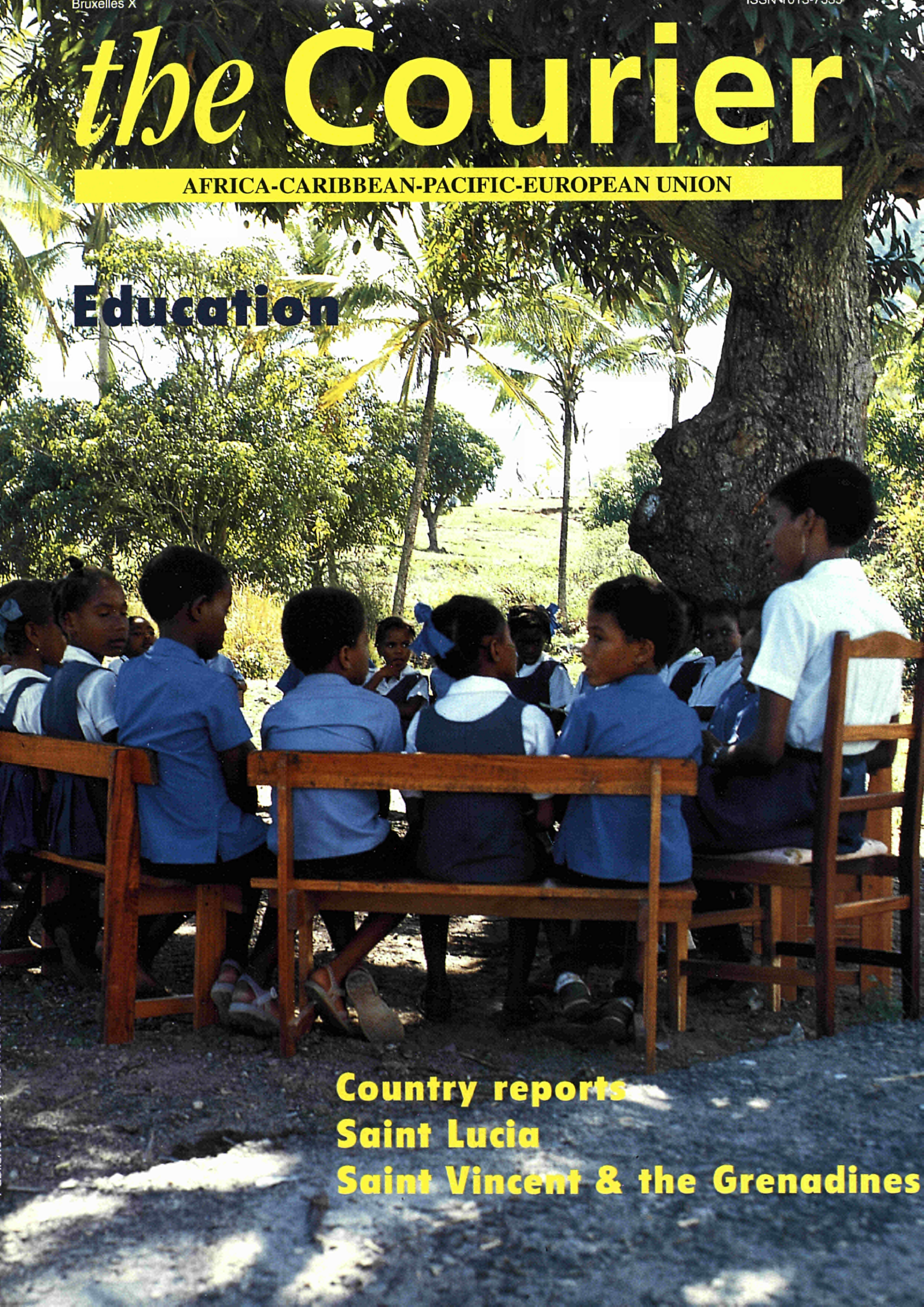


the Courier

AFRICA-CARIBBEAN-PACIFIC-EUROPEAN UNION

Education



Country reports
Saint Lucia
Saint Vincent & the Grenadines

Belgium
Denmark
France
Germany
(Federal Rep.)
Greece
Ireland
Italy
Luxembourg
Netherlands
Portugal
Spain
United Kingdom

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 Eustache)
Aruba

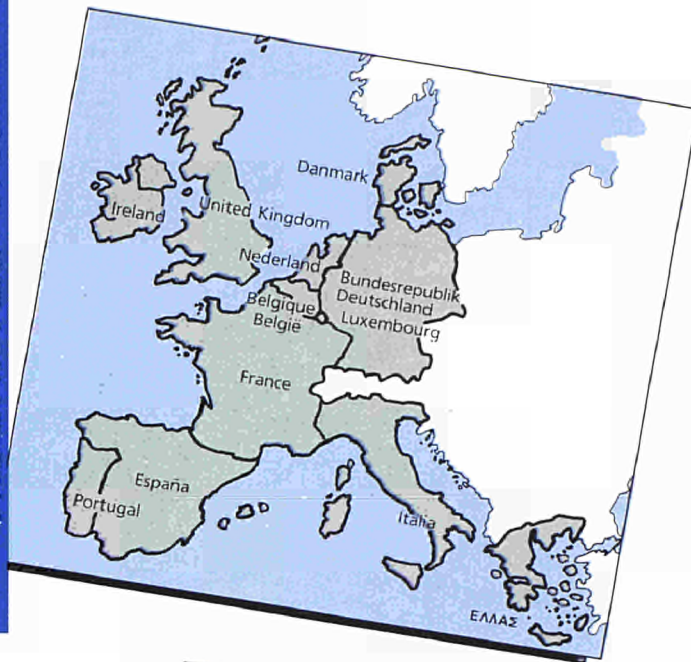
Denmark

(Country having special relations with Denmark)
Greenland

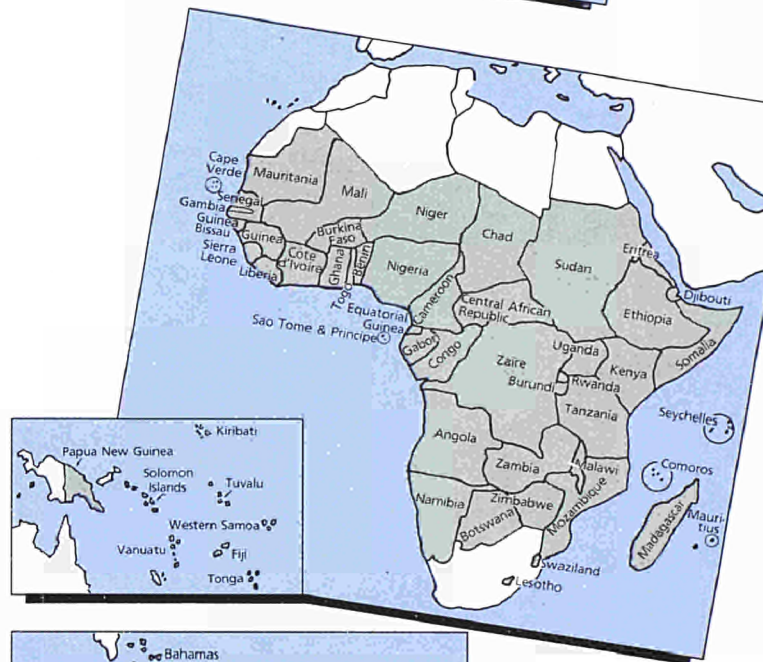
United Kingdom

(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
Tarks and Caicos Islands

THE EUROPEAN UNION



THE 70 ACP STATES



Angola
Antigua & Barbuda
Bahamas
Barbados
Belize
Benin
Botswana
Burkina Faso
Burundi
Cameroon
Cape Verde
Central African Republic
Chad
Comoros
Congo
Côte d'Ivoire
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Eritrea
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Sao Tome & Principe
Senegal
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Solomon Islands
Somalia
Sudan
Suriname
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Zimbabwe

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

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Cover page:

Education may not, in itself, be a universal recipe for economic and social progress, but it is a fundamental — and some would argue the fundamental element in the development equation
(Photo Saint Lucia Tourist Board)

MEETING POINT**Jean-Marie de Ketele and M'Hamed Chérif**

In conjunction with our Education Dossier, two experts in the field — an educationalist and an economist — give us their views on the problems facing this sector in developing countries. They look, among other things, at the role of international organisations, the language of instruction, regional aspects and the impact of structural adjustment. And they find themselves agreeing on the need for a more pragmatic approach, in which the education provided is adapted to local needs, particularly as regards job opportunities.

Pages 2 to 5**COUNTRY REPORTS****SAINT LUCIA**

The entry into force of an entirely new set of rules regulating the EU's banana market, combined with a big drop in the value of the pound sterling, the currency in which St Lucia's 'green gold' is paid, has confronted this Windward Island with the dual challenge of becoming a competitive banana producer while broadening the overall base of its economy. Prime Minister John Compton, while stressing the lack of an alternative to the banana industry, explains how St Lucia hopes to weather the economic storm.

Pages 21 to 36**ST VINCENT AND THE GRENADINES**

While fully living up to its enviable reputation as a prime tourist destination, SVG has nevertheless been battered by the 'free trade bulldozer'.

The banana sector will continue to play a pivotal role in the archipelago's economic future, but its survival as an industry will require better quality and increased productivity. Prime Minister James Mitchell highlights his country's approach to the challenges that it is facing.

Pages 37 to 56**ACP****Joint Assembly puts Lomé IV under the microscope again**

For the third time in succession, the future of cooperation under the Lomé Convention has taken centre stage at the ACP-EU Joint Assembly. With the 'mid-term review' negotiations now formally under way, the Assembly, meeting in Libreville from 3-6 October, had what was probably its last opportunity to influence the outcome of the talks. We report on what was said.

Pages 6 to 11**DOSSIER****Education**

The link between education and development is widely acknowledged. Education may not, in itself, be a universal recipe for economic and social progress, but it is a fundamental — and some would argue *the* fundamental element in the development equation.



In the Dossier we look at some of the main issues involved in laying the foundations for education in ACP countries with a focus on basic questions such as school attendance, curricula, literacy and the financing aspects.

Pages 60 to 88**meeting point****2. A more practical approach to education in the developing countries****acp****6. Joint Assembly in Gabon****12. Adjustment and development: the experience of the ACP States****14. Rwanda: the new European commitment****16. Collaboration between savings banks in Portuguese-speaking countries****17. interview with OECS Director General Dr. Vaughan Lewis****country report****21. SAINT LUCIA: Weathering the economic storm****29. Interview with Prime Minister John Compton****33. EU-St Lucia cooperation****37. ST VINCENT AND THE GRENADINES: Pulling the kite back up in the air****45. Interview with Prime Minister James Mitchell****49. Interview with Vincent Beache, leader of the opposition****53. St Vincent and the Grenadines and the European Union****europa****57. Is there a European social policy?****dossier****60. Education****61. Education, the key to change?****63. Increasing the school enrolment rate****65. School textbooks, investment... or waste?****69. Development indicators and education****72. Structural adjustment and education support programmes****74. Can we swap debt for education?****76. Becoming a teacher: an ambiguous adventure****80. Assessing whether an educational system is effective****83. Literacy: three stories****84. Tuvalu — Education for life****86. Education as an investment for the future****close-up****89. National parks and local involvement in Grenada****developing world****91. World Conference on Population and Development****95. Communication and family planning in sub-Saharan Africa****culture and society****99. Cinema and the audiovisual sector: a special area for cooperation?****cta-bulletin****102. African dilemma — Few options, little time****104. PUBLICATIONS****NEWS ROUND-UP (yellow pages)****CDI — Partnership****OPERATIONAL SUMMARY (blue pages)**

Interview with Jean-Marie De Ketele (educationalist) and M'Hamed Chérif (economist)

A more practical approach to education in the developing countries

In tandem with the 'Education' dossier later in this issue, we include an interview with Jean-Marie De Ketele, Professor of Educational Science at the University of Louvain, Belgium, and consultant to international organisations, and M'Hamed Chérif, Doctor of Economics and international consultant.

The purpose of this joint interview is to hear the points of view, said to be often contradictory, of an educationalist and an economist who both specialise in education in developing countries. On reading this interview, it can be seen that there are actually many points of convergence. The topics covered are varied, although by no means exhaustive: analysis of the role of international organisations, the use of local languages in education, the correlation between education and work, the scope for regionalisation of education, the consequences of Structural Adjustment Programmes and, lastly, the outlook for education in developing countries.

