADOPTION OF AN ACTION PROGRAMME

PTA and SADCC should accelerate the implementation of their action programmes, to eliminate constraints with a view to accelerating trade flows on a South-South and North-South basis.

The following recommendations were made for incorporation into such a programme:

- Expedite the adoption of a common currency.
- Simplify export procedures.
- Concentrate on the comparative advantages of resource-based processed products.
- Improve quality control and standards.
- Focus on market-led export development.
- Encourage joint ventures to assist local entrepreneurs in meeting international requirements.
- Utilize aid funds such as the European Development Fund (Lomé Convention) to extend regional cooperation to industrial enterprises.
- Establish regional projects taking advantage of larger markets, to permit economies of scale for manufacturing processes.

GUINEA BISSAU: CDI TO HELP WITH PRIVATIZATION DRINKS PLANT OPERATIONAL AGAIN

The production of beer and soft drinks had virtually come to a standstill at the CICER (Companhia Industrial de Cervejas e Refrigerantes) in Guinea Bissau, due to the lack of maintenance, spare parts, training, bottles and plastic containers.

But now the fifteen year old plant is getting back into production following a technical assistance programme recently cofinanced by CDI together with the Portuguese foreign trade institute, ICEP, and a Portuguese brewery, UNICER.

The assistance programme covered an assessment of the plant maintenance and production processes, and the supply for six months of a production manager and a maintenance manager.

This first stage was completed in December 1988 with impressive results: production at CICER has risen from 2% to over 20% (full capacity: 150,000 hl a year of beer and 100,000 hl a year of soft drinks).

There is great demand for its quality drink products in the local market and the country could absorb all its production. But initially, the company has to concentrate on exporting to earn badly

needed foreign currency to buy spare parts and raw materials.

CDI has also advised the company on possible support from the European Development Fund (EDF) for the importation of vital inputs such as bottles, packaging materials and plastic containers.

As a further aspect of its support to the CICER drinks plant, CDI is helping with the privatization of the Government's share of the company.

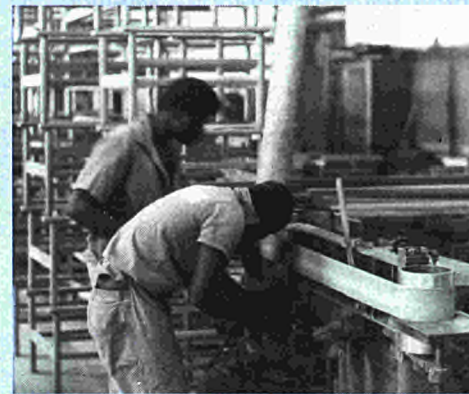
CDI is planning to evaluate the factory's assets and help with negotiations being conducted by the country's Ministries of Industry, Planning and Finance, and the National Bank, with prospective buyers.

MEETING WITH PRESIDENT

At the beginning of December, 1988, CDI Director, Dr. Isaac A. Akinrele and Fernando Matos Rosa of CDI's Investment Promotion Division, were received in Guinea Bissau by H.E. the President of the Republic of Guinea Bissau, General Bernardino Vieira, who encouraged the development of CDI's interventions in his country.

The CDI delegation also met the Minister of Industry, Mr Filinto Barros, who stressed that the current privatization of state-owned companies is a great opportunity for private entrepreneurs wishing to establish joint ventures in the country.

Guinea Bissau has a considerable number of industrial plants that are no longer operational due either to overcapacity or a lack of foreign currency for imports.



A view of a Guinea Bissau wood cutting and furniture plant, SOCOTRAM, which received assistance from CDI.

Technical assistance has been given for the rehabilitation of an oxygen and acetylene plant and a wood cutting/furniture plant (SOCOTRAM). Following the recent visit of the CDI delegation, further support actions are being considered.

CDI-UNIDO COOPERATION

JOINT ACTION BRINGS SUCCESS



Some of the African entrepreneurs from the construction sector invited by CDI and UNIDO to the seminar and exhibition in France.

As part of CDI's new cooperation agreement with UNIDO⁽⁷⁾, the two organizations set up an innovative and highly appreciated programme for African entrepreneurs involved in earth-based construction technology.

With the objective of helping ACP en-

trepreneurs in a specific sector select the right industrial equipment, the programme was organized to coincide with SICAD (the International Exhibition for Cooperation and Development Aid) held in Montpellier (France), December 7-12, 1988, where CDI had a stand.

Using CDI's antennae and UNIDO's network, nine African entrepreneurs (from six different countries) interested in construction using compressed earth,

were identified and invited to attend.

Prior to SICAD, the entrepreneurs took part in a three-day seminar organized at Grenoble, France, by CRATerre (the International Centre for the Research and Application of Earth Construction).

This gave the visitors a solid training in the technologies available and an analysis of the various selection criteria for the equipment available on the market.

With this background, these entrepreneurs were able to benefit fully from their participation in SICAD where they were able to meet most of the European manufacturers in their sector.

All the nine ACP promoters invited signed agreements with EEC companies for the purchasing of equipment and for technical assistance; these investment decisions were undertaken on a sound basis of information following the seminar and their participation in SICAD.

CDI was an official sponsor of SICAD, an event which comprised a trade fair, a seminar on industrial cooperation and a symposium on tropical agro-industries.

⁽⁷⁾ See note 6 page 4, and Industrial Opportunities Number 65.

PREREQUISITES FOR FINANCING

To help formulate recommendations to improve the policy framework for regional cooperation for industrial products manufactured in West Africa, CDI will hold a Regional Industrial Cooperation Meeting in Lagos, Nigeria from 3-7 April.

The meeting is the fifth of six meetings on industrial cooperation themes which CDI is sponsoring in each of the ACP regions under Lomé III.

The meeting will provide an opportunity for ACP and EEC industrial policy makers, entrepreneurs and industrial promotion agencies to discuss practical problems and issues in industrial cooperation and development. The meeting is being hosted by the Federal Military Government of Nigeria.

The main theme of the meeting, which will be held in English and French, is "Prerequisites for Financing Industrial Projects in West Africa". Particular topics to be discussed include:

- Performance of Investments in Manufacturing Industries in West Africa

(speaker: Dr A. Agama, Governor of the Central Bank of Ghana).

- Current Policies and Trends for the Industrial Sector in West Africa (speaker: Prof. Dotun Philips, Director General of the Nigerian Institute of Social and Economic Research, NISER).

- Institutional Framework for the Implementation of Manufacturing Industries in West Africa (speaker: Mr George Mills, of the international company for investments and development in Africa, SIFIDA, Geneva).

- Opportunities for Various Forms of Industrial Cooperation (speaker: Dr David Dichter, Director, Technology for the People, Switzerland).

Some 150 participants are expected from the 16 West African countries (Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone and Togo), as well as from the European Community.

NEW PUBLICATION

22 INVESTMENT PROFILES

INVESTMENT PROFILES
FOR SMALLER INDUSTRIAL
PROJECTS

A new publication containing 22 investment profiles of a range of smaller industrial plants has been produced by CDI.

Each investment profile contains a summary sheet, product description, raw material requirements, production equipment and its capacity, estimated total investment, production costs, 10-year simulation of the business, and sensitivity test tables showing how this varies with different cost and price assumptions.

The publication, entitled "Investment Profiles for Smaller Industrial Projects", is available in a loose-leaf binder to permit easy updating, in both English and French.

ACP project promoters can receive individual sector profiles free of charge from CDI.

The profiles cover four industrial sectors:

- **agro-allied industries**

(puffed cereal biscuits; smoked fish and meat; gari production; reconstituted pasteurized milk; pasta production; coir fibre processing; small scale tanning)

- **building and construction industries**

(village silos; floor and wall tiles, cement-fibre roof tiles, tinted cement roof tiles, compressed earth blocks; strawboard; cold production of sanitary ware)

- **chemical and pharmaceutical industries**

(infusion solutions, oxygen, industrial glues, surgical tape and first-aid plaster, rodenticides)

- **mechanical engineering and metals industries.**

(Maintenance and repair shop, metal coating shop)

EEC PARTNERS SOUGHT

ST. KITTS & NEVIS MUFFLERS AND RADIATORS FOR AUTOMOBILES

A private company wishes to improve and expand its production and to start manufacturing higher quality mufflers and radiators, particularly suited to the corrosive maritime environment of St. Kitts and Nevis.

At present, there is no other local production and the sponsor supplies an estimated 60% of the local market.

The envisaged annual output for radiators and mufflers is 460 and 620 units, respectively, to capture an estimated 80% of the local market.

The promoter seeks a partner who will be able to supply the local sponsor with materials and components for the manufacture of corrosion resistant products, as well as technical assistance under a long-term contractual arrangement.

Enquiries should be addressed to CDI quoting the reference: STK 8156 MC 02.

JAMAICA ELECTRONIC AND ELECTRICAL COMPONENTS

A well-known private sponsor wants set up the manufacture of electronic components (printed circuit boards, cable harnesses, power supplies, electromechanical devices, surge/noise suppressors) for export.

The company, which occupies an 18,000 sq.ft. facility, has been granted government incentives under the Export Industry Encouragement Act.

The company has projected annual sales of Ecu 122,222 producing surge noise suppressors under contract for the US market. However, this figure accounts for a mere 16.5% of the company's rated capacity and requires a medium-sized labour force of 45 persons. At full capacity the company has the potential to achieve sales of Ecu 740,170 and to employ up to 200 persons.

The sponsor is seeking an EEC joint venture partner to provide technical assistance, training and access to North American/European markets.

Enquiries should be addressed to CDI quoting the reference: JAM 8006 EL 00.

NEW APPROACH TO INDUSTRIAL PROMOTION

For some time now, CDI has been developing a new approach to bringing together potential industrial partners in Europe and Africa.

CDI's new approach is to target particular industrial sectors and commission consultants to identify and assist interested European companies, in these sectors, to prepare proposals for setting up small and medium-sized industries in ACP countries.

These proposals are then promoted by CDI in ACP countries, but only for EEC companies prepared to take a risk (e.g. with a small equity participation, or other long-term commitment), towards the creation of a profitable operation.

The advantage of this approach is that it not only provides new and often original opportunities - ones that ACP entrepreneurs may never have thought of - but it also enables ACP promoters to start immediate negotiations with a committed potential partner in Europe.

In the past, CDI primarily based its project promotion on proposals received from ACP countries - and this is still a major activity. However, it is often difficult to interest EEC industrialists in these proposals, because the envisaged productions are small and the necessary inputs from the EEC side would be difficult to make profitable.

However, a proposal coming from the EEC promoter himself is already adapted to his organizational, technological and financial strength and capabilities. It is therefore more likely to be profitable for both ACP and EEC operators.

The initial experience from this new approach is promising as has been demonstrated by recent promotional activities in the Caribbean and Africa, in the sectors of building materials and wood.

The identification of proposals from European companies was undertaken by consultants specialized in the sectors concerned and who had good contacts with industries and organizations in these sectors.

BUILDING MATERIALS

Grouping together European proposals, for presentation to ACP entrepreneurs, gives a wider range of choice. This approach is therefore more likely to gain the interest of ACP industrialists in any particular sector.