■ *Is there not a tendency for the international organisations involved in the development of the education sector to interfere in the public affairs of a state?*

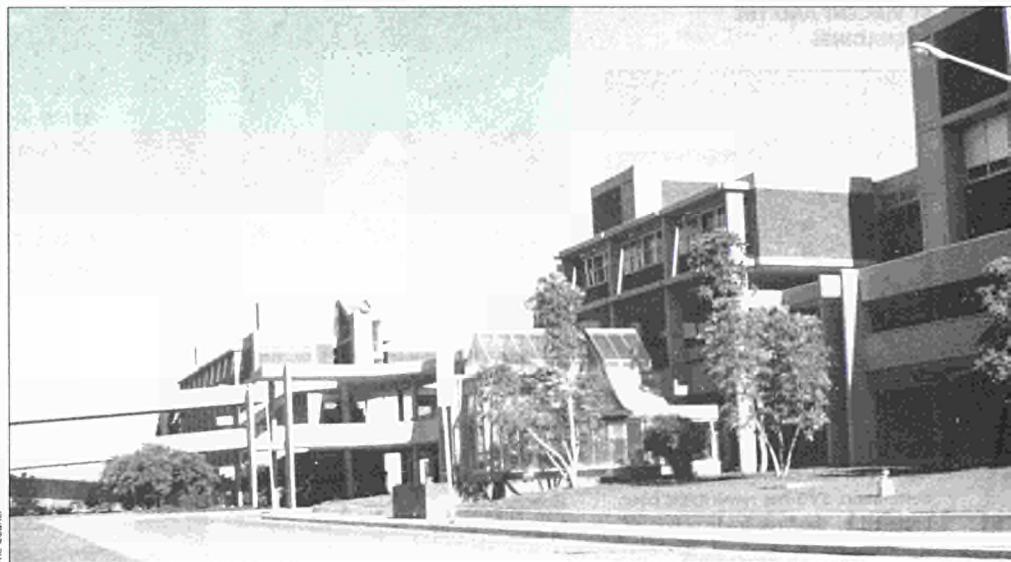
Chérif: Once the need to turn to lenders for help arises, I believe it is necessary to submit, to a certain extent, to the criteria they use. The World Bank is an institution which obtains its funds on the financial markets. It must safeguard its credibility, it must be able to have access to capital which is cheap or at any rate lent on concessionary terms. Developing countries must accept that, or at all events take account of it, or else not borrow. There obviously has to be interference in the affairs of countries. Having said that, I am not sure that the lenders are always very clear about what has to be done, and there are often prejudices and preconditions. One of the roles of the international

institutions is not to put up with waste on any account. Leaving the country to do what it likes with regard to education and health implies acceptance of the government's policy on the matter. Clearly in African countries today, even though priority is being given to education, when you look at the percentage of the budget allocated to that sector, it is still very low and tips lopsidedly in favour of higher education, at the cost of basic education. For a lender, this situation is unacceptable.

De Ketele: As far as the problem of interference is concerned, I would tend to go further than M'Hamed Chérif. I wonder whether, in some cases, the international institutions do not have a duty to interfere, rather than a simple right, especially when we see what is going on in Central Africa. We are not straying outside the field of education here: when we see that certain African countries devote not a penny to education, must we simply put up with this or should there not be some interference in this decision-making process? I would tend to go further, though at the same time extremely cautiously. But situations are very different from one country to another.

Chérif: Education is one aspect of a social plan and, above all, a cultural plan. I do not think that it can be looked at independently of society. This is where I start wondering about interference. I entirely agree that a lender must and perhaps even has a duty to see how things are going. I am hesitant about imposing imported models which do not necessarily fit in with the social plan. I think the tragedy of Africa today is that there is no longer a vision within it: no one is making social plans any longer. All the charismatic personalities date back to the time of independence. Since then, Africa has ceased to be mobilised by a plan for society. For confirmation of this, I think back to a conversation with a French cultural attaché in Mauritania, who said to me: 'I cannot understand how Mauritania proposes to Arabicise everything. You know as well as I do, Mr Chérif, that you can't possibly teach the sciences in Arabic.' I was shocked! I always thought that a large number of scientific disciplines were Arabian in origin!

*University in Southern Africa
Structural balance tipped in favour of
higher education?*



The Courier

■ *Would teaching in local languages make for an increase in the school enrolment ratio and a decrease in educational failure?*

Chérif: I have just returned from a visit to the Pygmies, who are being taught French from the first year onwards. The experts from the Bank tell you that experimental education in local languages is very expensive, so you have to use French, which most people more or less speak already and which at the same time serves as a unifying factor in countries where several languages are used. Now, if the objective is to procure a basic education for all, knowing from the outset that the majority will not reach higher education, it is far better for lessons to be given in the local languages. This is unfortunately disputed, the main argument being the cost of this type of education. Personally, I am not convinced that this is a valid objection.

De Ketele: Yes, it is a major problem. The question has been raised at all the meetings I have attended in recent years. Some people in UNESCO say that it is essential to carry out more detailed research, since there are no landmarks by which a position can be defined. It seems to me that the situations are very different from one country to another. Take the example of Tunisia and Morocco. On the one hand there is the mother tongue and on the other standard Arabic, which is the language of education; then, French, even from a certain point, English. Some children have to cope with three or four different languages: the language of the family, sometimes another local language, the language of education, and possibly a second language of education. I think research shows that parents far prefer their children to be educated in one language — at least at a certain level — such as French or English, for several reasons. Firstly, because there are more international languages. Secondly because, if one language were chosen, why opt for one language in one place, another language in another. In countries like the ones in West Africa, the ethnic groups do not correspond at all to the country borders, which would lead to enormous problems with local languages in certain regions. In Zaire, there are four major language families. If one of them were to be chosen, there would be a huge outcry. So edu-

cation needs to be given on the basis of the regions. But the regions are not inhabited by any one ethnic group so it still creates an enormous number of problems.

■ *Wouldn't setting up regional institutions be a way of reducing the costs of education while keeping up the standards?*

De Ketele: What is surprising is that there is a positive unwillingness to set up regional, rather than national, university institutions. A university like Dakar could quite feasibly train doctors while Abidjan trained engineers. It would be perfectly possible to create university centres in each country, but on a partial basis. There could be exchanges between countries so that it wouldn't cost too much, while still aspiring to have high-quality education. At the moment,

'It would be perfectly possible to create university centres in each country, but on a partial basis'

though, it is clear that each government is very anxious to have its own institution and hold onto its independence. The same problem crops up with regard to school textbooks: *Confemen* made funds available to devise a school textbook for the whole of West Africa but very little came of it. Why? Because some Ministers vetoed it: 'We want to have our own programme'. It is always like that. There is a kind of jealousy which comes up whenever you is try to get something going in common.

■ *Is there a proper match between education and employment in the developing countries?*

De Ketele: I would say that, for the time being, there are large numbers of countries where there is no correlation at all between education and employment prospects. The outlook for jobs is disastrously poor at present, to such an extent that many people even wonder whether it is still worth sending children to school. Even in far more developed countries, such as Morocco, many young people are

utterly demotivated: what is the point of going to university or to secondary school? Whatever they do, the only prospect is unemployment. Another factor is that in many countries, education is very formal and totally out of step with the true needs of the countries. In some countries, there is now a tendency to create new types of qualifications alongside the traditional courses, which are in great difficulty. Applied masters' degrees, for example, or training courses which focus strongly on immediate entry into a profession. This happens especially in Morocco, where a series of special diplomas has been set up at the university in parallel with the traditional courses.

Chérif: I believe that from the point of view quite simply of methods, no attempt is being made any longer to make sure there is some correlation between education, training and employment. In other words, this approach of planning and long-term programming has not produced good results because it is extremely difficult to forecast the situation on the job market in five or ten years' time or even longer. Hence the idea of flexibility and getting the economic operators involved in drawing up the curricula, the idea in fact of bringing together education and the training of operators. The signs are that even the World Bank is following this line, going for cooperation and synergy between the education and training system and the economic system, mainly the private-sector operators. What I should like to emphasise is that the latest research into the link between macroeconomics and the internal and external efficiency of the education and training system clearly show that the macroeconomic environment is of crucial importance to the external and internal efficiency of the system. In fact, the recommendation is to improve the macroeconomic environment as a matter of priority, as there is not much point in trying to improve the efficiency of the education system independently of the macroeconomic environment. On the other hand, and this obviously still needs to be proved, by improving the incentive regulatory environment and economic policy itself, the education system would tend to improve by itself, whether in terms of internal or of external efficiency. So I think recent thinking on the subject would be that priority should be given to improving

the general environment. Let us take the example of the training system in Tunisia. To start with, it was extremely costly, based on a planned economy and focusing on subsidised training centres. No one gave any thought to what this training would cost. A great deal was invested in very expensive centres. Now, with the liberalisation of the economic system, with the rationalisation of that environment, the reduction in subsidies to the centres, they are having to sell their products, look for partners and cooperate with the private sector. And that brings the training system closer to the job market.

■ *What effects are structural adjustment programmes having on education?*

De Ketele: In the survey which I had to draw up for the 15th anniversary of the Agence de Coopération Culturelle et Technique (ACCT), I worked through nearly 3000 pages of research, some of it published by the World Bank or the UNDP, which demonstrate very clearly that structural adjustment policies have had massive direct and indirect social effects, especially on education. I believe that this is now beyond dispute. Incidentally, the World Bank has relented very slightly by saying that loans need to be channeled more towards the social field. Within the Bank, some experts are very self-critical about the policy they have been pursuing.

Chérif: The impact of these programmes is obvious. At the beginning of the 1980s, the sectors which suffered most from adjustment programmes were the social ones, where it was relatively easy to make savings. If you look at the percentage of a country's national budget devoted to education, adjustment has very clearly caused it to fall. I nevertheless think that SAPs have contributed to an awareness of the need to rationalise that sector, which unfortunately has not been very efficient: there has been a great deal of waste, large numbers of pupils repeating school years, many school-leavers not finding jobs, and so on. In short, the system does not meet the needs. So action needs to be taken and I believe that adjustment programmes have helped make countries aware of that. I believe that a certain amount of reform has already started in the social sectors, especially in education. Nowadays, priority is being given to the education sector. I believe that the World



VIVANT LUNIVERS

'The first priority must be education for girls'

Bank in particular is trying to convince national authorities to assign greater importance in budgetary terms to the social sectors. The attempt is being made in adjustment programmes to increase the proportion going to basic education. I think that there has been success in most countries in changing the structure of expenditure although not enough. The situation remains unsatisfactory, but the policy is clearly defined. It needs to be stressed that adjustment programmes help to enhance the efficiency of the system, whether internal or external.

■ *What is the outlook for education in the developing countries?*

De Ketele: To answer that question, there are at least four points of anchorage which need to be worked on and which leave us a great deal of room for hope.

The first priority must be education for girls. Over about 15 years, the impact can be clearly seen in terms of higher school enrolment, nutrition, health, and so on. I believe that the main hope for the developing countries lies in women, so the standard of education for girls needs to be raised. This must not be confined to disparate women's education projects. It is too late for that. Girls must be targeted before anyone else.

The second point of anchorage, which seems to me to be extremely important, is to start from practical schemes which are working in the countries concerned and to give them financial support, provided that the aid is delivered through secure channels and the money does actually reach the people on the spot, which is not always necessarily the case at present. Hence, possibly, the need to find ways of operating through reliable NGOs which send the money where it is needed. I think that the strength of Asian countries is to make money go twice as far, the

weakness of African countries is to make it go a tenth as far. We therefore need to find other channels to make sure the finance is used to maximum effect by the people working on the spot.

Thirdly, new methods of organisation are emerging in the present depression, such as educational institutions in which school communities are forming without relying on the state any longer. These communities not only provide teaching, they also deal with the various day-to-day problems of all the staff, teachers, pupils, parents, etc. So, for example, you sometimes see farms springing up around the school whose purpose is to feed the school community. I invest a great deal of hope in these kinds of structures, which come into being by force of circumstances, and this is a model which should be given more support.

Finally, my fourth hope is the ingenuity you find in the informal sector. More reliance should be placed on it, more financial support given to it. We should capitalise on the enormous skills that sector possesses and possibly help it develop its skills.