As part of this sector-oriented ap-

proach to promoting projects, CDI has concentrated its efforts on sectors which are particularly interesting for ACP countries, such as wood and building materials.

In one particular operation, a series of industrial proposals were identified by a consultant in Germany in the sectors of ceramics and non-metal building materials.

The proposals were presented to ACP industrialists in various Caribbean countries who had been identified by CDI's local antennae.

WOOD SECTOR

Similarly, in the wood sector, a consultant was engaged to identify production proposals in Denmark, Germany and Belgium.

At the request of a number of industrialists in Tanzania and five West and Central African countries, consultants travelled to these countries. There they presented a selection of proposals from the three European countries, which met with great interest.

INITIAL RESULTS

Whilst on the spot, the consultants were able to assess the technical, financial and human capacities of the enterprises and make evaluations for the European firms interested in cooperating with them: 14 in Tanzania, 15 in West and Central Africa, 23 in the Caribbean.

From a glance at CDI's overall results for 1988, it appears that 23 interventions originated with proposals made by the EEC firms. Of these, 11 involved feasibility studies, 2 involved rehabilitation studies and the remaining 10 involved a varied range of interventions.

TWO-WAY PROMOTION

CDI will in future use and improve both ways of promotion (i.e. promotion based on ACP and EEC proposals), through the following actions:

• In ACP countries

Improving the quality of information about the local economic environment, the local promoter and the market for a project's output, will be effected through CDI's antennae, local consultants and CDI staff missions.

This is a recognition of the fact that

the size of the market and involvement of a promoter with a good business track record and financial capability, are always factors of prime importance.

In ACP countries, CDI will specifically encourage its antennae to identify sectors where CDI can concentrate its efforts and use its limited resources to provide a more efficient input, both for assistance to the project as well as for the promotion of EEC proposals in ACP countries.

• In EEC countries

CDI's partner organizations in Europe will be encouraged to be more active in generating production proposals from EEC industrialists. They will also be encouraged to verify these proposals and ensure that the EEC industrialists concerned are willing to enter into long-term agreements with ACP entrepreneurs, to improve the potential for project profitability.

CONCLUSION

ACP promoters have shown great interest in production proposals coming from EEC industrialists, because they present a menu of options that ACP promoters - not knowing the European scene - many not have thought of themselves.

The difficulty in getting Europeans to come forward with such proposals is understandable because the revenue potential in ACP countries is limited.

Therefore it must be realized that European investment cannot be activated by simple promotion through documentation and publications.

CDI's experience has shown that it is possible to generate EEC proposals only through personal contact with industrialists whose products, markets and technology would make an ACP orientation worthwhile for them.

The European Single Market due to come into operation at the end of 1992, is forcing European industry to restructure again. This should facilitate the work of CDI's partner organizations in generating proposals for the relocation of smaller EEC industries that may otherwise be closed down - thus preserving their know-how, their markets and maybe good equipment (for ACP needs), rather than allowing these to be lost to the economy.



INDUSTRIAL PROPOSALS FROM EEC FIRMS ACP ENTREPRENEURS, PLEASE REPLY

The proposals outlined below have been put forward by EEC firms interested in setting up production in ACP countries, under joint venture, franchising, licencing, sub-contracting, marketing, management or other agreements with local businessmen.

ACP entrepreneurs interested in any proposal are invited to write to CDI quoting its reference number. However, CDI will not be in a position to act upon letters received unless ACP entrepreneurs provide all the information requested at the bottom of the page.

Where a joint venture is proposed, the EEC companies are willing to consider contributing (depending on the country and the project) some 20% of the equity investment. For other proposals, the companies are committed to entering into long-term agreements for the creation of profitable ventures.

Where second-hand equipment is suggested, CDI may sponsor an evaluation by an independent expert of the quality, cost, suitability and condition of such equipment.

All equipment costs are quoted in Ecu (European currency units). The value of the Ecu may easily be ascertained from its relationship to other European currencies. Thus, on 1 February 1988: 1 Ecu = £ 0.637, or FF 7.103, or DM 2.087.

Please ALWAYS mention the CDI reference numbers when reproducing these proposals.

88/28 EX BELGIUM

GRANITO-CONCRETE
FLOOR TILING

The visible part of the tiling is a mosaic of marble cemented by a mixture of rock and cement powder. The product is very resistant and inexpensive.

Minimum capacity: 400 m² a day with an 8 hour shift for an equipment cost of some Ecu 465,000. The main raw materials per m² are white cement (5kg), rock powder (7kg), crushed stone (12kg), sand (20kg).

Proposed cooperation: equity participation, franchising agreement, licencing agreement, technical assistance, training.

89/1 CH PORTUGAL

PHARMACEUTICAL
PRODUCTS

Dietetics and cosmetic products

Minimum capacity: 2 million packs a year for a minimum investment of Ecu 1.6 million to Ecu 2.5 million.

Proposed cooperation: equity participation, licencing agreement, technical assistance, training.

89/2 FO PORTUGAL

CHOCOLATES

Also hard sugar drops

Minimum capacity: 1,000 to 1,500 tonnes a year for a minimum investment of Ecu 2.5 million to Ecu 3.3 million.

Proposed cooperation: equity participation, licencing agreement, technical assistance, training.

89/4 MI PORTUGAL

PACKAGING

For detergents, cigarettes, butter, margarine, yoghurt, ice cream, etc.

Minimum capacity: 1,500 to 2,000 tonnes a year for a minimum investment of Ecu 5 million to Ecu 6.6 million.

Proposed cooperation: equity participation, technical assistance, training.

89/5 EX FRANCE

PRE-FABRICATED
CONCRETE ITEMS

Pre-fabricated floors, pre-stressed concrete beams, railway sleepers.

These items are made from pre-stressed concrete. Beams are assembled and manufactured in different lengths according to the needs of the market. Sleepers are made from pre-stressed concrete (with reinforcing rods of 2.5 metres) and are intended for new railway tracks as a replacement for wooden sleepers.

Minimum capacity: floors – 1,000 linear metres a day for an equipment cost of some Ecu 35,200; sleepers – 300 a day for an equipment cost of some Ecu 1,925,000; beams – 150 m² a day for a cost of Ecu 282,000.

Proposed cooperation: joint venture, franchising agreement, licencing agreement, technical assistance.

Information required of ACP entrepreneurs when replying

- Show why it would be worth-while to manufacture the products in question in your country, e.g. give market data, indicate that raw materials are available locally, etc.
- Describe your present activities plus your industrial and/or commercial experience, enclosing any available information such as your latest balance sheet.
- State how much capital you yourself could contribute.
- State the maximum portion of the equity your country legally allows to an EEC partner.
- Can you obtain finance and if so from where?
- If you need a foreign loan or supplier's credit, can you obtain a local guarantee?
- Is your project a national priority?
- Outline the incentives your country offers to foreign investors.

OPERATIONAL SUMMARY

No. 50 — March 1989

(position as at 20th February 1989)



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
Berl. 6-86
200, rue de la Loi
B-1049 Brussels

Please cover only one subject at a time.

DESCRIPTION SECTOR CODE

A1	Planning and public administration	A5B	Industrial development banks
A1A	Administrative buildings	A5C	Tourism, hotels and other tourist facilities
A1B	Economic planning and policy	A5D	Export promotion
A1C	Assistance to the normal operations of government not falling under a different category	A5E	Trade, commerce and distribution
A1D	Police and fire protection	A5F	Co-operatives (except agriculture and housing)
A1E	Collection and publication of statistics of all kinds, information and documentation	A5G	Publishing, journalism, cinema, photography
A1F	Economic surveys, pre-investment studies	A5H	Other insurance and banking
A1G	Cartography, mapping, aerial photography	A5I	Archaeological conservation, game reserves
A1H	Demography and manpower studies		
A2	Development of public utilities	A6	Education
A2A	Power production and distribution	A6A	Primary and secondary education
A2Ai	Electricity	A6B	University and higher technical institutes
A2B	Water supply	A6Bi	Medical
A2C	Communications	A6C	Teacher training
A2D	Transport and navigation	A6Ci	Agricultural training
A2E	Meteorology	A6D	Vocational and technical training
A2F	Peaceful uses of atomic energy (non-power)	A6E	Educational administration
		A6F	Pure or general research
		A6G	Scientific documentation
		A6H	Research in the field of education or training
		A6I	Subsidiary services
		A6J	Colloquia, seminars, lectures, etc.
A3	Agriculture, fishing and forestry	A7	Health
A3A	Agricultural production	A7A	Hospitals and clinics
A3B	Service to agriculture	A7B	Maternal and child care
A3C	Forestry	A7C	Family planning and population-related research
A3D	Fishing and hunting	A7D	Other medical and dental services
A3E	Conservation and extension	A7E	Public health administration
A3F	Agricultural storage	A7F	Medical insurance programmes
A3G	Agricultural construction		
A3H	Home economics and nutrition	A8	Social infrastructure and social welfare
A3I	Land and soil surveys	A8A	Housing, urban and rural
A4	Industry, mining and construction	A8B	Community development and facilities
A4A	Extractive industries	A8C	Environmental sanitation
A4Ai	Petroleum and natural gas	A8D	Labour
A4B	Manufacturing	A8E	Social welfare, social security and other social schemes
A4C	Engineering and construction	A8F	Environmental protection
A4D	Cottage industry and handicraft	A8G	Flood control
A4E	Productivity, including management, automation, accountancy, business, finance and investment	A8H	Land settlement
A4F	Non-agricultural storage and warehousing	A8I	Cultural activities
A4G	Research in industrial technology	A9	Multisector
A5	Trade, banking, tourism and other services	A9A	River development
A5A	Agricultural development banks	A9B	Regional development projects
		A10	Unspecified

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To obtain any information concerning PABLI please write, specifying the option chosen (terminal or telex) to:

ECHO Customer Service
117, Route d'Esch
L-1471 LUXEMBOURG
Tél.: 352/48.80.41
Télex: 2181

ECHO is in charge only for PABLI. For general correspondence see page I.