Chérif: I should like to return to the question of social planning, for in the end the question of participation by the people also fits into whatever development model a country chooses. I think that, although community development and popular involvement need to be encouraged, this must not mean that the government can shake off all responsibility in the education sector. It is relatively easy to recover costs in the field of basic education by charging for it, but it is far more complicated to do it in the case of higher education, which costs a great deal more and where the students have a certain amount of power. So I accept this idea of popular involvement, but I equally have the impression that governments take advantage of it to disengage themselves completely by saying that it is up to the people to look after themselves. Now if we want social planning, if we want to provide education for all, government has to play its part. The problem so far has been that it was acting on its own, whereas the private sector and the people also had an important role to play. But there's no need to go from one extreme to the other either, and the education and training sector should

get priority when a government is allocating its budget. There is no point in having staff without resources for them to work with, which is unfortunately frequently the case. To be more positive, I would stress that SAPs are starting to give slightly more resources back to the teaching staff and this is often due to the lenders, the EU in particular, which invest directly in the sectors most affected, such as education, health and so on. In Côte d'Ivoire, for example, there is a joint programme between the EU and the World Bank for optimisation of the use of human resources, in which the EU acts in the health sector and the World Bank in the education sector. This is nevertheless being done on the basis of the same model, using the same performance matrices, which makes it possible to target the funds and ensure that the resources are given to the structures concerned. As far as vocational training is concerned, it is clear that, previously, people who had taken the courses cost more than those who had received training in the informal sector, and they were therefore less competitive. There was also a rigidity which was not found in the informal sector, where the qualifications are lower but there are greater chances of finding a job because demands are not pitched so high regarding wages, conditions of employment, etc. By opting to develop these countries on the basis of state interventionism, cumbersome structures and inflexible regulations were put in place, and it is now found that this does not work. They should therefore be replaced by something far more flexible, even if it entails sacrificing certain social aspects, I am sorry to say. It is obviously far more attractive to say that we have a guaranteed minimum wage, but when there is not enough work for everyone, someone has to accept a lower wage, which is what happens incidentally in the informal sector. But surveys prove that even though the starting wage in the informal sector is lower, the hopes of keeping it are far higher than what can be expected in the formal sector and in the public sector. So there is a great deal of work to be done here to convince pupils and students that the formal and public sectors are not necessarily the only outlets open to them once they have been through the educational system and vocational training. Another important aspect concerns the aspirations parents

have for their children. They have always been encouraged to have unrealistic ambitions: they generally wanted their children to become ministers and the children themselves wanted to become ministers or civil servants. There is nothing wrong in a child wanting to become a technician or a mechanic! Although in theory things are supposed to have changed, in practice the system still gives precedence to general training and the formal sector. As far as aspirations are concerned, I think some work needs to be done.

'There is nothing wrong in a child wanting to become a technician or a mechanic'

De Ketele: In his doctoral thesis, one of my students explains this phenomenon of channelling people into the civil service, with the sole outlet being a job as a civil servant, and with skills linked merely to the qualification. This in fact leads to under-utilisation of the skills of all those who have been through the educational system, the only aspiration being to get a qualification and the ultimate achievement being to become a minister. Why? Because in the culture of these countries, being a minister means you can get rich very quickly and when you get rich, you have an obligation to feed your family and to help the people close to you. It is important to be able to say: 'I am the person who feeds the family, who built the village dispensary,' or whatever. It is firmly rooted in people's attitudes. I do not see how we, the foreign experts, can help them devise a social plan which really tallies with the socio-cultural realities of these countries. A country like Tunisia has been able to develop a model specific to it, which enables it to take advantage of cooperation, whilst retaining its identity. But in sub-Saharan Africa, I cannot think of a single country which has been able to devise a social plan which is not simply an imported plan.

Chérif: This dimension of cultural adjustment, which is known as 'internalis-

ation of the process', deserves emphasis and should be more widely applied. When we start analysing structural adjustment, we realise that it is essential for developing countries to internalise the process, but that is still just a slogan. A great many things are still being imposed by the outside world and there is a certain distrust of proposals coming from within countries themselves. I say this very sincerely, because the countries are not short of ideas, but often, as foreign experts, we are rather distrustful. If, for example, you take education in the Koranic schools, there is solid evidence, based on investigations carried out by the World Bank, that a child who has had an education in a Koranic school has a greater chance of succeeding later in life and of earning a higher income, than someone who has not had that schooling.

It is also true that someone who has been through state schooling has even more chance, because the level is higher. But when you ask lenders to finance these Koranic schools, you are immediately seen as an advocate of fundamentalism or a reactionary. Yet it's just a school like any other, one which has been tried and tested, which is better suited to the needs, with a structure which is simple (the pupils sit on the ground) and mobile (in every caravan there is someone who attends to the children), and so on.

It would be possible to support and improve these schools by incorporating science teaching into them, as well as learning the Koran, literature and history. Unfortunately, there is no support for this kind of initiative, even when the existing system could easily be improved, as opposed to opting for a completely different system. As Jean-Marie De Ketele stressed in his four points, we have to start from existing, practical schemes and improve them, which unfortunately is not being done. Whenever new models have been imported, they have failed because they have not been internalised from the outset. I think that this internalisation, this thinking arising from within, is very important and that in the developing countries there are enough human resources capable of defining a model, but they need to be stirred up and encouraged. ■

Interview conducted by
Virginie Van Haeverbeke and Christian Platteau

Joint Assembly in Gabon

Lomé partnership goes under the microscope again



The Courier

For the third time in succession, the future of cooperation under the Lomé Convention has taken centre stage in the deliberations of the ACP-EU Joint Assembly. With the Lomé IV 'mid-term review' negotiations now formally under way, the Assembly, meeting in Libreville from 3-6 October, had what was probably its last opportunity to influence the outcome of the talks. With this in mind and following a lengthy debate, it adopted a comprehensive resolution on the subject which will be transmitted to all interested ACP, EU and joint institutions.

An indication of the importance which the Assembly attaches to the mid-term review came during the formal opening session, in the addresses of the two co-Presidents.

From the European side, *Lord Plumb* (EPP-UK) expressed the hope that the report and recommendations the Assembly would go on to adopt would 'enable a new impetus to be injected into the current negotiations.' These, he said, were 'not proceeding as well as we would

like.' He argued in particular that it was essential to maintain 'the fundamental principles of partnership and dialogue', insisting that these provided the 'foundations for the trust which exists between us.' He then went on to commend the Joint Assembly as the only institution in the ACP-EU system 'which can legitimately claim to be democratic.' His decision to emphasise this point was presumably not unrelated to the fact that there is a proposal on the table that scheduled meetings of the Joint Assembly be held once, rather than twice a year in future. He also spoke approvingly of plans to strengthen the commitment to democratic values in the revised Convention.

For his part, Dr Marcel-Eloi *Chambrier* (Gabon), the ACP Co-President, did not seek to 'pull his punches'. Cooperation with the EU went back a long way, he observed, and there had been many projects, conceptual parameters, promises, ideologies and so-called development policies. 'Today,' he continued, 'we note, with some bitterness, that none of these

policies have succeeded.' He had some sharp criticisms of both sides in the development partnership, referring to 'the economic and social lethargy of our countries' and the 'ruthless dumping' of agricultural products by the developed world. On the Lomé Convention, he struck a more positive note, emphasising the reference in Article 5 to a people-centred approach and calling for greater stress to be laid on regional cooperation. Mr Chambrier was unhappy with the idea of reducing the frequency of Joint Assembly sessions, suggesting that this was a 'trend away from democracy' and was keen to stress the commitment on the ACP side to the principles of democracy, human rights and the rule of law.

In the actual debate on the Lomé IV review, which took place later in the session, the focus was, not unnaturally, on those areas of the Convention which may be affected by the mid-term negotiations that are taking place. Five key themes, enumerated by the Rapporteur, *John Corrie* (EPP-UK), cropped up time and again in the discussion, which featured no fewer than 30 speakers. These were:

- the trade aspects,
- democracy and human rights,
- programming and procedures,
- the role of the Joint Assembly, and,
- finance.

Trade

The trade aspects of the ACP-EU relationship are seen as a key area for the ACP side in the negotiations and this was reflected at the outset when the Chairman of the Working Group, *Alain Yoda Bedouma* of Burkina Faso, made his introductory presentation. He expressed surprise that, 'at a time when everybody is talking about trade liberalisation', more attention was not apparently being paid to this issue by the European negotiators.

There appear to have been two distinct elements to the discussion when the subject of trade was raised. On the one hand, there was general acknowledgement of the weakness of ACP (and particularly African) exports to the European Union, notwithstanding the preferential terms available for many years under successive Lomé Conventions. Va-

rious ideas aimed at improving ACP efficiency and competitiveness were mooted, reflecting a widely-held view that this was the key reason for these countries' declining share of world trade. But there were also suggestions that more could be done on the European side to facilitate access to its markets, for example, by 'liberalising' the rules of origin. Echoing the earlier remarks of Mr Chambrier, the *Zambian* representative raised a sensitive issue which may well have struck one or two raw nerves. 'What is the point of developing grain projects,' he asked, 'if local production is being undercut by imports of subsidised EU wheat?' He went on to allege that such imports were entering his country, 'thinly disguised' as having an ACP origin.

The second 'trade' aspect raised by a number of members related to the impact of the new GATT arrangements. The *Solomon Islands* representative expressed concern in general terms about the erosion of preferences and this was taken a stage further by Paul Lannoye (Greens-B) and Dominique Souchet (EN-F) both of whom argued that the effect of the new world trade regime was to rob the Lomé trade provisions of any substance. This extreme interpretation may not have been widely shared in the Assembly but there was no dispute about the fact that the trade advantages were gradually being whittled away. Speaking for the Commission, Director-General Peter Pooley gave a clear exposé of how this was happening, pointing out that it was not because of any change in the ACP-EU relationship but because of the lowering of protective barriers at the global level. The reality, of course, is that this process has considerable momentum behind it and it is difficult to see how it could be stopped, even if such a course of action were desirable (which many would dispute).

The ACPs must, therefore, learn to run with the wind rather than trying to tack against it. This approach appeared to underpin the remarks of Mr Pooley and of Vice-President Marín, (who dealt with the point earlier during 'Question Time'). Both reiterated the need to raise ACP competitiveness. Mr Pooley also spoke of the importance of 'changing mindsets' and persuading ACP countries to look beyond

the traditional bilateral link with the EU towards trading opportunities with third countries — opportunities which the latest GATT round should actually enhance.

In the resolution which was subsequently adopted, the following four measures were proposed with a view to improving ACP access to the EU market: — a deepening of preferences, in particular for those products considered too sensitive to be subject to generalised liberalisation; — the elimination or reduction of non-tariff barriers such as quotas, particularly for agricultural products; — the removal of internal taxes which have been excluded from harmonisation in the EC single market in the case of tropical beverages, and; — assistance to ACP States in creating suitable trading structures with adequate quality control standards in order to enable them to compete in the Single Market.

The resolution also called for a relaxation of the terms of the rules of origin which, it was claimed, often hamper the development of trade diversification opportunities.

An amendment from the Green group demanding that the GATT treaty should not be ratified, and a less radical proposal from the Europe of Nations members favouring a delay until the effects of the agreement had been evaluated, were both rejected by the Assembly. As a result, the two groups decided to abstain in the final vote.

The Assembly did, however, agree to an amendment tabled by Jean-François Hory (F) and Allan Macartney (UK) of the European Radical Alliance 'deploring the fact that the concerns of the developing countries were insufficiently taken into account' in the GATT negotiations (point 60 of the resolution).

Democracy and human rights

Turning to the linked issues of democracy and human rights, there appears to be broad acceptance on both sides that these concepts are part of the development equation and are therefore legitimate elements in the dialogue about cooperation. Clearly, attitudes to this have changed markedly over the life of the four

Lomé Conventions but there are still concerns about the way in which any new provisions introduced for the second half of Lomé IV might be applied in practice. The rapporteur, Mr Corrie, was the first to raise such concerns when he referred to the proposed clause allowing for suspension of cooperation where human rights or democratic principles had been infringed. In this regard, he insisted on consistency on the EU side, referring pointedly to the Union's relations with China which, purportedly, did not involve the same keen attention to such issues. Michael McGowan (PES-UK) chose to focus on the 'myth that human rights abuses only take place in ACP countries' and suggested that the subject, together with criticisms about a lack of democracy, were often raised as a pretext when the real problem lay in a lack of funding. He also suggested that his ACP colleagues 'should be given an opportunity to observe elections in the European Union.' The speaker from the *Central African Republic* stressed the positive progress that had been made on the democracy front over the life of the Lomé Conventions while the representative of *Papua New Guinea* saw human rights in particular as one of the 'vital elements' in the development process. For Jan Bertens (ELDR-NI), however, the wording of the human rights provisions in the draft resolution under discussion did not go far enough. Indeed, it was this factor that ultimately swung both Mr Bertens and his Liberal Group colleague Yves Galland (F) against the resolution when the vote was taken later in the session.

The final resolution included a recognition 'that there is no established model of democracy' (point 14), a demand for the establishment of 'clear and transparent provisions' before any decision is made to suspend cooperation on human rights or democracy grounds (point 16), and a call that any such decision should be accompanied by 'positive actions aimed at promoting the restoration of democracy and respect for human rights in the country concerned' (point 18).