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 in execution. 8 int. tenders for supplies launched since August 88. 6th EDF. EDF ANG 6005 A3a

Rehabilitation of the Americo Boavida Hospital. Resp. Auth.: Ministry of Health. Estimated total cost -25 mECU. EDF 19.5 mECU. Italy 5.5 mECU. Works, supply of medical-technical equipment. T.A. for installation, maintenance and training. Works: int. tender (conditional) launched in October 88. *Project in execution.* 6th EDF. EDF ANG 6004 A7a

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

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 A6b

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 in execution. 5th and 6th EDF. EDF BEN 5010 A7a

Mono rural development programme. Development of the rural production. Cofinancing with BAD. Estimated total cost 51.8 mECU. EDF 32.5 mECU, BAD 14.4 mECU, local 4.9 mECU. *Project in execution.* 6th EDF. EDF BEN 6003 A3a

Petroleum products import programme. Resp. Auth.: Ministre du Plan — Société Nationale des Produits Pétroliers (SONACOP). 11 mECU. Supply of 65 000 t finished petroleum products. Int. tender. *Date financing December 88.* 5th and 6th EDF. EDF BEN 6012 A4a

Fish breeding. Applied research and popularization actions. Resp. Auth.: MDRAC. Estimated cost 2 mECU. Project on appraisal. 6th EDF. EDF BEN 6009 A3d

BOTSWANA

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 in execution. 6th EDF. EDF BT 6003 A6

Support programme to Botswana copper-nickel mining industry. Resp. Auth.: BCL Ltd (Bamangwato Concessions Ltd). 21.650 mECU. Works, exploration drillings, supply of mining equipment by int. tender. Replacements parts by direct agreement. T.A. to prepare int. tender dossier, evaluation and follow-up of the tender. Project on appraisal. Date foreseen for financing March 89. 6th EDF. EDF BT SYS 6019 A4a

BURKINA FASO

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. Works: int. tender launched in October 88. Project in execution. 6th EDF. EDF BK 6001 A3a

Ouagadougou-Kaya Railway. Resp. Auth.: Government of Burkina Faso. 1.7 mECU. Supply by restr. tender of 96.000 T of ballast (25-55 mm granit or dolerite) local *origine. Project in execution.* 5th EDF. EDF BK 5019 A2d

Hydro-agricultural development in the Douna plain. (Intermediate phase). Resp. Auth.: Ministère de l'Eau. 2.1 mECU. Improvement of 400 ha. Construction of quaternary canals, training and monitoring. *Project in execution.* 6th EDF. EDF BK 6005 A3a

Rural development programme in the Sissili province. Resp. Auth.: Ministère de l'Eau, Ministère de l'Agriculture et Elevage, Ministère de la Santé Rurale, Ministère de l'Education nationale. 32 mECU. Same programme: see BK 6001. Project on appraisal. 6th EDF. EDF BK 6004 A3a

BURUNDI

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 reforestation development. Support to cooperatives. Feasibility study for secondary roads and hydraulics: short-list done. Project in execution. 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

Support to the Mugamba tea communities. Resp. Auth.: Ministère de l'Agriculture

et de l'Elevage and Office du Thé (OTB). Estimated total cost -21 mECU. EDF 18 mECU, EIB 3 mECU. Works, supplies, T.A. and training. Project on appraisal. 6th EDF. EDF BU 6008 A3a

General import programme. Resp. Auth.: Banque République du Burundi. 12 mECU. Special programme debt. Hard currency allowance to finance import and to establish counterpart fund in Burundi Francs. *Date financing December 88.* 6th EDF. EDF BU 6014 A1c

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. Project in execution. 6th EDF. EDF CM 6002 A3a

Rural development programme in the Logone and Chari. Resp. Auth.: Semyr. Estimated cost -12 mECU. Consolidation and extension of existing actions. Project on appraisal. 6th EDF. EDF CM 6013 A3a

CAPE VERDE

Town development of Praia. Estimated cost 19.8 mECU. Works and supply of equipment, T.A. and supervision of works. Project in execution. 6th EDF. EDF CV 6001 A2d

Sectoral Import Programme for building materials and equipments. Resp. Auth.: Ministère du Plan et Entreprise Publique d'Approvisionnement (E.M.P.A.). 4 mECU. To purchase cement, iron, medical equipment and pavings. Project on appraisal. *Date foreseen for financing March 89.* 6th EDF. EDF CV 6002 A4c

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 hydrau-

lics, T.A., studies, following and evaluation. Short-lists already drawn up. Project in execution. 6th EDF. EDF CA 6005 A3a

CHAD

Rehabilitation and preservation of Zakouma national game. Resp. Auth.: Ministère du Tourisme et de l'Environnement. Direction du Tourisme des Parcs Nationaux et des Réserves de Faune. 1.6 mECU. Works by direct labour. Supply of vehicles and equipments by int. tender. T.A. and training. Project on appraisal. Date foreseen for financing March 89. 4th EDF. EDF CD 4017 A5i

Sectoral import programme. Supply of petroleum products. Resp. Auth.: Ministère des Finances et de l'Informatique. 9.5 mECU. To prepare int. tender dossier and offers evaluation: short-list not yet drawn up. Project on appraisal. Date foreseen for financing April 89. 6th EDF. EDF CD 6008 A1c

Rural development priority programme in the concentration zone. Resp. Auth.: Ministère de l'Agriculture et de Dév. Rural. 15 mECU. Hydro-agricultural works, infrastructure, education, health. Works, supplies and T.A. Project in execution. 6th EDF. EDF CD 6002 A3e

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

Rural development programme. Phase 2. Resp. Auth.: Office National de Dév. Rural (ONDR). 28 mECU. Works, feeder roads, scholar buildings, agricultural equipment, pumps, T.A., follow up and evaluation. Project on appraisal. Date foreseen for financing February 89. 6th EDF. EDF CD 6005 A3a

COMOROS

Rural integrated development programme in the north region of Anjouan Island. Resp. Auth.: Ministère de la Production agricole. 10.5 mECU. Improvement of crop production, infrastructure, works by int. tender (conditional) in February-March 89. Supply of equipments, materials and vehicles. T.A., training, evaluation, audit. Project on appraisal. Date foreseen for financing April 89. 6th EDF. EDF COM 6002 A3a

CONGO

FEDAR (EDF regional action for the Pool and Cuvette). Resp. Auth.: Ministère du Plan. 36 mECU. Roads, wells, rural infrastructure, supervision of works, line of credit, monitoring. Project in execution. 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

Collection and grouping centres. Building of 3 centres in Kotobi (vegetables),

Sinematiali (mangoes) and Meadji (plantain bananas). Works by acc. tender. Supplies by restr. tender. T.A., animation, promotion, training, follow up and evaluation. 2.150 mECU. Project in execution. 4th and 5th EDF. EDF IVC 5027 A3a

Support to the livestock development. Continuation and completion of the Marahoué Ranch (T.A., investment, training) and support to "Centre National d'Elevage Ovin". Estimated total cost 18 mECU. EDF 12 mECU, local 6 mECU. Project on appraisal. 6th EDF. EDF IVC 6003 A3a

DJIBOUTI

Rural development programme. Resp. Auth.: Ministère de l'Agriculture. 6.1 mECU. Improvement of the rural development, farm and livestock monitoring, rural hydraulics, palm-tree plantations, pump-station maintenance. For the infrastructures works acc. tender (conditional) and for urgent supplies int. tender (conditional) in November or December 88. **Date financing December 88.** 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 in execution. 6th EDF. EDF DI 6002 A2d

Support for information. Resp. Auth.: Secrétariat Général à l'Information. 1.1 mECU. Establishment of a Documentation Centre. Supply of equipment and staff training for the National Printing Office. Project in execution. 6th EDF. EDF DI 6005 A1e

Training programme. 2 mECU. New vocational training actions for adults. T.A. for training centres. Training, scholar-ships and training courses. Works and supplies. Project on appraisal. 6th EDF. EDF DI 6101 A6d

DOMINICA

Geneva-Petite Savanne road. Resp. Auth.: Ministry of Communication and Works. Public Works Dept. 1.670 mECU. Road rehabilitation on 9.5 km. Works by direct labour. Project on appraisal. Date foreseen for financing March 89. 5th and 6th EDF. EDF DOM 6003 A2d

EQUATORIAL GUINEA

Forestry support programme. Resp. Auth.: Ministère des Eaux et Forêts. 8.4 mECU. Assessment of the forest feeder roads network. Support to the definition and application of governmental measures to preserve forest patrimony. Support to improve timber export control. Project on appraisal. 6th EDF. EDF EG 6001 A3c

Essential goods import programme. Resp. Auth.: Présidence de la République. Estimated cost 1.5 mECU. Hard currency

allowance to import essential goods. Project on appraisal. 5th and 6th EDF. EDF EG 0000 A1c

ETHIOPIA

North Shewa rural reclamation and development programme. Resp. Auth.: Ministry of Agriculture. Total cost 28.5 mECU. EDF 24 mECU, local 4.5 mECU. Soil and water conservation, reforestation, rural infrastructure development and feeder roads. Works, supply of equipment, vehicles, T.A. and line of credit. Project in execution. 6th EDF. EDF ET 6001 A3a

Central Shewa peasant agriculture development programme. Resp. Auth.: Ministry of Agriculture. Estimated cost 53.4 mECU. Buildings, roads, rural infrastructure, agricultural inputs, consumer goods, equipments, T.A., studies, credit line. Project in execution. 6th EDF. EDF ET 6002 A3a

South Shewa conservation-based rural development. Resp. Auth.: Ministry of Agriculture. Estimated cost 26.2 mECU. Buildings, roads, rural infrastructure, agricultural inputs, consumer goods, training, T.A., micro-projects, credit line. Project in execution. 6th EDF. EDF ET 6005 A3a

Coffee improvement programme III. Resp. Auth.: Ministry of Coffee and Tea Development. 38.1 mECU. Construction and civil works, supply of equipments, vehicles and agric. inputs, aerial photography, training and T.A. **Date financing December 88.** 6th EDF. EDF 6003 A3a

Sectoral import programme. Resp. Auth.: EDF National Authorising Office and Commission Delegate. 10.5 mECU. Purchase by int. tender (conditional) of $\pm 18\,000$ t of urea and $\pm 2\,000$ t of compound. Veterinary products, insecticides and pesticides. Spare parts and equipments for lorries, supply of row materials and T.A. Project on appraisal. Date foreseen for financing March 89. 6th EDF. EDF ET 6009 A3a

FIJI

Vanua Levu Road. Phase 3. Resp. Auth.: Public Works Dept. 2.125 mECU. Section of 25 km and bridge. **Date financing December 88.** 6th EDF. EDF FIJ 6002 A2d

Rural electrification programme. Resp. Auth.: Fiji Electricity Authority. 3.3 mECU. Construction of 28 small electrification schemes and installation of a small power plant. Project on appraisal. Date foreseen for financing February 89. 6th EDF. EDF FIJ 6004 A2ai

Coconut rehabilitation and improvement programme. Resp. Auth.: Ministry for Primary Industries. Estimated total cost 1.350 mECU. EDF 0.900 mECU, local 0.450 mECU. Clearing of 300 ha of land, establishing of a hybrid seed garden (150 ha) develop a research centre. Project on appraisal. Date foreseen for financing February 89. 6th EDF. EDF 6005 A3a

GABON

Experimental rural rubber tree 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 in execution. 6th EDF.
EDF GA 6004 A3a

GAMBIA

Brikama College, Phase II. Resp. Auth.: Ministry of Works and Communications. 1.925 mECU. Construction and equipment of academic and residential buildings. Works by mutual agreement. Equipment for phase II: int. tender, 1st half 89. Project in execution. 4th EDF.
EDF GM 4005 A6b

Development of the non-industrial fisheries. 3 mECU. Works and supplies. Project in execution. 6th EDF.
EDF GM 6003 A3d