Programming and procedures

The view that implementation of the Lomé Convention is hampered by

bureaucracy — on both the European and the ACP side — was aired once again at the Joint Assembly. In a question to the Commission, the representative of *Chad* focused on the low level of disbursements in most ACP countries and, in his reply, Commissioner Marin pledged that practical efforts would be made to speed up methods of payment. John Corrie also emphasised this subject in his presentation during the main debate, urging that a special effort should be made to target countries with low implementation rates. The strongest criticism, however, came from Maartje Van Putten (PES-NI) who attacked EU 'red tape' in particular. She argued that training centres needed to be set up in ACP countries to publicise the opportunities available under the Convention and provide practical guidance on the procedures to be followed. She also put in a plea for training manuals to be issued to help facilitate implementation.

The concerns expressed on previous occasions about an alteration in the balance of responsibilities between the Commission and the ACP country authorities were much more muted this time. However, Mr *Sotutu* from Fiji did seek a reassurance from the Commission that 'the failure of a handful of ACP States should not be used as a pretext for punishing the rest' - presumably a reference to the proposals on programming which the European negotiators argue are necessary to make the system more responsive.

On the specific proposal to introduce a two-tranche system in place of the current five-year indicative programme to which a fixed sum is allocated, the European negotiating position was supported by Jan Bertens of the Liberal Group.

The representatives of both the Council and the Commission argued strongly in favour of the proposed change

to the programming arrangements. For the former, the German Minister Ursula *Seiler-Albring* rejected the suggestion that the aim was to concentrate decision-making at the centre. The real purpose, she insisted, was to improve the workings of the Convention by making the system more flexible. This view was echoed by Peter Pooley, who said that the present arrangement — with its five-year plans — 'harked back to the Marxist-Leninist approach'. He also pointed out that there was a need for a trade-off in this area. The flexibility that was essential could not be achieved 'while maintaining the certainty of the existing system.'

In the final resolution, the Joint Assembly chose a nuanced approach suggesting a concern about the possible implications of changes in implementation rather than outright opposition to such changes. It emphasised the better use of existing instruments as opposed to the

Focus on infrastructures

'The vital foundation of development' was how Mrs Hanja *Maij-Weggen* (EPP — NI) described infrastructures when she opened a preliminary debate on the subject at the Joint Assembly in Libreville.

It is something on which Mrs *Maij-Weggen* can speak with some authority. As former transport minister of the Netherlands, she has had responsibility for some of her country's most important infrastructure networks and, having been appointed General Rapporteur, it is not inappropriate that she should have chosen this theme for the Assembly's next major report.

The discussion in Gabon was by way of an introduction, giving members the opportunity to raise with the rapporteur the key points which they would like her to cover in her report.

Mrs *Maij-Weggen* began by noting that problems relating to infrastructures varied considerably from one ACP country and region to another. For small islands, sea and air transport facilities were obviously high on the list of development priorities. In landlocked countries, good road and rail links were more important. And, of course, the term 'infrastructure' covers more than simply transport facilities. There is also a need to extend energy and telecommunications networks, while for arid regions it may be that water supplies top the agenda.

The rapporteur laid particular emphasis on the road maintenance problem. Poor roads hindered mobility, she pointed out, and the situation had deteriorated over the past 20 years. As a 'rule of thumb', she argued, '50% of road-related expenditure should be set aside for maintenance purposes.' She also stressed the importance of regional linkages, citing the example of the EU's proposals for trans-European networks. Cooperation within organisations such as ECOWAS, SADC and CARICOM was essential, she argued, for effective infrastructure development aimed at meeting people's primary needs.

During the debate, several speakers referred to the 'colonial legacy' of road and rail systems which had been developed to transport goods from the interior to the ports and thence to the metropolitan 'centre'. A representative from *Senegal* listed some examples of the 'disparities' thus created — the absence of good links between his own country and Gambia, Côte d'Ivoire and Liberia, Ghana and Togo, and more generally, between Africa north and south of the Sahara. Mrs *Magda Aelvoet* (Greens-B) took this point a stage further, arguing for a policy reorientation away from export-related activities and in favour of local and regional links.



Hanja Maij-Weggen, the new General Rapporteur

There was also some criticism of the dominance of donor country enterprises when it came to investments in infrastructure. Another Senegalese speaker argued that ACP companies should have priority in this area while the *Côte d'Ivoire* representative called for more use to be made of local materials in road-building. 'Some people,' he averred, 'think a road is only a road if it has a bitumen and asphalt surface.' Often, local materials such as granite were available far more

adoption of new ones (point 22) and spoke of the need for practical measures to improve the whole process from contract awarding to conflict resolution (point 23). Perhaps most significantly, it maintained 'that an overhaul of the NIP concept as a whole is unnecessary and disruptive.' Those responsible for negotiating on the European side would presumably argue that there is no conflict here since the NIP concept has been maintained and the 'tranche' idea is merely a practical adjustment designed to make the system more efficient — and hence to comply with the Assembly's demand for a more speedy utilisation of resources.

The role of the Joint Assembly

While nuanced criticism may have been the order of the day as far as the programming and other aspects of the

Lomé review were concerned, the EU proposal to reduce the regular sessions of the Joint Assembly from two to one each year drew outright and near unanimous opposition from the members who spoke on the issue. The scene was set at the outset by the two Co-Presidents whose concerns were mentioned earlier in this article. John Corrie then relayed the views of the Working Group in 'totally rejecting' the idea of just one meeting annually. The speaker from the Central African Republic, expressed the same sentiment, although the length of his speech (which far exceeded the five minutes notionally allowed to him) suggested that he might have been happier for the Assembly to meet in permanent session! The only dissenting voice, and even then, only partly, came from Terence Wynne, who has a particular interest in the budgetary aspects. He suggested that the Assembly should ask itself why it met and whether it was giving

'value for money'. He was also critical of turnout on the European side, and of attendance while debates were taking place. The strength of this latter argument must be open to question, however. To an outside observer, attendance at the Joint Assembly would appear to compare very favourably with that of other Parliamentary bodies, including the plenary sessions of the EP itself.

The view that ACP representatives should all be parliamentarians, by contrast, seemed to be supported in principle by most of those who mentioned it although Dominique Souchet (EN-F), citing financial reasons, argued for the maintenance of the *status quo* until all ACP countries were in a position to send elected members.

Replying to these points, Peter Pooley said that the aim was to improve the role of the Joint Assembly. He argued that it was difficult to undertake the

cheaply. This theme was taken up by Glenys Kinnock (PES-UK) who spoke of a dam project, funded by British aid, in which even the gravel had been imported from the UK.

From the ecological standpoint, Wilfried Telkämper (Greens-G) felt that care should be taken to avoid 'duplicating Western mistakes'. He believed that schemes should be devised, such as developments close to ports, which reduced the need for lorries and focused on energy conservation.

In a similar vein, the Fiji representative commended the use of 'appropriate technology'. 'In Fiji, we used to paddle and sail,' he stated, 'but now, everyone wants an outboard motor.' It was not always sensible, he argued, to go for equipment which was 'up-to-date, but expensive to run.'

Although the emphasis during the debate was on transport issues, a number of speakers were anxious to ensure that other forms of infrastructure were not neglected. Among these were Monica Baldi (FE-I) and the representative of the Central African Republic who urged greater resources for sewerage and water systems, and Jan Bertens (ELDR-NI), who concentrated on the need for better telecommunications, particularly at the international level.

Reflecting current international trends, issues such as private-sector involvement and economic viability were also given an airing by a number of contributors. The importance of 'the market' in determining suitable investments was raised more than

once and the rapporteur herself expanded on possible ways of involving the private sector so as to inject additional resources into infrastructure schemes.

Noting that loans would merely add to the debt burden of many countries, she felt that a more nuanced 'pre-financing' approach, in which funds would be recouped through user charges (such as airport taxes), was worthy of closer examination. Speaking for the Commission, Vice-President Marin also saw private sector participation as a possible way of tackling the crisis in maintenance financing.

He spoke of a 'vicious circle' in which infrastructures for which the EU provided the initial investment subsequently deteriorated because of lack of upkeep. Funds then had to be injected for rehabilitation purposes.

Mr Marin went on to reiterate the point that infrastructures meant more than simply transport networks.

'Telecommunications and energy resources,' he stated, 'are just as indispensable.'

In her summing-up, Mrs Maij-Weggen acknowledged the importance of 'non-transport' infrastructures including power supplies, telecommunications and water/sewerage systems, and pledged that these would not be neglected in the work she was about to undertake. In so doing, she, perhaps unwittingly, highlighted the main challenge that she faces in drawing up her report, namely the establishment of meaningful priorities. The Joint Assembly

has a tendency to pass all-encompassing motions which ascribe 'priority' status to long lists of *desiderata*.

This may be a convenient way of achieving consensus among a diverse group of representatives, but it does not accord with the reality of making hard choices about the deployment of limited resources.

The point is particularly relevant when one is talking about infrastructures which often entail large-scale investments.

Big, 'prestige' projects are rather out of fashion at the moment and while few would dispute that infrastructures are important, so too are capacity building, health, rural development, encouragement of the private sector and so on. If the Assembly's conclusions on the subject are to be useful, it will be necessary to maintain a sharp focus on the core issues. ■

Quotes of the week from Libreville

On Lomé IV:

'What is at stake is the greatest cooperation agreement in the world'

Mrs Van Putten (PES — NI)

'The vision of partnership seems to grow dimmer every day'

Tanzanian representative

'GATT drives a coach and four through the Lomé Convention'

Mr Lannoye (Greens — B)

'It's a bit like tennis. If someone lobs the ball over to your side of the net and you don't hit it back, the game grinds to a halt'

Côte d'Ivoire representative

On 'fashions' in development cooperation:

'Aid is like slash and burn agriculture. The 'experts' come in with new theories, targets and priorities... and 3-5 years later, they move on'

Zambian representative

On Zaire

'A clear distinction needs to be drawn between the cash in the Central Bank and the President's pocket money'

Peter Pooley

On Rwanda

'The international community could have done more... it is a shameful page in our history'

Mr Kouchner (PES — F)

On Sudan

'We are forging our own path towards democracy'

Sudanese representative

On idealism versus pragmatism

'It is dreamers who achieve the finest things'

Mrs Maij-Weggen (EPP — NI)

appropriate preparatory work for two sessions a year, and it was unrealistic to expect members to set aside a full month, given all their other responsibilities. He also cited the cost aspect, noting that resources were limited. Despite his eloquence in defending the 'one session a year' proposal (which would not preclude the holding of 'extraordinary' meetings when the occasion demands), the Assembly voted to reject the idea (point 77 of the resolution). The resolution made no recommendation on limiting membership to elected members but it did call for 'an examination of an increased legislative role for the Joint Assembly'. Given the present stage of institutional development, this is probably an unrealistic demand, but even if it were feasible, it is difficult to imagine it happening so long as votes on the ACP side are being cast by ambassadors.

Finance

For those who have been following the Assembly's debates on the Lomé IV review since the outset, a curious feature has been the almost monastic silence about the one thing that *must* be decided in the negotiations, namely the financing for the second phase of the Convention. The current financial protocol makes the sum of ECU 12 billion available under the various 'budget' headings (EDF, Stabex, Sysmin, Structural Adjustment, EIB etc.) with each EU Member State contributing an agreed percentage share of the total.

Will the resources go up or down in comparison with this figure? If there is an increase, will this be in real terms or merely nominal, to take account of inflation? What effect will the enlargement of the EU have on the final numbers? These are all questions which must be in the minds of Joint Assembly members, but until recently there was little point in raising them. The EU countries have to reach agreement among themselves on this highly sensitive area and even if such an agreement had been concluded at an early stage (which appears not to have been the case), it is hardly likely that the information would be made public while

the negotiations are still under way. Similarly, to pick figures out of the blue and present them to the Member States as recommendations would be an exercise of doubtful utility. And so, until recently, discussions at the Joint Assembly about the 'bottom line' were confined to the corridors. In Libreville, this changed, although there still appears to have been a reluctance to talk about specific amounts. With the negotiations now under way — and the possibility that everything will be wrapped up before the Assembly next meets — rapporteur John Corrie spoke of his 'great concern' about the issue. He said that although the decision on financing would not be made until January 1995, early indications from a number of Member States indicated 'bleak prospects' for the ACPs. He singled out three countries in particular that were allegedly aiming to reduce the size of their contributions. Since individual Member States have no official representation at the Assembly (the President in Office is obliged to speak for the Council of Ministers as an institution), there was no-one there to confirm or rebut this claim. Mr Corrie also implied that the funding issue was not unrelated to the Member States' push for other changes to the Convention, suggesting that 'this is not democracy but a dictat.' For the Commission, Peter Pooley was particularly anxious to reassure the rapporteur on this point. 'There is no question of a dictat,' he insisted. 'A settlement made on this basis could not endure. Indeed, we are not professionally capable of working on a mandate designed to ruin the Lomé Convention — it is the core of our work.' It is worth recalling here that the negotiations are handled by the Commission although the negotiating mandate is set by the Council.