Development support for the "Upper River Division". Resp. Auth.: Ministry of Economic Planning. 7 mECU. Rehabilitation and improvement of feeder roads, rebuilding and equipment of 6 health centres, rehabilitation of 18 primary schools and 2 vocational training craft centres, rehabilitation of 20 new wells. Credit lines. Works by acc. tenders, supplies by int. tenders. T.A. Project in execution. 6th EDF.
EDF GM 6004 A3a

Rehabilitation and upgrading of Secondary Technical Education. Resp. Auth.: Ministry of Education (Projects Implementation Unit). 0.700 mECU. Workshops, supply of tools, equipment and materials, teacher training and T.A. *Project in execution.* 6th EDF.
EDF GM 6005 A6b

Provincial Centres Water Supply. 3.350 mECU. Rehabilitation of water supply of Basse, Farafenni, Bansang, Mansa Konko/Soma. Works, supplies, T.A. and supervision. Project on appraisal. Date foreseen for financing February 89. 4th, 5th and 6th EDF.
EDF GM 6009 A2b

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. 1st int. tender launched in May 88. 6th EDF.
EDF GH 6001 A2d

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

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. Project on appraisal. 6th EDF.
EDF GH 6007 A3a

Sectoral import programme. Resp. Auth.: Ministry of Finance and Economic Planning (MFEP). 20.5 mECU. 1st phase: supply of 25 000 t of fertilizers and vehicles. 1st int. tender (conditional) launched in August 88. 2nd int. tender for 30 000 t fertilizers foreseen in July 89. Hard currency allowance (11.5 mECU) for import. *Project in execution.* 6th EDF.
EDF GH 6010 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 des Finances, Secrétariat d'Etat à la Décentralisation, Ministère du Développement 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. Supplies: int. tender launched in February 88. 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. Supplies: 2 int. tenders launched in March 88. Int. tender for wells and pumps launched in October 88. Project in execution. 6th EDF.
FED GUI 6001 A3a

Strengthening 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. Works: int. tender launched in September 88. Project in execution. 6th EDF.
EDF GUI 6005 A7a, e

General import programme. Resp. Auth.: Banque Centrale de la République de Guinée (B.C.R.G.). 12.5 mECU. Hard currency prices CIF covered by the project. *Project in execution.* 6th EDF.
EDF GUI 6009 A1c

Friguia alumina plant rehabilitation project. Resp. Auth.: Société Friguia. EDF 35 mECU, EIB 13 mECU, Friguia 30.4 mECU. Works, supply of equipment, feeder road construction. T.A. for S.M.E. *Project in execution.* 6th EDF.
EDF GUI-SYS 6010 A4a

GUINEA BISSAU

Minor bridges. Resp. Auth.: Ministère de l'Équipement Social. Estimated total cost 3.7 mECU. Construction of 4 bridges to open four agricultural regions. Works and supervision. Project on appraisal. 5th EDF.
EDF GUB 5011 A2d

Rural development programme. 23.8 mECU. Improvement of the food and fishery production, line of credit, micro-projects, T.A. and training. Project in execution. 6th EDF.
EDF GUB 6001 A3a

General import programme. Resp. Auth.: Unité de Gestion de Balance de Paiement auprès de la Banque Nationale. 6 mECU. Hard currencies allowance programme. Italy: 2 mECU to supply fuel and

lubricants to the Bissau Power Plant during ★1 year. *Project in execution.* 5th and 6th EDF.
EDF gub 6005 A1c

GUYANA

Economic infrastructure sector support programme. Resp. Auth.: Ministry of Finance. 15 mECU. Rehabilitation of sea defences, quarries, transport, water supplies. Supply of equipment, training. First int. tender for supplies foreseen in the 1st quarter 89. Project in execution. 6th EDF.
EDF GUA 6003 A2b, d

Sysmin-Rehabilitation of the Bauxite Industry. Resp. Auth.: Guymine. EDF part 31.5 mECU. Supply of equipments, spare ★parts, T.A. at Linden and Kwakani. *Project in execution.* 5th EDF.
EDF SYS GUA 5024 A4a

JAMAICA

Rural water supplies. Phase I. Resp. Auth.: National Water Commission. 6.7 mECU. Extension, upgrading of five existing water supply schemes: South Manchester, Elderslie/Niagara, Castleton, South Chapelton. Works and supplies. Project in execution. 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 in execution. 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

Cereal sector reform programme. Resp. Auth.: Ministry of Finance, Agriculture and Supplies and Marketing and NCPB. National Cereals and Produce Board. 65 mECU. T.A., studies, training. Storage and rolling stock, sectoral import programme purchase of agricultural inputs, short and long-term T.A., cooperatives and reserve funds. Studies, T.A. and training: short-lists not yet drawn-up. Works by int. tender and acc. tender. Supplies by int. tender. Project in execution. 6th EDF.
EDF KE 6008 A3a

ASAL livestock development programme. Resp. Auth.: Ministry of Livestock Development. 9 mECU. Works by restr. tender. Supplies by int. tender. T.A. and evaluation. ★*Project in execution.* 6th EDF.
EDF KE 6009 A3a

LESOTHO

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 in execution. 6th EDF. EDF LSO 6007 A6b

LIBERIA

Bong Mining Company. Rehabilitation project. Resp. Auth.: Government and BMC. 49.3 mECU. Supply of specialized equipment, shovels, conveyor belts, dumpers, locomotives, spare parts. Project in execution. 5th EDF. EDF LBR/SYS 0000 A4a

South-East development programme. Estimated cost 27 mECU. Works, supplies and T.A. Project in execution. 6th EDF. EDF LBR 6002 A3a

MADAGASCAR

Maize development programme in the Middle West. Resp. Auth.: Ministère de la Production Agricole. 9.5 mECU. Building of a nursery and farmers training. Works, supplies, T.A. evaluation and training. Project in execution. 6th EDF. EDF MAG 6006 A3a

Housing and health assistance for urban population. Resp. Auth.: Ministère de la Santé et Travaux Publics. 5.5 mECU. Supply of medicines and platforms for housing. Supervision. *Project in execution.* 6th EDF. EDF MAG 6009 A7, A8a

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

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 + auxiliary facilities, T.A. Int. tender for fertilizers launched in February and October 88. 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 drawn up. Project in execution. 6th EDF. EDF MAI 6009 A7a, e

Programme for industrial products imports. 12.5 mECU. Supply of industrial equipment, raw materials and spare parts. Project in execution. 6th EDF. EDF MAI 6019 A1c

MALI

Support programme to the food strategy. 19.5 mECU. Project in execution. 6th EDF. EDF MLI 6001 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

Food security programme in the 5th 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 in execution. 5th and 6th EDF. EDF MLI 6005 A2b, d

Import programme for essential goods. Resp. Auth.: Ministère des Finances et du Commerce. 25 mECU. Purchase of 28,000 T white sugar, weed-killers and sprayers and 38,000 m³ of oil and natural gas. All by int. tender. Project in execution. 6th EDF. EDF MLI 6007 A1c

MAURITANIA

Aiou El Atrouss hospital. Resp. Auth.: Ministère de l'Équipement. 1.050 mECU. Renovation and supply of equipment for 3 buildings. Works by acc. tender. Supplies by int. tender. Project on appraisal. 5th EDF. EDF MAU 5012 A7a

Rehabilitation of Nouakchott National Hospital. Resp. Auth.: Ministère de l'Équipement. 4 mECU. Renovation and upgrading for building, supply of medical-technical and surgical equipment. Project on appraisal. Date foreseen for financing 1st half 89. 6th EDF. EDF MAU 6003 A7a

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 launched in July 88. Project in execution. 6th EDF. EDF SYS MAU A4a

Support programme for the development of the Gorgol region (PDRG). Estimated cost 35 mECU. Improvement of the irrigated areas, support to the traditional crop, regeneration of the natural habitats, rural infrastructure, sanitation of Kaedi. Project in execution. 6th EDF. EDF MAU 6007 A3a

General import programme. Resp. Auth.: Ministère de l'Économie et des Finances. Banque Centrale de Mauritanie (BCM). Hard currency allowance for essential goods imports. *Date financing December 88.* 5th and 6th EDF. EDF MAU 6008 A1c

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

Craft industry development. Resp. Auth.: Ministère de l'Emploi et du Tourisme. Estimated cost 1.9 mECU. To set up workshops: training and products promotion. *Project in execution.* 6th EDF. EDF MAS 6005 A4d

Programme to diversify productive sectors (2nd part: agriculture). Resp. Auth.: to purchase equipments: Ministère des Finances. Tender board. 8 mECU. Works, rural development, supplies, T.A. and training. *Project in execution.* 6th EDF. EDF MAS 6006 A3a

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. 2 Int. tenders launched in June 88. 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 in execution. 6th EDF. EDF MOZ 6015 A6b

Institutional support for fishing. Resp. Auth.: Secrétariat d'Etat à la Pêche. 2.750 mECU. Supply of 12 T.A. high and medium level specialized in: finance administration and management (5 T.A.); procurements and stock management (3 T.A.); civil and naval engineering (4 T.A.). T.A.: short-lists already drawn up. Project in execution. 6th EDF. EDF MOZ 6017 A3d

Rural rehabilitation in the Inhambane Province. Resp. Auth.: Ministère de l'Agriculture. Direction Nationale du Développement Rural (DNDR). 4.5 mECU. Dry and irrigated agriculture, marketing for rural inputs and crop production, rural hydraulics, training and education. Works, supply of agricultural equipments, T.A. Works: acc. tender or direct labour, supplies by int. tender. Project in execution. 6th EDF. EDF MOZ 6019 A3a

Second import programme. Resp. Auth.: UCPI (Unité de Coordination des Programmes d'Importation et Délégation de la Commission. 30 mECU. Sectors: rural, fishery, transports and industry. Supply of seeds, equipments, raw materials, lorries, spare parts, *T.A. audit and valuation.* Date financing December 88. 6th EDF. EDF MOZ 6025 A1c

Rural telecommunications. Resp. Auth.: Ministry of Transports and Communications. Estimated cost 5 mECU. Supply of radio and telephone equipment. Technical study for project appraisal to be done: short list not yet drawn up. Project on appraisal. 6th EDF. EDF MOZ 6021 A2c

Integrated development programme of Cabodelgado. Resp. Auth.: Ministry of Commerce. AGRICOM. Estimated total cost 8.2 mECU. EDF 5.3 mECU, local 2.9 mECU. Support to ±50 000 people in the districts of Mocimboa, Priia and Mueda. Works, supplies and T.A. Project on appraisal. 6th EDF. EDF MOZ 6022 A3a

NIGER

Rice-growing in the river valley. Resp. Auth.: Ministère de l'Agriculture. 63.6 mECU. Cultivation of 1,800 ha, electrification, feeder roads, T.A. for management. Project preparation study: short-list already drawn up. Project in execution. 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

Mining research: gold and coal. Resp. Auth.: Ministère des Mines et de l'Energie. 12.450 mECU. Gold: photogeological and photomorphological study on existing aerial photos. Revision of all available data. Strategic prospecting. Site exploration and pilot plant. Coal: study and building of a washing plant. Study on the coal field of Anou Araren-Solomi. T.A. and training. Drillings by int. tender. Supplies by int. tender. Project in execution. 6th EDF. EDF-SYS-NIR 6011 A4a