Mr Corrie, when he replied to the debate, appeared somewhat reassured by the 'transparency' of the Commission but the Assembly, nonetheless, went on to agree a text which laid strong emphasis on the need for resource increases to 'take full cognisance of the magnitude of the needs facing the ACP States' (point 84).

Dissenting voices

When it came to the vote, the Corrie Resolution was agreed without

significant amendment. Consensus was not achieved on the European side, however, with Liberal members voting against and members of both the Green and Europe of Nations groups abstaining for reasons

enumerated earlier. Unless the mid-term negotiations become completely bogged down this is likely to be the Joint Assembly's last bite at this particular cherry, although the Bureau did agree to maintain

a watching brief on the talks. Doubtless the Assembly will have more to say on the subject, *ex post facto*, once it is in a position to judge how far it was able to influence the process. ■

Simon Homer

The Assembly in brief

Warm welcome for South African delegation

In addition to the main debates on the Lomé IV review and infrastructures, the Joint Assembly dealt with a wide range of other issues at its Libreville session. Questions to the Commission and Council were fielded respectively by Vice-President Marin and Ursula Seiler-Albring of the German Council Presidency. The mission sent to observe the elections in Togo reported back and there were also debates on Southern Africa, the implementation of the Lomé Conventions in Central Africa and the situation in a number of specific ACP countries.

South Africa was granted observer status at the Assembly and a warm welcome was extended to a delegation from the recently elected South African Parliament. The head of the delegation, Dr S.M. Motsuenyane, delivered an address during the Southern Africa debate in which he focused on the interests shared by his country and the ACP States and underlined the need for 'further harmonisation and coordination' within the SADC region. As regards the nature of South Africa's future relationship with the EU, Dr Motsuenyane was careful to avoid pre-empting the discussions that are currently under way. 'It is our intention,' he said, 'to strengthen the ACP-EU partnership and not in any way to undermine it,' but he did not elaborate whether this might be manifested in full membership of the Convention, a form of limited membership (the so-called 'Lomé minus' formula) or some other arrangement.

The debate on Southern Africa proved to be a wide-ranging one with interventions from representatives of most of the countries in the region. Mr *Nsuela*, speaking for the newly elected government in Malawi, reported on the peaceful transition to democracy in his country. The representative of *Namibia* spoke of encouraging signs everywhere, with the sad exception of Angola where

conflict continues. Events in Angola, in particular the decision of UNITA to resume the fighting having lost an election, prompted some members to voice concern about how events may unfold in Mozambique. Elections were due in this country at the end of October. Both *Glenys Kinnock* (PES-UK) and *Joaquim Miranda* (EUL-P) were worried about Renamo, the guerrilla movement turned political party. The Mozambican delegate, however, was more upbeat. She reported



Dr Motsuenyane, head of the South African parliamentary delegation

that the campaign was in full swing and that the results would be carefully monitored, going on to stress the importance of a free and fair vote.

Not surprisingly, the point on the agenda relating to the evolution of the situation in various countries saw a lengthy discussion of the Rwanda tragedy, with forceful interventions by, among others, *Bernard Kouchner* (PES-F), who chairs the European Parliament's Development Committee, and *Niall Andrews* (EDA-Irl).

Mr Andrews expressed his frustration at the impotence of the Joint Assembly to do anything more than pass resolutions decrying massacres and tragedies in Africa. Mr Kouchner took the opportunity to press his demands for more effective preventive action by the EU when humanitarian crises threatened (for more on this, see the article in the 'Europe — Parliament' section of the News Round-up).

Among the other country-specific debates, positive developments in Haiti and Zaire were welcomed, the continuing difficulties in Burundi, Liberia and Somalia were discussed and there was the ritual condemnation of the situation in Sudan.

St Lucia will doubtless be hoping that its appearance on the list of 'problem' countries will be short-lived but the debate at least gave the representative of this country an opportunity to focus attention on the destruction recently visited upon the island by tropical storm 'Debbie'.

Finally, a representative of the new Gambian Government, which assumed power after a military coup, sought to convince a sceptical Assembly of its 'commitment' to democratic values and the rule of law.

As is traditional, the Joint Assembly adopted a number of resolutions towards the end of the session. Notable among these were condemnations of human rights violations in Rwanda, Sudan, Nigeria and East Timor and support for the peace process in Bougainville (Papua New Guinea). In the economic sphere, the Assembly also passed resolutions on bananas, rum, sugar and the fat content of chocolate. ■

Adjustment and development: the experience of the ACP States

by Patrick Guillaumont and Sylviane Guillaumont-Jeanneney

Do 15 years of adjustment mean a return to development? That is the vital question posed by the authors of this article who have coordinated a survey (to be published in book form), at the request of the European Community, on 'Adjustment and development: the experience of ACP countries'.¹

The book reviews the present state of structural adjustment in all the ACP States. Four features stand out: it is a European survey; it is based on a comparative method which is innovative in several respects; it provides an overall interpretation of developments without complacency or disparagement; and it concludes with several economic policy recommendations.

A European survey

The study is a European survey in several respects. Firstly, the book is based on research carried out at the request of the European Commission and in close cooperation with it, especially with the Support for Structural Adjustment and Planning Division, Directorate-General for Development.

Secondly, the research was conducted by a European team based at CERDI, University of the Auvergne, and work with Oxford and Brescia Universities. This team is at the heart of a European network of economic research into development.

The survey is also primarily European in spirit. It steers clear of inappropriate simplifications and the assessment is finely tuned. Confidence in market forces does not stop the authors looking at the most appropriate means of government intervention. Recognition of the need for flexibility, which is at the heart of structural adjustment, is paralleled by an interest in a degree of stability, including that of relative prices.

And the survey is European in the sense of the geographical area it covers, that of the ACP States which have signed the Lomé Conventions with the European Community.

A relative method

There are many assessments of adjustment policies, like this one, covering a wide sample of developing countries. Apart from the territory it covers, the ACP States, this assessment has several characteristics which, in combination, give it its specific nature.

It is, firstly, a 'comparative' assessment, not only because it considers the countries in relation to one another, which is the distinctive feature of a cross-sector analysis, but also primarily because the attempt is constantly made to assess the policies against the environment in which they have been implemented, i.e. the conditions at the outset and the impact of exogenous, external or internal factors.

Next, it is an assessment of policies rather than of the programmes adopted in agreement with the IMF or the World Bank. The effect of these programmes in fact merges into that of the accompanying external resources and in the end it is the nature of the economic policies implemented which is important.

Thirdly, the assessment is set out in stages in the sense that the following are analysed in turn:

- the economic policy instruments used;
- the impact of the use of these instruments on 'intermediate variables' of economic policy in the main areas of adjustment, i.e. the control of aggregate demand, the correction of relative price distortions and the allocation of resources;

- the effects of shifts in these variables in terms of achieving the major objectives of adjustment, in other words narrowing the external trade gap and recovery in growth;

- the implications of the previous trends for poverty and political stability.

Fourthly, the authors have tried to give a 'transparent' assessment. Not only, of course, are the sources of the information used indicated and where appropriate discussed, but the statistical methods and econometric models are systematically set out: the significance of the differences between sub-sets is tested, the theories underlying the models are discussed, and so on. In short, although the assessment is at times technical, it is never, it is hoped, technocratic.

Lastly, the assessment as presented has a permanency about it. By establishing a base of economic policy indicators and their effects in the ACP States, it is in fact self-perpetuating. CERDI is currently updating this base and expects to produce a first supplementary report before the end of 1994. The name given to it is a piece of invented Latin or an English acronym which expresses its dynamic nature: PRODEM, Policy Reform for Development: European Monitoring.

A comprehensive interpretation

At the start of the 1980s, economic conditions on average were less favourable in the ACP States than in the other developing countries. Growth was significantly slower and their current account deficit higher, while their competitiveness in relation to the outside world was adversely affected by the appreciation in the real value of their currencies. As a result, the adjustment policy reform was essential for the majority of ACP States.

The results achieved by the ACP States from 1980 to 1989 seem disappointing when set against the targets set for adjustment policies, i.e. restoring the macroeconomic balances, creating a recovery in growth and relieving poverty. Growth remained slow, sometimes negative, the reduction in imbalances was temporary and poverty persisted. But for

¹ Conducted by CERDI and the Universities of Brescia and Oxford. An English translation of the French original is being prepared and will be published by Economica.

all that, if, we look at the economic policy indicators — the intermediate variables mentioned above — it can be seen that the ACP States have in fact put the adjustment policies into practice — to more or less the same extent as many other developing countries.

At the start of the decade, the need for adjustment and, still more, recourse to a strategy based on market mechanisms and openness to the rest of the world, met with a certain hostility in many ACP States. This hostility gradually diminished, but this did not end the debate on adjustment: it shifted from the objectives (making the economies more competitive) to the instruments and their effectiveness.

It is true, of course that the history and macroeconomic development of each country merit a proper explanation. Accumulating of case studies was not the purpose of the research undertaken. But on the basis of the cross-sector or comparative statistical analysis and the various authors' in some cases long and in-depth experience of the economic policy reforms in a certain number of ACP States, it was possible to put forward an overall interpretation of the reasons why adjustment has been a disappointing experience in the ACP States.

This interpretation is an attempt to answer four questions.

The first question is whether the apparently mediocre results accurately reflect what happened. It is maintained that growth was partly underestimated, on account of the growing proportion of economic activity carried out by the informal sector in many ACP States and the insufficient account taken of this: on the whole, the adjustment was partly informal.

Although, however, the results are still mediocre, which is acknowledged, the question arises as to whether this is due to the environment or to economic policy. Analysis shows that the adverse effect of the environment, especially the terms of trade and the start-up conditions, is a vital factor in the explanation. In short, adjustment was 'thwarted'.

Nevertheless, it is not argued that economic policy was in no way to blame for the mediocre results. The question is whether the policy was badly designed. The book shows that the use the ACP States made of the various economic

policy instruments gave too high a priority firstly to macroeconomic stabilisation as opposed to correcting price distortions (especially in the use made of fiscal policy and devaluation), then to the correction of price distortions at the expense of the quest for productivity increases — in a nutshell, to the short term over the long term. The consequences of this choice are especially serious in low-income countries, which the vast majority of ACP States are. In a word, the adjustment was short-sighted.

Adjustment policy should therefore, in future, assign greater importance to long-term objectives. Endeavours should be made to balance the budget by reforming the role of the public sector, reducing it to its essential functions. This usually means cutting down the civil service workforce, rather than cutting the pay of increasingly demotivated civil servants.

This would allow one to avoid imposing taxes or similar levies at the expense of activities which generate growth and to increase public expenditure on human resources and public investment in infrastructure.

But the policy has not always been badly designed. Where it was well designed, the question is how far it was actually applied. The survey examines the possible reasons for hesitation on the part of officials with regard to 'good policies' and the way in which 'false pretences' developed in relations between lenders and the officials responsible for economic policy in the ACP States: countries would pretend to agree to the proposed reforms with no intention of carrying them out, as they had not 'internalised' them; lenders pretended to believe that they had in fact been carried out, in the teeth of the evidence, simply so that they could claim that their own action had had some effect. In short, the practice of granting aid to reform economic policies on certain conditions meant that adjustment became 'borrowed adjustment' in several respects.

Having thus diagnosed adjustment as non-formal, thwarted, short-sighted and borrowed, the authors go on to set out a number of recommendations for reforming adjustment aid, leaving aside those which relate to programme guidelines.

Towards a reform of conditionality

The crisis in conditionality lies largely in a mutual loss of confidence between the developing countries and the donors and lenders, and this is why it is difficult to overcome. Suggestions for reforming it set out to avoid false pretences and ensure that adjustment programmes really are the concern of the countries themselves.

The conditions attached to adjustment aid should be less rigid and more demanding than at present. They should no longer be based on specific measures, such as devaluation, raising the prices of certain goods, or changes in particular categories of tax revenue or public expenditure. Adjustment aid should go hand in hand with an economic policy programme defined by the country. The amount given should be reviewed each year depending on the policy actually followed and the aggregate results achieved as assessed *ex post* by the donors and lenders.

Attaching conditions to a programme in this way would mean that adjustment aid (or counterpart funds) would no longer be allocated to any particular item of expenditure. Allocating aid in this way, which at the moment is clearly just a stopgap, for want of any better approach to conditionality, is a sign of distrust in the ability of the states to carry out the fiscal policy they have defined and it creates rigidity in the expenditure structure, which makes it difficult to adapt it to developments in the economic situation.

This new pattern of conditionality would obviate abrupt breaks between the ACP States and the international community (or the policy of all or nothing) which in past years were a source of macroeconomic instability in the ACP countries. It would be consistent with the desire of the international community to see the ACP States becoming more democratic. It is in fact extraordinary that in countries which are busy equipping themselves with democratic institutions, almost every aspect of economic policy is decided through negotiations with the representatives of international institutions and bilateral donors and lenders. The democratisation of these countries only enhances the need to internalise their adjustment policies. ■ P.G. and S. G.-J.

International Conference in the Hague

Rwanda: the new European commitment

The 'International Conference on Rwanda in its regional context', held on 16 and 17 September in The Hague (Netherlands), was the first high level meeting on this country since the start of the most recent crisis. In the unfolding tragedy that is Rwanda, unspeakable horrors have been visited upon the population and continue to be experienced by those who become refugees. The trauma of having loved ones snatched away, or daily staring death in the face, mingles with the fear of reprisals which is felt by the guilty and innocent alike.

Organised by the North-South Centre (Lisbon, Portugal) and the National Committee for Development Education (Amsterdam, The Netherlands), under the patronage of the Council of Europe and the Organisation of African Unity (OAU), the Conference brought together politicians, NGO representatives, researchers and witnesses to the tragedy. The person whose arrival was most eagerly awaited was the new President of Rwanda, on his first visit abroad.

Following the initial 'paralysis' induced by the revelations about events in Rwanda, there was a need to pick up the threads quickly. The events were so harrowing to all who witnessed them, whether close at hand or from a safe distance, that many must have wondered how they would have reacted if they had been caught up on one or other side (if indeed, there are only two sides). Above all, why had such a terrible situation arisen?

The fact that the Hague Conference was organised by two study centres from countries which have never been involved in the history of Rwanda (Portugal and The Netherlands) helped to give the event the stamp of neutrality which was essential to its effective functioning. During the initial plenary session,

speeches were delivered by Rwandan President, Pasteur Bizimungu (who was accompanied by three of his government ministers), as well as by ministers of the former government which has been accused of involvement in the tragic events. A representative of the Twa community, known as the Pygmies of Rwanda, who are very much in the minority compared to the Hutu and Tutsi, was also present. In his speech, he demanded protection for the Twa people, stressing the fact that his community had suffered most in the massacres of spring 1994 (20 000 out of a total Twa population of 29 000 are thought to have perished).

In addition to hearing from prominent Rwandans, the conference was addressed by the Dutch Foreign Minister (Hans Van Mierlo), who opened the session, his ministerial colleague in charge of cooperation and development (Jan Pronk), the Secretary-General of the Council of Europe (Daniel Raschys), the Foreign Minister of Tunisia (Habib Ben Yahia) on behalf of the President-in-office of the OAU, the President of Tunisia (Zine El Abidine Ben Ali), the Director-General responsible for international relations at the European Commission (Ivo Dubois), the Deputy Secretary-General of the United Nations who heads the Economic Commission for Africa (Layashi Yaker) and many other prominent people.

The plenary session was followed by three workshops on the following subjects:

- Building confidence and working towards reconciliation in Rwanda: democracy and the protection of the rights of the individual;
- Rehabilitation strategy and preventive diplomacy in a regional context;

— Images of Africa: public awareness, education and information.

As well as the prominent people already mentioned, members of European and African governments and representatives of many international bodies, including the United Nations, the Red Cross, the EU institutions and non-governmental organisations, also participated in the working sessions.

For a new Europe-Africa partnership

The resolutions, drawn up on the basis of the workshops and the forum of governments and NGOs held at the end of the Conference, took the form of an appeal in favour of continuous support from the international community for the Rwandan refugees and displaced persons within the country, on the one hand, and the effective establishment of an international tribunal to bring to trial the perpetrators of what the participants consider to be a planned genocide, on the other. To do this, the final press release considers the organisation of an international conference of the United Nations, the OAU, inter-governmental organisations and NGOs on humanitarian aid to be a matter of urgency. It invites these bodies to support the efforts of the new Rwandan government to forestall acts of vengeance and reprisals, and also to provide appropriate aid for the rehabilitation of the country, stressing the special needs, such as 'professionalisation' of the local press, to prevent excesses similar to those of the former Radio des Mille Collines, accused of having encouraged the massacres. In exchange for this support, the new leaders of the country should undertake to respect the principles of democracy, human rights and those of the press, and to promote



Kigali in 1984.
Almost a picture of paradise lost

reconciliation and dialogue. To ensure lasting peace, the Conference also calls for financial and material aid for Rwanda and its neighbouring countries and the establishment of a 'long-term observatory' to forestall conflicts, together with limitation and transparent control of arms supplies to the countries of the region. And, to conclude, the Conference urges strengthening of the structures of the OAU, especially the African Commission on Human Rights and the Rights of Peoples, and the creation of an African Court to ensure respect for these rights. This appeal to the international community is addressed more specifically to the European Union, the Council of Europe and the OAU, in respect of the urgent definition of a true partnership between Europe and Africa, based on equity and aiming for lasting socio-economic development.

European Commission, supportive, but cautious

Already, prior to the Conference of The Hague, one of the European institutions, the European Parliament, had taken the initiative of sending an important mission to Rwanda, from 21 to 31 July, led by Lord Plumb, Co-President of the ACP-EU Joint Assembly. On their return, its members presented their preliminary conclusions to the Council of the European Union. They recommended recognition by the countries of the Union of the new Rwandan government and called for

significant Community aid in many fields, such as technical assistance for the judicial system, government administration, the banking system and the police force. They also requested significant aid for rehabilitation of infrastructures, as well as medical assistance and food aid, for both the refugees outside the country and the local population. They advised that the European Community Humanitarian Office (ECHO) should be sent to the spot as a matter of urgency to coordinate the activity of NGOs. These recommendations by participants in the mission were taken up in the form of a resolution, on 15 September, the eve of the International Conference on Rwanda, by the Parliament meeting in plenary session in Brussels.

The European Parliament mission was followed by another by the 'troika' (the three Ministers for Foreign Affairs, of the country holding the rotating presidency of the European Union, the country preceding it and the country which is to take the next turn) from 28 August to 3 September to Rwanda and neighbouring countries.

Following this mission, the European Commission decided to grant humanitarian aid of ECU 5 million to Rwanda, which is to be used primarily in the electricity and water distribution sector. ECHO has already allocated ECU 200 million to the victims of the Rwandan and Burundian crisis since October 1993, to which are added ECU 60 million in food aid. The European Commission is currently

examining a plan for ECU 100 million for a programme to rehabilitate the Rwandan economy. It also declares itself to be ready, in liaison with the Member States of the Union, to give assistance in setting up an International Tribunal to judge the serious crimes committed in the spring of 1994.

But the promises made by the European Commission representative in The Hague were made on the basis of the 'good democratic intentions' shown by the new Rwandan government. He specified that this 'consideration is not exclusive of a certain vigilance as to the legal guarantees offered to the population'. There are worrying reports, drawn up recently by human rights organisations, of bloody revenge perpetrated by partisans of the new Rwandan regime. It is true that these are not believed to be on anything like the same scale as the earlier mass killings, but the international solidarity from which the new regime benefits could well be undermined, if it does not manage to control the situation and keep to its promises. On the other hand, the claims of people close to the former government about the formation of a guerilla movement aimed at destabilising the Kigali authorities, strengthen the argument of delegates to the Hague Conference concerning the urgency of involvement by the international community in order to avoid a repeat of the horror. ■

Hégel Goutier

Collaboration between banks in Portuguese-speaking countries

by Dr Luís Ritto*

In December 1990, a group of savings and development banks from the world's Portuguese-speaking countries and territories (including Angola, Mozambique, Cape Verde, Guinea-Bissau, São Tomé & Príncipe and Portugal) founded the 'Grupo de Cooperação de Língua Portuguesa' (GCLP). The objective of the association is to encourage collaboration among the institutions concerned, with a focus, among other things, on helping the African banks to reform their financial systems in accordance with modern international standards of operation, and to adapt to prevailing market conditions.

This initiative has resulted in a number of specific actions in favour of African savings banks, carried out under the aegis of Portugal's largest savings and credit institution, the *Caixa Geral de Depósitos*. Thus, for example, 40 head-office and branch managers of the *Banco Popular de Desenvolvimento de Moçambique* are undergoing a training programme which began in 1991 and is due to be completed at the end of this year. The final stage will be a course in Lisbon for the 'top ten' managers identified on the programme. The *Caixa Económica de Cabo Verde* has also received technical and training assistance including considerable legal support and help in diversifying the range of financial products available, while the *Caixa Popular de São Tomé & Príncipe* has benefited from a training programme as well as technical assistance in modernising its statutes and services.

In addition to these main programmes, a number of other projects have been developed by Portuguese savings

banks in Angola and Guinea-Bissau. These cover such diverse fields as institutional reform, legal and training assistance and the design of financial instruments for the private sector (especially geared to small and medium-sized enterprises).

At a general meeting of all GCLP institutions held in Lisbon in May, the African banks praised the 'tailor-made' assistance they had received from their Portuguese counterparts. They also stressed a desire for the example to be followed by other EU Member States. There is a distinct shortage of banks operating efficiently in sub-Saharan Africa, especially when it comes to attracting the savings of ordinary people for on-lending to investment (as opposed to commercial) schemes. The support of the Portuguese institutions was recognised as a step in the right direction which could help African banks to become more efficient and better oriented towards the development needs of their local communities and countries.

The Lisbon meeting was attended by the author of this article (from the European Commission) and by a representative of the World Bank. The idea behind this was for participants to learn about the projects that these two organisations are developing in Africa and to examine the possibilities offered by the Commission and the Bank in helping financial institutions in Portuguese-speaking Africa to obtain technical assistance and credit lines for private-sector-oriented projects.

In fact, the African members of the GCLP have already recognised the importance of private-sector promotion for the sustainable development of their countries and they are keen to take the lead in providing support for the productive sectors of their economies. To do this,

however, they need technical and financial assistance from the EU and the World Bank. A point of particular concern that arose during the discussions was the view that the EC's 'PALOP' Regional Programme' does not fully take account of their needs. In addition, at this stage the indicative programmes of most countries under Lomé IV's first financial protocol are almost fully utilised, obliging them, until new indicative programmes are approved, to look for alternative sources of funding.



Mr Guimarães of Portugal's Caixa Geral de Depósitos chairs one of the sessions at the GCLP general meeting. He is flanked by the author (Dr Luís Ritto) and by Mrs H. Cordeiro of the World Bank

On the latter subject, the GCLP members decided to continue their discussions with the European Commission and other international donors. For this purpose, new meetings of the GCLP group with the European Commission were set up for Cape Verde in September 1994 and Angola in January 1995. The hope is that, in the meantime, the different governments of Portuguese-speaking Africa will have been sensitised to the needs of their banking and private sectors and that this will be reflected in the forthcoming PALOP regional and country programmes, to be negotiated with the European Commission during 1995. ■

L.R.

* Head of the industrial cooperation, private investment and enterprises unit in the Development Directorate-General of the European Commission.

The OECS: making 'small is beautiful' come true

An interview with OECS

Director-General, Dr Vaughan Lewis

Ask any politician in the smaller Caribbean island states what is the most effective regional organisation and you will discover that, without hesitation, they all mention the OECS. The Organisation of Eastern Caribbean States certainly seems to live up to Schumacher's famous adage that 'small is beautiful'. Set up under the 1981 Treaty of Basseterre, its membership today consists of eight small island states and territories — Antigua & Barbuda, the British Virgin Islands, Dominica, Grenada, Montserrat, St Kitts & Nevis, St Lucia and St Vincent & the Grenadines. Over the past 13 years it has succeeded in forming a solid¹ and active sub-region within the wider Caribbean. Dr Lewis from St Lucia has been the widely respected Director-General of this body since 1982. In an interview with *The Courier* at his headquarters near Castries, he puts into perspective the many challenges which have suddenly emerged to confront the OECS Member States. Political union may be off the agenda for the time being but, in his view, enhanced domestic harmonisation, going hand in hand with closer cooperation in the international arena, are vital for survival at a time when protection has fallen away.

■ *Dr. Lewis, most politicians here seem to agree that, among all the Caribbean regional organisations, the OECS is one of the most effective. What are the specific reasons behind the relative success of OECS regional integration? Is it because the countries are smaller, because they are more or less at the same level, that they find it easier to work together or what?*

— Well, part of it has to do with the fact that the OECS was founded on the basis of a certain defensiveness, if I can put it that way. It was organised originally as the West Indies Associated States Council of Ministers after the Federation of 1958 was dissolved. The dissolution of that Federation left us with a number of functional organisations, in particular our Supreme Court, our monetary system — what was then the Eastern Caribbean Currency Authority — which included Barbados, and the Directorate of Civil Aviation, which is responsible for the management of civil aviation, telecommunications and navigation activities in

the region. When the Federation broke up, and as the other countries — Barbados in particular — became independent, it was necessary to hold together the assets which I have just mentioned. And so, in a sense, the foundations of the OECS are our bank, our judicial system and our Directorate of Civil Aviation to which, over the years we have added a number of other institutions. In addition, it was necessary to preserve our external economic relations system, particularly the protection of our agricultural commodities — sugar and then bananas. To do this, we established a number of trade commissionerships. When the OECS was formally established, these became high commissionerships — in other words, we established embassies in the UK and Canada, countries with which we had a preferential relationship at the time.