Training programme. Resp. Auth.: Ministère de l'Education, Commerce, Culture, Plan, Agriculture. 4.366 mECU. Three priority sectors: rural development, business development, cultural development. Supply of equipments, T.A. and scholarships. Project on appraisal. *Date foreseen for financing March 89.* 6th EDF. EDF NIR 6101 A6b, c,i

Sectoral import programme: medicaments and pedagogical equipments. Resp. Auth.: for medicaments: Ministère de la Santé Publique, des Affaires Sociales et de la Condition Féminine (MSP/AS/CF). Import operations will be conducted by PNPCC (Office National des Produits Pharmaceutiques et Chimiques). For pedagogical equipment a committee composed by: Ministère du Plan, de l'Education Nationale, du Commerce. For the total programme: the Delegation of the Commission in Niamey. 14 mECU. Supply of T.A. and valuation. *Project in execution.* 5th and 6th EDF. EDF NI 6014 A6e, A7e

Improvement of the access road to the "Centre Hospitalier Universitaire de Niamey". Resp. Auth.: Ministère des Travaux Publics et de l'Habitat. 0.750 mECU. Bituminized road. Works by acc. tender. Project on appraisal. *Date foreseen for financing March 89.* 5th EDF. EDF NIR 5037 A2d

NIGERIA

Rural electrification project. Resp. Auth.: National Electric Power Authority (NEPA). 7.5 mECU. Supply and installation of transformers, conductors, poles and cables and ancillary equipment for connections totalling 300 km. Supervision and evaluation. Project in execution. 5th EDF. EDF UNI 5017 A2ai

Oil Palm Belt Rural Development Programme (OPBP). Resp. Auth.: Ministry of Agriculture, Water Resources and Rural Development. 68.840 mECU. Flood protection and drainage works in the Niger Delta. - 20 000 ha. Rural infrastructures, micro-projects, T.A., training, research, supervision of works, management. Project in execution. 6th EDF. EDF UNI 6001 A3a

North East Arid Zone development programme. Resp. Auth.: Ministry of Agriculture. 35 mECU. Increase of rural production, livestock development, afforestation and environment control, rural infrastructure development (health, education), commercial services (inputs, credit and marketing system), manpower development, training and research. Works: irrigation, drainage, buildings, supply of seeds, chemicals, fertilizers, dozers, drilling rigs, T.A., training, research. Project in execution. 6th EDF. EDF UNI 6002 A3a

Research and Training programme. Resp. Auth.: Ministry of Finance and Economic Development. Training Support Unit (TSU). 30 mECU. Scholarships, seminars, T.A. Teacher training, cooperation between Nigerian Training Institutions and European Training Institutions, exchanges between Nigerian and European research institutions. ★Purchase of equipment. *Project in execution.* 6th EDF. EDF UNI 6004 A6a, b, c, d, e, f

Rural health facilities project. Resp. Auth.: Federal Ministry of Health. 6.100 mECU. Construction of premises and upgrading existing ones. Building and furnishing of maintenance workshops. Supply of equipments, management, supervision and training. Works by acc. tenders. Supplies by ★int. tenders. *Date financing December 88.* 5th EDF. EDF UNI 5018 A7a

Desertification control and environmental protection programme in Sokoto. Resp. Auth.: Sokoto Environmental Programme (SEP). Direct responsibility of the Office of the Governor. 30.6 mECU. Community awareness, mobilisation and development campaign. Afforestation actions, improvement of range management and livestock development. Rehabilitation of a small-scale irrigation, training and applied research. Works: buildings, nurseries, water points, irrigation networks. Supply of vehicles, motorcycles, generators, media equipments, T.A. Works by acc. tenders. Supplies by int. tenders. ★*Project in execution.* 6th EDF. EDF UNI 6003 A3a

PAPUA NEW GUINEA

Smallholder Cocoa and Coconut Rehabilitation Programme. Resp. Auth.: Dept. for Agriculture and Livestock. 4.7 mECU. Feeder roads, housing, supply of vehicles, boats, motorcycles, equipments, T.A. and training. Project on appraisal. 6th EDF. EDF PNG 6005 A3a

RWANDA

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 in execution. T.A.: Short-list done. 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

Rural development. Social Infrastructure. Resp. Auth.: Central Planning Unit. 3.645 mECU. Works and supply of equipment and T.A. Project in execution. 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

SENEGAL

Consolidation of the livestock development programme. Resp. Auth.: SOD-ESP. Estimated cost 1.6 mECU. Study under way by Bessel Ass. (UK). Project on appraisal. 5th EDF. EDF SE A3a

Sanitation of Dakar. Phase 3. Resp. Auth.: Direction de l'Hydraulique Urbaine et de l'Assainissement. 2 mECU. Sanitation of Medina and Gueule Tapée districts. Works by acc. tender (conditional). Supplies by direct ★agreement. T.A. *Project in execution.* 5th EDF. EDF SE 5043 A8b, c

Rehabilitation of the Saint Louis Hospital. Phase 3. Works. Resp. Auth.: Ministère Urbanisme-Habitat. Cofinanced by EDF and Luxembourg. Estimated total cost 5 mECU. Final phase for the rehabilitation and extension of the capacity up to 400 beds. Works, supply of equipments and supervision. Works by restr. tender after prequalification. Prequalification (conditional) launched in October 88. Project on appraisal. 5th EDF. EDF SE 5044 A7a

SEYCHELLES

Rural development project. Resp. Auth.: Ministry of Nat. Dev. 2.922 mECU. Support to small farms, research, soil improvement. Cofinancing with Italy. Works, T.A. and training. Project on appraisal. *Date foreseen for financing March 89.* 6th EDF. EDF SEY 6004 A3a

SIERRA LEONE

North Western artisanal fisheries and community development programme. Resp. Auth.: Ministry for Agriculture and Natural Resources (Fisheries Division). 6 mECU. Infrastructures, supply of equipments, line of credit. T.A. Project in execution. 6th EDF. EDF SL 6004 A3d

Rehabilitation of the Telecommunications network. Phase 2. 7.5 mECU. Works, supplies and T.A. Project on appraisal. **Date foreseen for financing April 89.** 6th EDF. EDF SL 6006 A2c

Tourism development programme. Estimated cost 0.850 mECU. T.A. to the Ministry of Tourism and supply of equipment. Project stage: identification. 5th EDF. EDF SL 5026 A5c

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

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 in execution. 6th EDF. EDF SOL 6006 A3a

Development of rural fishing enterprises. Resp. Auth.: Ministry of Natural Resources. 0.500 mECU. Construction of boats and houses by acc. tender. Supply of outboard motors, fishing gear, echo sounders, refrigerators, SSB radios, motorcycles by int. tender. **Project in execution.** 6th EDF. EDF SOL 6010 A3d

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 1989. Equipment: powerhouse main equipment and auxiliary equipment, int. tenders in 1989. 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. Supervision of works. Studies: AIC. PROGETTI (I). Project on appraisal. 5th EDF. EDF SO 5017 A2d

Hargeisa airport rehabilitation. Resp. Auth.: Ministry of Land and Air Transport. Estimated cost 3 mECU. Works and supply off equipment. Project on appraisal. 6th EDF. EDF SO 6001 A2d

Satellite telecommunication links with Europe and the Gulf States. Resp.

Auth.: Ministry of Post and Telecommunications. 5 mECU. Project in execution. 6th EDF. EDF SO 6003 A2c

Sectoral Import Programme (SIP). Resp. Auth.: Ministry of Finance. 15 mECU. Provision of a hard currency facility to the public and private sectors for imports: agriculture, livestock, fisheries, industry and transport. T.A. **Project in execution.** 6th EDF. EDF SO 6006 A1c

Juba valley road. Resp. Auth.: Ministry of Public Works. Estimated total cost 74 mECU. EDF -61 mECU. Construction of an all-weather unsurfaced road from Gelib to Baardheere (230 km) prior to the construction of the Baardheere dam. Project on appraisal. 6th EDF. EDF SO 6007 A2d

Essential drug programme (EDP) for animal health. Resp. Auth.: Ministry of Livestock, Forestry and Range (MLFR). 2 mECU. Supply of veterinary drugs by int. tender and T.A. Project on appraisal. **Date foreseen for financing April 89.** 5th EDF. EDF SO 5029 A3a

SUDAN

Programme of assistance to spontaneously 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. Supplies: int. tender launched in December 88. Project in execution. 6th EDF. EDF SU 6104 A8a, b, c

Sudan Railways Support Programme (SRSP). Resp. Auth.: Sudan Railways Corporation. 19 mECU. Reconstruction of five major and 18 minor bridges and 7 culverts in the line Kosti-Babanaousa. Supply of materials, tools and replacement part, for the most immediate repairs and maintenance of the track Khartoum-Port Sudan and those required for a direct improvement of telecommunications. Works and supplies by int. tender. **Project in execution.** 5th and 6th EDF. EDF SU 6011 A2d

Post Flood Reconstruction and Rehabilitation Programme (PFRRP). Resp. Auth.: agricultural part: Agricultural Bank of Sudan. Transport infrastructure: Roads and Bridge Public Corporation (RBPC) and Sudan Railways Corporation. 15 mECU. Agricultural sector: supply of spare parts for repair and replacement of 2 500 pumps. Int. tender and direct agreement. Supply of maintenance parts for 100 trucks (6 t): by int. tender. Supply of 100 pumps by int. tender. T.A. for repair, control and credit allowances. Transport sector: bridge construction (5 x 25 m) at Geneina, repair and work supervision. Bridge by acc. tender. Supplies for railways, gabions, pipes by int. tender. **Project in execution.** 6th EDF. EDF SU 6020 A2d

Telephone cables for Sudan Telecommunication Public Corporation (STPC). Resp. Auth.: STPC. 7.5 mECU. Replacement and extension of the cable networks in five towns. Supplies and T.A. and works supervision. Project on appraisal. 6th EDF. EDF SO 6022 A2c

SURINAME

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

Sectoral import programme. Estimated cost 8.5 mECU. Creation of a revolving funds for imports of inputs (fertilizers and chemicals for the rice sector). Project on appraisal. **Date foreseen for financing March 89.** 6th EDF. EDF SUR 6001 A3a

New Nickerie Secondary School. Estimated cost 1.4 mECU. Construction and supply of equipment. **Int. tender for works (conditional) foreseen in the 1st half 89.** Project on appraisal. 5th EDF. EDF SUR 5014 A6a

SWAZILAND

Rural water supplies programme. Ministry of Natural Resources. 2.6 mECU. Works and supply of equipment for village drinking water supply scheme. Project in execution. 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 in execution. 6th EDF. EDF SW 6010 A6a, b

Rural dam rehabilitation programme. Resp. Auth.: Ministry of Agriculture. 4mECU. Works and supervision. Project in execution. 6th EDF. EDF SW 6012 A3a

TANZANIA

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 cooperative 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. 6 mECU. Provision of imported raw materials and other inputs, spare parts, bicycles. Project in execution. 6th EDF. EDF TA 6003 A4b