We also had to try to ensure that we had some counterbalance to the larger Caribbean countries. Once the Caribbean Free Trade Area had been formed, our governments felt it necessary to organise the Eastern Caribbean Common Market system. This was in order to protect the interests of what were then seen as the less-developed countries of the English speaking Caribbean and to strengthen our



capacity to operate within CARICOM. It was a way of giving us viability within the larger system.

From that essentially defensive starting point, and particularly since the organisation of the OECS in 1981, we have moved towards a more positive, activist approach. We have substantially widened the sphere of functional cooperation in areas such as education, health, fisheries, export development and agricultural diversification. And we have also given ourselves a more significant profile in international relations. The West Indies Associated States Council of Ministers, the institution that was the forerunner to the OECS, did not have international personality but the OECS does. The governments found it necessary to give greater prominence to the sphere of external economic relations. This, of course, was reinforced when we joined the ACP Group. The OECS secretariat had the job of dealing with the regional allocations under the various Lomé Conventions. And we are taking a very active role in that today. We have projects under Lomé relating, in particular, to export development, agriculture and education. So the OECS has moved from a defensive to a more active stance.

Finally, I agree that the fact we are smaller, and have a greater sense of cohesion than one might expect in a larger grouping, gives us some degree of strength. Unlike CARICOM, the OECS has a strong political component. It is not a system based on political integration or unification, but there is a certain basis of

¹ This interview took place in July, thus before «the LIAT affair» (see the interview with Prime Minister J. Mitchell, p. 45) provoked rather marked disagreements between some Member States of the OECS.

political understanding that underpins the organisation and allows us to function perhaps in a more direct way than some other regional organisations.

■ *One of the weaknesses of CARICOM that is frequently identified is the difficulty in translating political decisions into concrete action. It appears that the OECS suffers less from this problem than the larger organisations.*

— Of course, that difficulty faces all regional organisations to some extent but I think perhaps the difference in our case, which has meant that it is less of a problem, is that in the areas of functional cooperation that we deal with, the governments have felt that there was more at stake. There was a very direct interest in working together to acquire new assets or to preserve those that we had. There was more at stake for us, for example, in trying to undertake major education projects under the Lomé Convention. The same is true of export development. We do not have the substantial infrastructure for promoting investment and exports that the larger Caribbean countries have. So there was a greater material interest in ensuring that we could undertake something on a regional basis that worked. It was a question of ensuring our viability. To illustrate the point, our Export Development Agency is currently staging an exhibition in Grenada entitled OECS EXPO-1994. This is designed to demonstrate what the OECS can do collectively, what volumes it can produce, the quality of the goods on offer and so on.

■ *Continuing on this theme of translating good intentions into deeds, what are your views on the fate of the famous cruiseship tax? It was agreed by everyone but it appears that only St Lucia implemented it. That doesn't seem to be a very good advertisement for Caribbean solidarity.*

— As I said, that sort of thing is not peculiar in economic integration systems. Countries break ranks and are more prone to do so at a time like this when they are searching for new business and struggling to adapt their structures.

Having said that, there is a belief that, in the longer term, revenue has to be generated to help repay the loans that have been taken out for investment in tourism facilities (notably the ports) and to protect the marine environment, which is our key tourism asset. It is only right that the resources should come from the enterprises which benefit from these assets. It is not yet clear that all the cruiseship companies understand this. But we believe that progress is being made and that we will eventually find common ground as to what should be expected of the industry. The OECS countries are currently discussing a project with the World Bank on solid waste management, which relates to the disposal of cruiseship wastes. We don't want our Caribbean Sea to end up like the Mediterranean. A project like this, which would involve a contribution from the cruise companies, makes great sense and I think they will come to understand the importance of what we are trying to do.

■ *You stressed earlier the political role of the OECS. Is political union, as such, still an official objective?*

— We may as well speak frankly. I think that political union has run aground to some extent. Many people, myself included, felt that there was a window of opportunity in the 1980s for closer integration. We went through a process of in-depth consultation, in particular through the so-called regional constituent assemblies which were composed of all the interest groups and political parties in our sub-region. Although we pushed it fairly hard, I think some of the momentum was lost when we reached the point of having to stage referendums. Referendums are a good thing in democratic systems but they can also pose problems, as you know only too well in Europe. Our political leadership came to realise the difficulties involved, particularly given the form of political organisation that we currently have. There would have to be a referendum in each country for the people to decide whether they wanted political integration. There would also need to be a referendum to decide on the nature of the new constitution. Each element would have to be approved — by a weighted majority of

two-thirds, three-fifths or three-quarters in both houses (House of Assembly and Senate) of every national parliament before the process was completed. With so many elements in our constitutions needing to be changed in order to achieve unification, the process was bound to be extremely prolonged and I think this caused some of the political leadership to hesitate. There was also the fact, of course, that with six to eight countries involved, there was always an election coming up in one or other of them. As you know, elections get top priority in democratic systems and political union ended up on the back-burner.

■ *You seem to be talking here of a top-down process. Isn't political union a subject that should be driven from the bottom-up?*

— That isn't really the way it happened. The first initiative taken by the countries was the establishment of the regional constituent assemblies — there were four, one in each of the Windward Islands — but that was preceded by a series of consultations on the issue in the various countries. And the assemblies brought together all the interest groups as well as the political parties. They were given free reign and their proceedings were broadcast on television for a whole week.

■ *Now you seem to be talking about the four Windward Islands and not the OECS as a whole.*

— That is because there was a point at which Antigua and St Kitts decided that they could not go forward with political union and the four Windward Islands chose to take it further. There was a certain logic in that — they were all islands that were deeply concerned about the future of the banana industry which largely dominates their economies. What I would say is this: There is still a realisation that it is only through some form of closer integration and policy harmonisation that we can create a viable basis for economic activity in the modern world, particularly given the changes in the international environment. The approach governments are now taking is to place more emphasis on achieving what is called the OECS single market. In other words to rid the sub-region of the remaining tariff and non-

tariff barriers, to allow greater freedom of movement of people and to create a system including, for example, a stock exchange, which will allow for the free movement of capital.

■ *In other words, along the lines being followed by the European Union, although you already have a common currency.*

— Yes. The slight difference is that we have a common currency and that has enabled us to take initiatives in respect of the banking system for example; a home mortgage banking system throughout the area. It also further enhances the possibilities for free movement of capital and allows us to move on to establishing a stock exchange. These are the kinds of issues that are being emphasised, although there is also the perception that to pursue them effectively we need a greater degree of policy harmonisation and political commitment.

■ *What do you say to the criticism, often voiced by politicians in the smaller islands, that the burden of servicing all the regional and international organisations they belong to is too heavy? After all, in addition to the OECS, you also have CARICOM, the ACS, the OAS and indeed the ACP Group. Very often, it is the same problems that are discussed in all these groupings and it is only the number of participants that varies.*

— It is certainly true that the limited human and financial resources at our disposal do not allow for very active participation in the various regional institutions, not to mention international bodies, to which we are committed. Nonetheless, I think there is the feeling that a number of them — certainly the OECS, CARICOM and the Commonwealth — are crucial to our viability and to our activity in international affairs.

There is also a degree of uncertainty stemming from the fact that we are having to prepare for a kind of economic adjustment. We have the development of the European single market, the changes that are taking place in the banana industry, the establishment of NAFTA and the general liberalisation of trade to contend with. We are witnessing the removal of the protectionism under which we have functioned for so many

years. It is understood that we have to prepare for that and there is a view that resources have to be conserved for investment in activities related to economic adjustment, without our having to borrow too extensively. And so I think our countries are beginning to look again at the kinds of institutions that they ought to belong to. Priority is given to the regional institutions but, at the same time, it is understood that we derive benefits from organisations like the Commonwealth, and that we need to preserve our membership of them. There are institutions now coming on to the scene like the proposed Association of Caribbean States which the governments are looking at closely. There are institutions like SAILOR, the Latin American Economic System. Most OECS countries are not members of this but we obviously have some interest in the wider sphere of Latin American cooperation.

It is clearly the case that many countries have difficulties in functioning effectively in all the different organisations. They have to decide which ones should be given priority — and I think it is fair to say that the OECS ranks quite highly, especially if one looks at it in terms of the personnel they allow us to have.

■ *Looking at it from the level of the OECS sub-region, are you going to be able to survive in the changing global environment without some form of protection? One hears from many quarters, for example, that the private sector, with its mercantile as opposed to production-oriented mentality, is lacking in entrepreneurship and is not geared towards taking risks.*

— In a sense, the changes that are happening have come upon us quite suddenly. The OECS countries have never really had a substantial manufacturing system. We did start, within the framework of CARICOM, on some forms of industrial development, mainly with a view to exporting to the larger CARICOM states. Up until the early 1980s, that process was going quite well. Countries like Antigua, St Kitts and St Lucia, for example, began to develop an industrial infrastructure and to export goods to Trinidad, Jamaica and, to a lesser extent, Barbados.

Then the economies of the larger countries — Trinidad, Jamaica and Guyana — went into decline and the markets started to disappear. There were two reasons for this. First, in order to protect themselves, some of the larger countries put up protective barriers — quotas, licensing systems and so on. Second, they simply did not have the resources to purchase the goods. And so the whole basis on which CARICOM was built as far as we were concerned, which was to provide a market for our exports, while the larger countries themselves increasingly exported to the rest of the world, began to disappear in the 1980s. And the infrastructure for industrialisation that we had begun to develop was damaged in the process. That set us back and left us unprepared for the largely unforeseen events of more recent times — that is to say, the substantial liberalisation of international economic relations. Whether we like it or not, that process is going ahead, particularly here in the western hemisphere. We see it in the NAFTA agreement between the USA, Canada and Mexico, and it is happening increasingly in South America as well. America is effectively forcing our own protective systems out of existence. As you know, the tariffs in CARICOM are progressively being reduced. And we are doing this at a time when the circumstances are not particularly favourable to us — when our agricultural commodities, which have always had international or, to be more accurate, 'metropolitan' protection, are themselves under attack. So the climate in general is not very good for the kind of economic adjustment that we, and in particular our private sectors, need to undertake to survive in the future. This has inevitably caused anxiety but I think there is a realisation that the progressive liberalisation of global economic relations is inevitable, that that process obviously includes the Caribbean, and that we will therefore have to find a way of dealing with it.

■ *Time and again in the Caribbean you seem to stumble upon the problem of management at all levels. With this in mind, what are your feelings about the banana industry and about its prospects for survival in a commercial setting?*

— What the governments have tried to do here is to tackle a future problem before it actually arises. Earlier discussions about the management and commercialisation of the banana industry really began in anticipation of the changes brought about by the European Single Market. I believe that there is sufficient capacity within the Windward Islands and certainly within the wider Caribbean for the proper commercial management of the banana industry. The people of the Windward Islands have tremendous experience in bananas and I am sure that we have a sufficient human resource base to manage the industry. The key thing is to put greater emphasis on the commercial environment — the importance of the market in determining policy. Up to now, the preferential system has been the key policy determinant but that has now to be adjusted. In some respects, the industry's main problem is not the commercial management or marketing aspect, although that needs to be dealt with, but rather the domestic management. To some extent, the banana sector suffers from the same problem that affects all other industries and systems in these islands, namely the shortage of capable middle management. This is a crucial element in keeping the systems running. Some emphasis is being put on that now in the OECS generally in our educational systems. Of course, there also has to be a proper understanding of what the international market requires. For many years we have been operating, not just under commercial protection, but also under a form of institutionalised British protection. Now it is recognised that, with increasing liberalisation, we need independent producers to have a more profound understanding of the commercial aspects. Our market is no longer restricted to the UK — it is Europe as well — and that means we need a greater degree of participation in the marketing and promotion of our bananas, and even in the shipping arrangements. Discussions about this are currently under way. We need to develop new skills in this area because, even though the industry is nearly 50 years old, we have never really been involved in the international marketing side of it.

■ *To conclude, how optimistic are you about the future of the region, given what you say about the ending of the benefits of the protectionist era?*

— I believe there are substantial problems ahead of us. These are both domestic and, of course, international in character. The fact that our economies have always been open means that all the trends in the international economic arena have a speedy impact on our domestic systems. Although we have had formal protection in certain sectors, overall our economies feel the effects of changes in the international system very quickly. But we have not developed the instruments for dealing with the international economy. As I said earlier, we have relied

governments need to concentrate on right now.

They also need to focus on closer harmonisation at the domestic level, particularly in the areas of monetary and general macro-economic policy. When we were colonies, we had a greater degree of macro-economic harmony — because the British ran us — than we have today. We need to work together to build up our capacity to supply quality products in sufficient volume. That means, for example, coordinating the development of our human resource base. We need a greater emphasis on creating region-wide companies producing goods of a consistent high standard, so that we can make our impact on the international system.