Sectoral Import Programme. Resp. Auth.: Government of Tanzania. 24.5 mECU. Allocation of currencies to import raw materials and spareparts for agriculture, transport and the production of basic consumer goods. Purchase of trucks spareparts for the transport sector. **Project in execution.** 5th and 6th EDF. EDF TA 6010 A1c

Secondary roads improvement project. Estimated cost 20 mECU. Repair and rehabilitation works on Songea-Mbinga and Iboma-Mlangali-Madaba secondary roads to improve transport of agricultural produce. Roads and bridges. Project on appraisal. 6th EDF. EDF TA 6007 A2d

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 in execution. 6th EDF.
EDF TO 6005 A3a

Rural development programme in Bas-sar. Resp. Auth.: Ministère du Dév. Rural. EDF 10.3 mECU. Rural intensification and diversification, soil protection, improvement of infrastructure, support to the small-farmer association, marketing improvement. Works, studies, research, evaluation. Project in execution. 6th EDF.
EDF TO 6006 A3a

Sectoral import programme. Supply of fertilizers and T.A. (follow up and execution). 10 mECU. Project on appraisal. **Date financing December 88.** 5th and 6th EDF.
EDF TO 6008 A3a

Road programme. Resp. Auth.: Ministère de l'Équipement. Estimated cost 22 mECU. France 0.8 mECU for T.A. to the Ministère de l'Équipement. Rehabilitation of the road Blitta-Sokodé (South-North) and the urban section of the Lomé-Kpalimé road. Works, supply of equipments, supervision. Project on appraisal. Date foreseen for financing February 89. 6th EDF.
EDF TO 6007 A2d

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

UGANDA

Forestry rehabilitation programme. Resp. Auth.: Government of Uganda. Estimated total cost 32 mECU. EDF part 8.5 mECU. Natural forest protection and management; reforestation; improved charcoal production, fuel wood plantation preparation. Works, supplies, T.A. and training. Project in execution. 6th EDF.
EDF UG 6003 A3c

Rural health programme. Phase 2. Resp. Auth.: Ministry of Local Government. 4 mECU. Rehabilitations, supply of equipments, training. Project in execution. 6th EDF.
EDF UG 6012 A7a

Special programme debt. Resp. Auth.: Ministry of Planning. Bank of Uganda. Delegation of the Commission. 15 mECU. Provision of hard currency to import agricultural inputs, spare parts, vehicles, printing equipment, building materials. Supplies by acc. tenders and int. tenders. Project in execution. 6th EDF.
EDF UG 6016 A1c

National parks. Resp. Auth.: Ministry of Tourism and Wildlife (Board of Trustees of the Uganda National Parks). 3.4 mECU. Works by acc. tender. Supply of vehicles, maintenance plants, equipments by int. tender. T.A. evaluation and training. Project on appraisal. Date foreseen for financing March 89. 6th EDF.
EDF UG 6014 A5i

Kampala infrastructure. Resp. Auth.: Ministry of Planning. Project Coordination Unit. 20 mECU. Provision of equipment, machinery, vehicles, supplies and T.A. Works for water and sewerage system in Kampala by int. tender launched in February 89 (conditional). Project on appraisal. 6th EDF.
EDF UG 6011 A2b, A8b

VANUATU

Coconut development project. Phase II. Resp. Auth.: Ministry of Agriculture. 1.8 mECU. Works, supplies and T.A. Project in execution. 6th EDF.
EDF VA 6004 A3a

Forestry development. Resp. Auth.: Ministry of Agriculture, Forestry and Livestock, Forest Service Directorate. 1.8 mECU. T.A. by U.K. Works, supply of vehicles and equipments, training, follow-up and evaluation. Project on appraisal. Date foreseen for financing April 89. 6th EDF.
EDF VA 6005 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

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. APEK 25 mECU. To improve crop production. **Project in execution.** 6th EDF.
EDF ZR 6003 A3a

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 in execution. 6th EDF.
EDF ZR 6006 A2d

Sectoral import programme. Resp. Auth.: Banque du Zaïre. Estimated cost 30 mECU. To import spare parts, raw materials and intermediary inputs for industry and agro-industry sectors. Project on appraisal. 5th and 6th EDF.
EDF ZR 6016 A1c

Rehabilitation programme of SNCZ. 7.5 mECU. Supply of raw materials and spares to replace railways system. Project on appraisal. 6th EDF.
EDF ZR 6017 A4a

ZAMBIA

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 1st half 89. 6th EDF.
EDF ZA 6007 A3f

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. 12.35 mECU. Basic infrastructure and social facilities. Works, supplies and T.A. Project in execution. 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 in execution. 6th EDF.
EDF ZA 6006 A3a

ZIMBABWE

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

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 equipment and T.A. Project in execution. 6th EDF.
EDF ZIM 6004 A3a

Overseas Countries and Territories (OCT)

NETHERLANDS ANTILLES

St. Eustatius airport, extension of runway. Resp. Auth.: Dept. of Dev. Cooperation. 4.7 mECU. EDF 2 mECU. Netherlands 2.7 mECU. Extension of the runway, supervision of works. **Project in execution.** 6th EDF.
EDF NEA 6003 A2d

2nd line of credit for the Netherlands Antilles Development Bank (OBNA). 1.5 mECU. Project on appraisal. 6th EDF.
EDF NEA 6009 A5ab

MAYOTTE

Rural electrification. Resp. Auth.: Collectivité Territoriale. EDF 4.20 mECU, France 6.86 mECU. Supply of 125 km transmission lines with 60 transformers and 11 circuit breakers. Int. tender (conditional) launched in ★September 88. Project on appraisal. *Date foreseen for financing March 89.* 6th EDF.

EDF MY 6002 A2ai

NEW CALEDONIA

Inventory of the mineral resources. Resp. Auth.: Direction des Mines et de l'Energie du Territoire. Estimated total cost 1 mECU. EDF 0.800 mECU, France 0.200 mECU. T.A. by restr. tender. Project in execution. 6th EDF.

EDF (SYS) NC 12 A4a

Poindimié vocational training centre. Resp. Auth.: Chambre de Commerce et d'Industrie. EDF 0.165 mECU, France ★0.055 mECU. *Project in execution.* 6th EDF.

EDF NC 6003 A6d

Popularization of melanesian stock-breeding. Resp. Auth.: Direction du Développement de l'Economie Rurale (DIDER). 0.700 mECU. Recruitment of 10 local agents. Project on appraisal. *Date foreseen for financing February 89.* 5th EDF.

EDF NC 5004 A3a

FRENCH POLYNESIA

Temaarua dam. Resp. Auth.: Service de l'Economie Rurale du Territoire. 0.800 mECU. Drinking water supply for Taravao Village. Hearth-dam construction by acc. tender. Project on appraisal. *Date foreseen for financing February 89.* 5th EDF.

EDF POF 5007 A2b

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

CAYMAN ISLANDS

Community college. Works and supply of equipment and T.A. Project in execution. 6th EDF.

EDF CI 6001 A6d

TURKS AND CAICOS ISLANDS

Replacement of Grand Turk Dock. Resp. Auth.: Ministry of Works. 2.290 mECU. Works and T.A. Project on appraisal. 4th, 5th and 6th EDF.

EDF TC 6001 A2d

Regional Projects

GUINEA — GUINEA BISSAU — SENEGAL — MAURITANIA — NIGER — MALI

Soil development of the versant basin type in Guinea: Fouta Djallon and Niger

Upper Basin. Resp. Auth.: Ministère Guinéen de l'Agriculture et des Ressources Animale (MARAs), Direction Générale des Forêts. Estimated total cost 37.5 mECU. EDF 31.5 mECU, Italy 6 mECU. Anti-erosion works, technical and social infrastructure with local NGO's and population. Preparatory studies for programme extension, aerial survey and mapping. Works by acc. tender. Supplies ★by int. tender. T.A. and training. *Date financing December 88.* 6th EDF.

EDF REG 6137 A3a

CEEAC (COMMUNAUTÉ ÉCONOMIQUE DES ÉTATS DE L'AFRIQUE CENTRALE)

Industrial forum EEC-Central Africa. Preparation execution and follow-up of 2 industrial fora in Central Africa. 2.3 mECU. T.A., studies and valuation. Project on appraisal. *Date foreseen for financing February 89.* 6th EDF.

EDF REG 6213 A4

BURKINA — NIGER

Timber development in the future reservoir of the Komienga 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. Project in execution. 5th EDF.

EDF REG 5206 A3d

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

Regional agriculture development programme. 6.8 mECU. Ten pilot project. T.A. works and supplies. Project in execution. 6th EDF.

EDF REG 6704 A3a

Regional telecommunications. Resp. Auth.: SPEC. 5.550 mECU. Coastal radio stations, earth satellite stations, T.A., training. Equipments by int. tender. Works by int. tender and direct agreement. Project in execution. 6th EDF.

EDF REG 6705 A2c

Regional tourism development programme. Phase II. Resp. Auth.: SPEC and TCSP. Development of tourism and tourism related sectors of the Pacific ACP States and OCTs. Estimated total cost 7.4 mECU. Works: implementation of programme components, supply of films, promotion and teaching materials, T.A., support for TCSP and project. Project in execution. 6th EDF.

EDF REG 6027 A5c

Pacific regional marine resources programme. Resp. Auth.: SPEC-FFA (Forum Fisheries Agency in Honiara), CCOP/SOPAC

(Committee for Coordination of Joint Prospecting for Mineral Resources in South Pacific Off-shore Areas in Suva), SPC (South Pacific Commission in Nouméa). 10.7 mECU. Five actions. Three first actions for FFA: support for the programmes: management, information services, data bases and telecommunication network. Construction of a new regional conference centre. Supply of T.A. and equipments. 4th action for the tuna tagging programme by SPC. Fifth action: ocean bed prospecting for mineral resources by CCOP/SOPAC. Works: conference centre, prospecting and tagging. Supplies: telecom, computer equipments, ocean vessel, T.A. ★(scientists and statisticians) training. *Date financing December 88.* 6th EDF.

EDF REG 6709 A3d

MEMBER COUNTRIES OF CILSS

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 in execution. 6th EDF.

EDF REG 6110 A3a

Programme to utilize photovoltaic solar energy. Resp. Auth.: CILSS. Total estimated cost 30 mECU. Supply of 1 500 units for pump, refrigeration and light. Supply by restr. tender after prequalification. Prequalification launched in March 88. Project on appraisal. *Date foreseen for financing March 89.* 6th EDF.

EDF REG 6116 A2ai

Regional programme to promote the use of butane gas. Resp. Auth.: CILSS 8.260 mECU. To substitute wood and charcoal. Actions to inform, to make aware, to promote LPG (Liquid Petrol Gas). Financial aid to reduce costs. Stocks for gas cylinders (3 and 6 kg). Gas fund in each country. Support to improve ovens and supporting plates, purchase of rail tanks, T.A. Rail tanks ★by int. tender. *Date financing December 88.* 6th EDF.

EDF REG 6106 A3a

Regional programme for soil protection and reforestation. Resp. Auth.: Ministère du Dév. Rural et de la Pêche du Cap Vert. 4.250 mECU. Works, training, supply of equipments and T.A. Project on appraisal. *Date foreseen for financing April 89.* 6th EDF.

EDF REG 6145 A3e

Information and training programme on environment. Resp. Auth.: CILSS Secrétariat. 10 mECU. Supply of pedagogical equipment, T.A. and training. Project on appraisal. *Date foreseen for financing April 89.* 6th EDF.

EDF REG 6147 A8f

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

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

Institutional support to Eastern and Southern Africa Management Institute (ESAMI). Resp. Auth.: ESAMI, Tanzania. Estimated cost 4.5 mECU. Extension of ESAMI installations plus provision of library, audio visual and printing equipment and improvement of kitchen and laundry facilities. Project on appraisal. 6th EDF.

EDF REG 6311 A6b

BURUNDI — RWANDA — TANZANIA — UGANDA — ZAIRE — KENYA

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

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. Project in execution. 6th EDF.

EDF REG 6306 (TA 0000) A2d

Northern Corridor-Rwanda. Rehabilitation of the road Kigali-Butare Burundi border. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 20 mECU. Project on appraisal. 6th EDF.

EDF REG 6310 (RW....) A2d

Central Corridor-Tanzania-Bukombe-Isaka road. Resp. Auth.: Ministry of Works. Estimated cost 35 mECU. Asphalt covering of -130 km. Project on appraisal. 6th EDF.

★EDF REG 6309 (TA....) A2d

Block trains (Tanzania Railways Corporation, TRG). Resp. Auth.: TRC. 28 mECU. Provision of main line and shunting locomotives and wagons. Project on appraisal. 6th EDF.

EDF REG 6313 (TA....) A2d

SOMALIA — DJIBOUTI

Djibouti-Zeila (Somalia) road. Resp. Auth.: Ministère and Ministry of Public Works. Estimated cost 26 mECU. Construction of a road between Djibouti town and Zeila town in Somalia. Project on appraisal. 6th EDF.

EDF REG 6301 A2d

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

Land and water management project. Resp. Auth.: SACCAR. EDF 2.636 mECU. UK (ODA) 1.562 mECU. Training programmes and T.A. Building of a resource center. Works and supply of equipment. Project on appraisal. Date foreseen for financing February 89. 6th EDF.

EDF REG 6415 A3a

ANGOLA — MOZAMBIQUE — SADCC

Training of railways staff. Resp. Auth.: Ministry of Commerce. Estimated cost 7.3 mECU. Training of Inhambane school and in the Northern regional centres, Southern and Central. Project in execution. 6th EDF.

EDF REG 6409 A6d

SADCC — MOZAMBIQUE

Beira-Machipande road. Resp. Auth.: Ministry of Construction and Water. Maputo 5 mECU. Repair works. Project on appraisal. 6th EDF.

EDF REG (MOZ....) A2d

KENYA — SUDAN — ZAMBIA

Field oriented research on the control of tse-tse and livestock ticks. Resp. Auth.: ICIPE (International Centre of Insect Physiology and Ecology). 2 mECU. Support to the ICIPE for the research on two parasites. Project in execution. 6th EDF.

EDF REG 6022 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

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

CARIBBEAN ACP COUNTRIES AND MONTSEERRAT

Regional trade development programme. Resp. Auth.: CARICOM Secretariat. Estimated total cost 10 mECU. EDF 6.1 mECU, CARICOM 3.9 mECU. Short and long term experts, seminars, training, market promotion activities, evaluation. Project in execution. 5th EDF.

EDF REG 5681 A5de

West Indies university. Resp. Auth.: UWI and National Authorising Officers. 6.2 mECU. Renovation and rehabilitation works, supply of technical and scientific equipment, T.A. and training. *Project in execution.* 6th EDF.

EDF REG 6601 A6b

ORGANISATION OF EASTERN CARIBBEAN STATES (OECS) AND BRITISH VIRGIN ISLANDS

Eastern Caribbean States Export Development Agency (ECSEDA) and Automatic System for Customs Data (ASYCUDA). Resp. Auth.: OECS secretariat in Castries, St. Lucia, ECSEDA headquarter in Roseau, Dominica. 4.430 mECU. T.A. and supply of equipment and computers. Project on appraisal. Date foreseen for financing December 88. 6th EDF.

EDF REG 6610 A5d

OECS integrated tourism programme. Resp. Auth.: OECS secretariat. Estimated cost

3 mECU. Cooperative marketing in Europe, T.A. and tourism training. Project on appraisal. 6th EDF.

EDF REG 6613 A5c

OECS — TRINIDAD AND TOBAGO — BARBADOS — GUYANA

Regional fruit and vegetable marketing programme. Resp. Auth.: Caribbean Food Corporation. 6.2 mECU. T.A. and supplies. Project on appraisal. 6th EDF.

EDF REG 6620 A5de

CARICOM AND UK OCT

Regional hotel training programme. Resp. Auth.: Bahamas Hotel Training College (BHTC). 4.4 mECU. Construction region training facility, supply of equipment, scholarships. Project on appraisal. 6th EDF.

EDF REG 6614 A5c

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

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 in execution.

SEM AL A3a

EGYPT

Egyptian Renewable Energy Development Organization. EREDO. Resp. Auth.: Egyptian Government. EEC contribution 7.7 mECU. Construction and equipment for the centre. Works and supplies: int. tender with prequalification foreseen in 2nd half 88. T.A.: GET/KFA (D). Int. tender dossier: Phoebus (I).

SEM EGT 1002 A2a

Industrial training advice for SME. Resp. Auth.: Federation of Egyptian Industries (FEI). 2 mECU. Short-term advice, seminars training, T.A. *Project in execution.*

SEM EGT A5bc

JORDAN

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

Wala and Nukhelia dams studies. Resp. Auth.: Ministry of Hydrology and Irrigation. 2 mECU. First phase A: financial and economical aspects and technical faisability. Phase B: final procedure for design and conception and

preparation tender dossier. Phase C: T.A. and supervision. Phase A: short-list done. Project in execution.

SEM JO A2a

Study on underground water-level in the Azraq basin. Resp. Auth.: Ministry of Hydrology and Irrigation. 3 mECU. To collect and exploit all data concerning water region of Azraq basin. T.A. supply of equipment and drilling works. Works by acc. tender. *Project in execution.*

SEM TO A2a

Project for a national soil map and land utilization. Resp. Auth.: Ministry of Agriculture. 4 mECU. T.A. and training. *Project in execution.*

SEM TO A1g

MALTA

Tourism industry modernisation. 2.4 mECU. Tourism development plan, promotion, institut for hotel management and tourism, restauration of the St. Jean Cathedral. T.A. and works. T.A.: short-list not yet drawn up. Works by acc. tender. Project in execution.

SEM MAT A5c

Improvement of infrastructure. 3.1 mECU. T.A. and supply of equipments. Management of natural water resources, long term development plan for "Telemalta Corporation", Marsaxlokk port project and "Malta Dev. Corporation". T.A.: short-list not yet drawn up. Supplies by int. tender. Project in execution.

SEM MAT A9b

MOROCCO

Drinking water supply for small centres. Resp. Auth.: Office National de l'Eau Potable (ONEP). 11.888 mECU. Pipes, equipments civil works, transmission lines, access roads and fencing, studies and supervision. Works by int. tender. *Project in execution.*

SEM MOR A2b

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

Sejnane-Joumine water-main. Resp. Auth.: Direction Générale des Grands Travaux Hydrologiques. EEC contribution 10 mECU for supply of pipes and ancillary equipments. German participation (KfW) - 23 mECU for works and supplies. Soviet Union funded revision of studies. EEC part by int. tender. Project in execution.

SEM TUN A2b

Rural development project for the South-West of Kef. Resp. Auth.: Office de mise en valeur du Kef. Ministère de l'Agriculture. EEC contribution 10 mECU. Purchase of 3 bulldozers, 2 motograders, 5 tractors with

5 t trailers, 5 tanks (3 000 litres each) 2 4x4 vehicles by int. tender launched in November 88. Works by direct labour. Project in execution.

SEM TUN A3a

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. Project in execution.

SEM TU A4a

Improvement of health studies. EEC contribution 5.8 mECU. Master plan, specialized medical equipments, scanner, vehicles. ★T.A. and supplies. *Project in execution.*

SEM TU A7ac

Fight against environmental pollution. Resp. Auth.: Prime Minister's Office. Directorate General of the Environment. EEC contribution 2.8 mECU. Purchase of mobile system to measure, control, water, air, surface and soil pollution. Supply of laboratory equipment, T.A. *Project in execution.*

SEM TU A8f

Vocational training programme for tourism and mining. EEC contribution 5.4 mECU. Seminars, staff, trainers, supply of ★equipment, studies. *Project in execution.*

SEM TU A5c, A4a, A6d

Programme to deepen association relations between EEC and Turkey. EEC contribution 3.6 mECU. Scholarships, supply of equipment for the University of Ankara and Marmara. Training centre and language laboratory in Marmara. Establishment of a Euro-★Turkish "Business Council". *Project in execution.*

SEM TU A6b

Regional centre for training and development for the "Union Internationale des villes (UIV)" for eastern mediterranean countries and Middle-East in Istanbul. EEC contribution 1.4 mECU. T.A. and supply of equipment. *Project in execution.*

SEM TU A1c

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. Second int. tender for supplies launched in December 88.

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

Road materials and standards study. Resp. Auth.: Ministry of Communication and Roads. Roads and Highway Dept. (RHD). EEC contribution 2.2 mECU. Short-list not yet drawn up for restr. tender. Project in execution.

ALA BD 8808 A2d

Improvement of food grain storage depots (LSD's). Resp. Auth.: Ministry of Food, Dept. of Food (MOF/DOF). 15 mECU. Rehabilitation and improvement of 130 LSD's. Works and supply of T.A. Works by ★acc. tender. *Project in execution.*

ALA BD 8816 A3a

Thikana project. Resp. Auth.: Thikana Village Development Fund (TVDF), Committee and Promotion, Planning and Management Unit. EEC contribution 9.5 mECU. Establishment of the Village Fund, and T.A. ★Date financing December 88.

ALA BD 8815 A3a

BHUTAN

Water supply. Resp. Auth.: Inter dep. Commission on water and sanitation. Works by direct labour, 4.5 mECU. Supplies int. tender or direct agreement. T.A.: UNICEF. Project in execution.

ALA BHU A2b

Development of agricultural support activities. Resp. Auth.: Ministry of Agriculture. EEC contribution 3.4 mECU. Building of regional centres, soil analyses laboratory, supply of equipments and vehicles, T.A. and training. Project in execution.

ALA BHU 8809 A3a

BOLIVIA

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 in execution.

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 in execution.

ALA BA 8718 A3a

CHINA (PEOPLE'S REP.)

China-EC centre for agricultural technology. Resp. Auth.: Ministry of Agriculture,

Animal Husbandry and Fisheries (MAAF) and EEC Commission. EEC contribution 5.9 mECU. China will construct the centre. EEC part: supply of equipment, documentation, training, European staff, T.A. and works supervision. **Date financing December 88.**

ALA CHN 8821 A3, A6

Maize and sunflower research development project in the Jilin province. Resp. Auth.: Jilin Province Commission for Foreign Economic Relations and Trade (JPCFERT). EEC contribution 2.7 mECU. Supply of specialized equipment by int. tender on direct agreement. Training, T.A. and evaluation. **Date financing December 88.**

ALA CHN 8813 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

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

Reconstruction Programme. (After March 87 earthquake). Resp. Auth.: Banco Ecuatoriano de la Vivienda (BEV). EEC contribution 3.5 mECU. Housing and T.A. Project in execution.

ALA EC 8810 A8a

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 in execution.

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 in execution.

ALA ES 8712 A7a

GUATEMALA

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. Project in execution.

ALA GU 8707 A3a

Programme for sustainable development of the Lake Atitlan Basin. Resp. Auth.: Ministerio Desarrollo Urbano e Rurale (MDUR). Pilot programme of microprojects. EEC contribution 3.5 mECU. Works and infrastructures. Supply of equipment, line of credit, T.A. and studies. **Date financing December 88.**

ALA GU 8822 A3a

HONDURAS

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

Coconut development, Kerala. Resp. Auth.: Kerala Kera Karshaka Cooperative Federation (Kerafed). EEC 45 mECU. Supply of equipments, oil plants, T.A. and evaluation. Project in execution.

ALA IN 8709 A3a

Inland Fisheries Development. Resp. Auth.: National Cooperative Dev. Corp. (NCDC) with Dept. of Fisheries (DOF). EEC contribution 22.1 mECU. Works, T.A. and supply of equipments. Project in execution.

ALA IN 8804 A3a

Tank Irrigation System, Tamil Nadu, Phase II. Resp. Auth.: Dept. of Agriculture. EEC Contribution 24.5 mECU. Works, supplies and T.A. **Project in execution.**

ALA IN 8811 A3a

Agricultural markets in Kerala. Resp. Auth.: Ministry of Agriculture. 18.4 mECU. Construction of three larger regional markets and three smaller markets along the east-west trade routes. Site development, shops and storage facilities, roads and parking areas. T.A. and training. Project financed through counterpart funding from sale of -260 000 T of muriate of potash (MOP). Purchase by Minerals and Metals Trading Corporation (MMTC) Int. tender in 89. **Date financing December 88.**

ALA IN 8818 A3a

South Bhagirath: II. Integrated watershed management. 8.4 mECU. Reafforestation, soil protection, T.A. Project financed through counterpart funding from sale of 115 000 t of muriate of potash by MMTTC in 89. Int. tender: see ALA IN 8818.

ALA IN 8820 A3a

INDONESIA

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 in execution.

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 in execution.

ALA IND 8719 A2a

LAOS

NAM NGUM water, pumping irrigation. Resp. Auth.: Ministère de l'Agriculture, Forêts, Irrigation and Coopératives Nationales (MAFIC). EEC 5.5 mECU. Building of 4 irri-

gation networks and drainage. Studies, construction of 4 pumping stations, supply of equipments and T.A. Project on appraisal.

ALA LA 8802 A3a

NEPAL

Rural Development in Gulmi. Resp. Auth.: Ministry of Panchayat and Local Development (MPLD). EEC 2.710 mECU. Works, supplies and T.A. Project in execution.

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 in execution.

ALA NI 8630 A3a

PACTO ANDINO MEMBER COUNTRIES

Regional programme for technical cooperation: APIR (Accelerate Process on Regional Integration). Resp. Auth.: JUNAC. EEC participation 7.3 mECU. T.A. for studies, training and advising. Supply of small equipment. Project in execution.

ALA JUN 8806 A1b

Satellite Telecommunications Andean System (SATS) Preparation - Phase 2. Resp. Auth.: JUNAC. 2.2 mECU. Project in execution.

ALA JUN 8803 A2c

PAKISTAN

Buner development project. EEC contribution 10.6 mECU. Works, supplies and T.A. Supplies by int. tender. Project in execution.

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 in execution.

ALA PK 8716 A6a

Baluchistan agricultural college. Resp. Auth.: Baluchistan Department of Agriculture. Directorate of Agricultural Education Services. Estimated total cost 28 mECU. EEC contribution 18 mECU. Design and construction of the college. Supply of pedagogical equipment and vehicles. T.A. to prepare tender dossiers for works and supplies. T.A. for supervision of works. Works by acc. tender. Supplies by int. tender. Project in execution.

ALA PK 8807 A6ci

PANAMA — COSTA RICA — NICARAGUA — HONDURAS — EL SALVADOR — GUATEMALA

Regional programme to strengthen 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 in execution.

ALA REG 8714 A5f

Regional development programme for agricultural research on cereals in Cen-

tral-America. EEC contribution 10.8 mECU.
★T.A. and supply of equipment. *Date financing December 88.*
ALA REG 8823 A3a

EL SALVADOR — GUATEMALA — HONDURAS

Trifinio region development pilot project. Resp. Auth.: Ministros de Recursos Naturales. Comité de Dirección. EEC contribution: 7.170 mECU. Reafforestation works, feeder roads, warehouses, supply of equipments and T.A. Feeder roads, irrigation, warehouses and supplies by int. tender. *Project in execution.*
ALA REG 8814 A3a

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.: Corporación de Desarrollo de Puno (CORPUNO). EEC contribution 5 mECU. Studies, works and supplies. Project in execution.
ALA PE 8603 A3a

Rural micro-projects programme (Pampa - Puno II). Resp. Auth.: CORPUNO. EEC contribution 21.4 mECU. T.A.: ten expan-

tries. Supply of trucks, vehicles, equipments, ★training. *Date financing December 88.*
ALA PE 8817 A3a

PERU — ECUADOR — COLOMBIA (PEC)

Regional programme: fishing technical cooperation EEC/PEC. Estimated EEC contribution 6 mECU. T.A., supply of equipments and training. Project on appraisal.
ALA REG 8721 A3a

COCESNA — COSTA RICA — EL SALVADOR — GUATEMALA — HONDURAS — NICARAGUA

Radar control for civil air traffic in Central America. EURO MAYA project. Resp. Auth.: COCESNA (Corporación Centroamericana de Servicios de Navegación Aérea) and co-director EEC. EEC contribution 18.5 mECU, Italy 9.5 mECU. Civil works, supplies, 4 radars and equipments, communication systems. Extension of the Tegucigalpa ★control centre. T.A. and training. *Date financing December 88.*
ALA REG 8819 A2d

PHILIPPINES

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 trainProject in execution.
ALA PHI 8616 A3a

Agricultural education programme. Resp. Auth.: Ministry of Education, Culture and Sports (DECS). EEC contribution 10.4 mECU. Parallel cofinancing with ADB. Supply of equipments and agricultural inputs. Pedagogical equipment, furnitures, laboratory equipments and audio-visuals, books, chemicals, tools, vehicle, T.A. and training. *Date financing December 88.*
ALA PHI 8824 A6ci

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 the 2nd half 88. Project in execution.
ALA CE 8703 A3a

THAILAND

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 in execution.
ALA TH 8708 A3a, A9a

Joint secretariat Office. Resp. Auth.: Ministry of Agriculture. EEC contribution 1.8 mECU. T.A. and supply of equipment. Project in execution.
ALA TH 8805 A3a

Development and extension of fruit and vegetable production in Northern Thailand. EEC contribution 9.45 mECU. Long-term T.A., supply of equipments, line of credit, training, research and follow-up and ★evaluation. *Date financing December 88.*
ALA TH 8812 A3a

INQUIRY

If you have suggestions for improving the presentation, format and print used in the "blue pages" operational summary, please send them to:

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N.B.: If you are happy with the present layout, please also let us know at the same address.

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Jacques DELORS et CLISTHÈNE — **La France par l'Europe** (Jacques Delors and Cleisthenes — France through Europe) — Editions Grasset, Paris — 273 pages — 1988 — FF 96

While Jacques Delors needs no introduction, the same is hardly true of Cleisthenes, who founded Athenian democracy in the 6th century B.C., and under whose name a group of men and women coming from the political left and close to Jacques Delors have joined with him in a common research effort. This is a collective work, therefore, and the fifth to be produced by the President of the Commission of the European Communities.

The book's title sums up perfectly the central thesis, which itself seems to be an extension of President Mitterrand's well-known and felicitous formulation: "France is our country, Europe is our future." Change the name of the country, and the phrase could be adopted by any of the Member States.

However, it is the French problem which is discussed here and the ways in which France will have to adapt to the Single Market of 1993. The authors stress several facts: inflation has fallen considerably, but unemployment remains high and the central problem of the competitiveness of the French economy persists. The only possible choice is to open up to the rest of the world and take on board "the growing interdependence not only of economies but also of countries, starting with those which form this Europe of ours."

The book is impartial and does not hesitate to criticise certain typically French excessive behaviour: "the liturgical insistence on the *peuple de gauche* in 1981-82 was to a certain extent divisive, and the great dispute on education, which led to the fall of the Mauroy government, was also the result of an interpretation that had been overtaken by events".

France must escape its anachronisms and the State must do more to encourage cooperation between public services, elected representatives, unions and other associations. Tackling unemployment is clearly of paramount importance and much space is devoted to the problem: France must

"restructure employment" and "stand by" the unemployed, minimum social support being no more than a last resort. Cultural development, solidarity and economic competitiveness are all complementary. The prospect of the Single Market must spur the French, like their fellow Europeans, to join together to organise three areas in particular: currency, the social area and common external policy. This calls for the continuous and permanent dissemination of information.

France's future success lies in Europe, in the diversity of the Community, the essential point being, as Jean Monnet said, "that there should no longer be separate national actions, only European actions". In this way we can continue to bring our influence to bear in tomorrow's world. A.L.

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Robert CORNEVIN — **Le Togo: des origines à nos jours** (Togo: from its beginnings to the present day) — Académie des Sciences d'outre-mer, 15 rue La Pérouse 75116, Paris — 556 pages, 16 maps and 53 photographs — 1988 — FF 120

From Robert Cornevin, whose recent death has caused great sadness, comes a book which all those who

wish to learn about Togo must read, for at least three reasons. First, because it is a new edition (the first three having appeared in 1959, 1962 and 1969) which has been considerably updated and improved. Secondly, because the author spent eight years, "some of my happiest", he said "in Togo, as an administrator and later as an inspector of labour and social laws"; and, finally, because Robert Cornevin was a man whose commitment and ability were universally recognised.

Following a foreword which should not be skipped over, the book is divided into three main sections. After three introductory chapters on the natural environment, the historical settlement of the country and the Togolese today (ethnic groups, languages and traditional religions), come eight chapters giving a chronological account of the country's development from the precolonial period up to 1967. The last six chapters focus on the following themes: demography, religions, social measures, cultural life, economic outlook and General Eyadema's twenty-one-year presidency.

A bibliography containing over one thousand references is given at the end of this fundamental work on this attractive ACP State in West Africa in whose capital three ACP-EEC Conventions have been signed. A.L.

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