The Courier

on the institutional protection of the United Kingdom but that has now gone and we need to develop our own instruments instead. What this points to, of course, is a greater degree of collaboration. I say this particularly for the OECS but I believe it is important for CARICOM as well.

There must be closer collaboration between countries in the whole business of international negotiations, international marketing, international exports and international investment. We need to have a more collective use of the human resources at our disposal and this is hard to organise. The countries are sovereign. They believe themselves to have particular interests which need protection. But more and more we find, as we are confronted with NAFTA, the European single market and so on, that the problems facing us are largely the same ones. So I think a greater degree of collaboration in the international sphere is what our

The headquarters of the OECS Secretariat near Castries, the capital of St Lucia

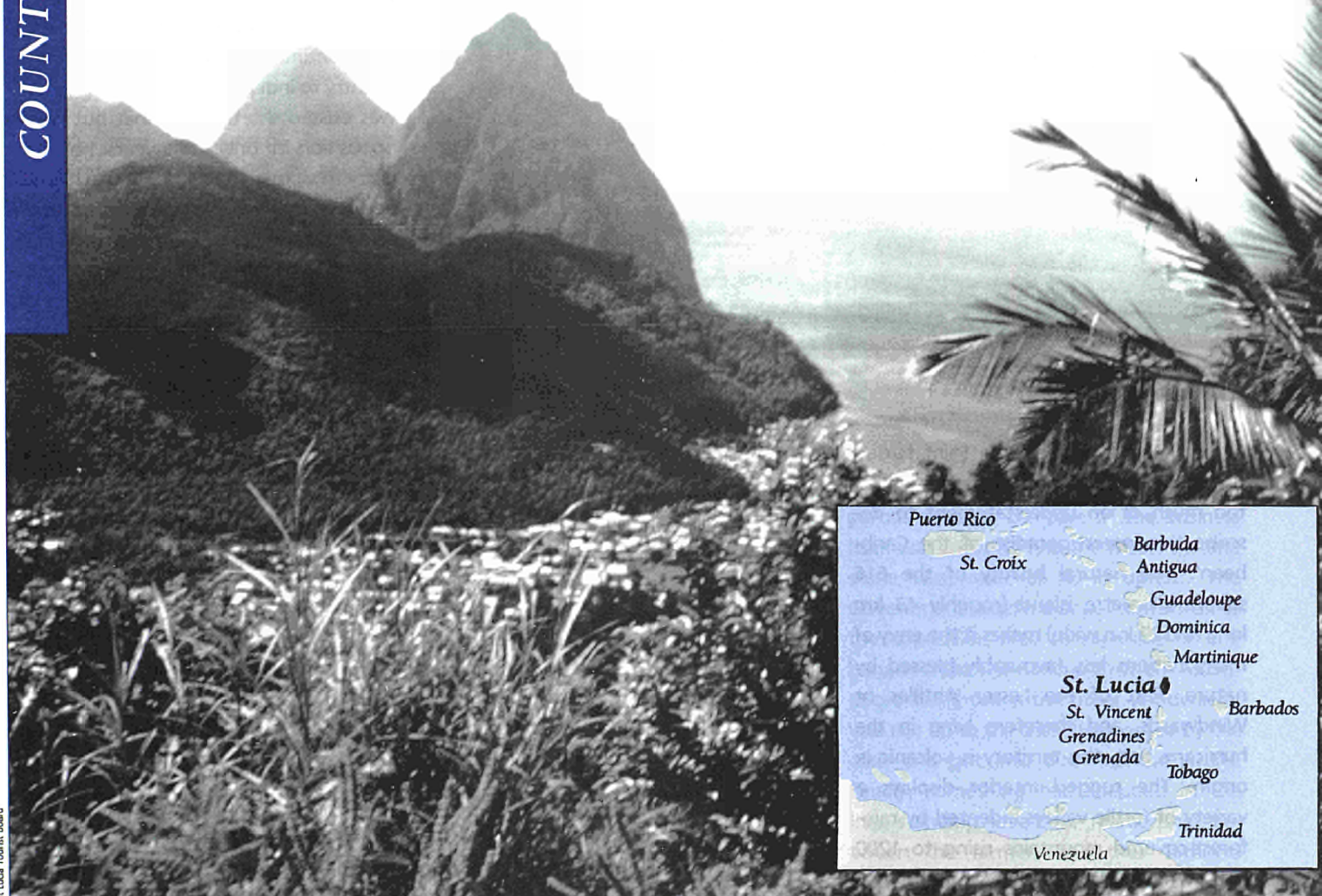
The challenge is, therefore, two-fold: domestic harmonisation and working much more closely together in the international sphere. I believe those two approaches should take us through the foreseeable future. Our problem today is in finding ways to create institutions that will allow us to achieve this. There is a sense that our established integration systems are not completely up to the task. They have not moved with developments in the international economy. That was something that emerged from the report of the West Indian Commission with which you may be familiar.

So we need new instruments. What I am not sure about is whether our governments have come to terms with what is required to create these new instruments and to have them work properly. ■

Interview by Roger De Backer

Saint Lucia

Weathering the economic storm



St. Lucia Tourist Board

There is no doubt about it. Saint Lucia's ship of state is riding rough seas. The hitherto dominant crop, bananas, has been suffering strong 'adverse winds'. First of all, there was what is commonly known here as '404/93', the EU's much-debated new banana market regulation, which came into force — after a long period of uncertainty among growers — on 1 July 1993. Perhaps even more strongly felt was the big drop in the value of the pound sterling, the currency in which Saint Lucia's 'green gold' is paid for. Compounded, these 'adverse winds' led to heavy turbulence, with a banana growers' strike in October 1993, riots — and two deaths. This year, as one of the worst droughts for years has hit production, a new contract with the formerly exclusive banana marketer, Geest, needs to be agreed — and this in a more tense and uncertain climate than ever known before in 40 years of banana partnership. Fortunately tourism has offset some of the banana sector's setbacks, becoming the top foreign-exchange earner. Yet here, too, there is an ongoing debate, not just about certain sectoral aspects such as taxes on cruise ships or the fast rising predominance of the so-called 'all-inclusive' type of accommodation, but over the sector's real contribution to the wider economy: the banana dollar, unlike any other, trickles down throughout society. While there is no real alternative for bananas, a new course is definitely being set bound for agricultural diversification, with a view also to boosting linkages with tourism. At the same time, the new international banana scene calls for a major quality/productivity drive, weeding out inefficient growers and aiming to make Saint Lucia a cost-effective producer up to and beyond the turn of the century.

The seas off Saint Lucia's coasts are seemingly rougher too, as major economic blocs are forming all around. Small island states such as the Windwards, to which Saint Lucia belongs, increasingly share a feeling of being 'marginalised'. Since the end of the Cold War, they feel to be of little strategic or political importance, even less so in an economic sense, given the small size of their markets. Usually a strong and resilient economy, enjoying democratic political stability and good governance, Saint Lucia seems likely nevertheless to weather the storm and to set out on a new and challenging course. If its high per capita concentration of Nobel prizes — *Sir Arthur Lewis* in economics and *Derek Walcott* in literature — is anything to go by, any failure in adjusting to new, less-protected realities will not be attributable to a lack of human capacity. In any case, there is no alternative. For, as the 'ship's captain', Prime Minister *John Compton*, observes, 'there can be no taking to the boats!'

The field mission to prepare this country report was carried out in July 1994. All data and comments from local authorities therefore date from well before the 9 September 1994 tropical storm which devastated an estimated 60-70% of St Lucia's banana production. The following series of articles, having already gone to press, therefore does not cover these unfortunate events or their consequences.



St Lucia Tourism Board

'Simply beautiful'

In all its simplicity, Saint Lucia's current tourism promotion slogan may be too much of an understatement to describe this 'green paradise of the Caribbean'. The natural beauty of the 616 square kilometre island (roughly 43 km long and 22 km wide) makes it the envy of many nations less favourably blessed by nature. Part of the Lesser Antilles or Windwards, and therefore lying in the hurricane belt, the territory is volcanic in origin. The rugged interior displays a variety of fertile valleys indented by rain-forest-covered mountains rising to 1200 metres high. Most famous of all are the twin Pitons, a couple of 800m-high extinct volcano chimneys, descending steeply into the Caribbean sea, where underwater too they offer first-class scenic sights to scuba divers. The island is also endowed with some beautiful white sand beaches — a major tourist asset that not all islands in this area can boast.

Both fertile and attractive, the island has, throughout its history, been the focus of many a sea-faring nation. It was first settled by Arawac Indians originating from the Amazon basin, but by the 13th century more belligerent Carib Indians had taken control. There may still be room for discussion as to whether Columbus was really the first European to spot these islands, but it is nevertheless still claimed that the godfather of globetrotters named the island after Santa Lucia, having sighted it on her Saint's day (13 December) in 1502, during his fourth voyage of discovery. Like

A view of downtown Castries, St Lucia's capital, with Point Seraphine, a cruise ship berthing facility, to the left

most of its Caribbean neighbours, the island was coveted by a range of European nations and many a battle was fought over its much disputed ownership. It changed hands most frequently between France and England, as is still very obvious today. Indeed, as one drives on the left throughout the island, the majority of place names are found to be French and, while English is the official language of the 140 000 inhabitants, they will usually communicate in Patois, a creole mixture of French, English and African languages fairly close to the one used in nearby Dominica. More than half of the population is younger than 15 years old, which poses the dual challenge of meeting the pressing needs for education and training as well as creating much needed job opportunities for several thousand school leavers every year, which if anything is even more difficult.

Politically speaking, Saint Lucia is a parliamentary democracy on the Westminster model. The last elections were held in April 1992 and confirmed the United Workers Party in power with 11 seats (+1) against the 6 seats (-1) of the opposition St Lucia Labour Party led by *Julian Hunt*. The Progressive Labour Party failed for the third consecutive time to win a seat. The UWP was led once more to victory by Prime Minister *John Compton*, who has been in power without interruption since 1982. In fact the PM belongs to that handful of Caribbean leaders who have

been very prominent both in their country's and in their region's affairs over the past few decades. Indeed, the 68-year-old John Compton first came to power in the colonial days, initially as Chief Minister in 1964 and then as Premier. He held the top post continuously for 15 years, leading his country to independence in 1979. His UWP was ousted shortly after that but was in opposition for only three years. He led his party to victory again in 1982 and has held power ever since. Even at times of serious economic and consequently political crisis, such as during the banana strike of October 1993 — from which the Opposition obviously tried to benefit — his political skills have proved more than a match for his rivals, and he now seems more than ever set to steer his country back into calmer waters.

A juddering engine

In normal times, Saint Lucia has a strong, resilient economy, and even when things go 'bad' it is still relatively well off. It suffices to look at the figures. Between 1975 and 1992, Saint Lucia's real GDP growth rate averaged about 6%. Last year's growth of just 3.1% may look poor in comparison but in fact, at a time of worldwide economic recession from which few nations escaped, such a performance was still more than commendable.

This year, in the view of Mrs *Marcia Philbert-Jules*, the Planning Ministry's Chief Economist, 'the expected banana shock is really taking its toll... and although the general mood is improving we are still feeling the pinch.' Indeed, the banana sector is still so predominant that, in the context of overall consumer patterns, any decline in the sector there sends shockwaves through the island's economy.

At the risk of oversimplifying, the Saint Lucian economy could be compared to a turbo diesel engine upon which the whole country thrives. To complete this motoring image, bananas would be the basic fuel while tourism has really become the turbo. Without bananas the engine would stop; tourism provides that extra boost, particularly when bananas face hard times. But let there be no doubt about it. However powerful the turbo — and tourism has become the main foreign exchange earner — no Saint Lucian 'driver'

will underestimate the role of the basic fuel, bananas. Yet at times the engine judders. Dirt in the fuel?

The image is obviously too simple, as it neglects a number of other economic sectors' contribution to growth, but it is nevertheless valid given the predominance of the banana-tourism tandem. Hence the concern to lessen dependence on it, primarily by pushing agricultural diversification.

The 'dirt' in the fuel has had a dual, interacting cause. First, there was the above-mentioned Regulation 404/93 which reorganised the EU banana market. It entered into force — at last — on 1 July 1993. One should stress the 'at last' because, for several years prior to that, so many battles were fought over it and so much uncertainty was cast over the future of the banana industry that thousands of farmers became overly concerned about their main source of income. And indeed, the new market rules did put producer prices under pressure. Second, and perhaps felt far more strongly and directly in the farmers' pockets, there was the steep depreciation of the pound sterling against the Eastern Caribbean dollar. Add to this shortages of fertilisers and other inputs, and a fairly dry season in the first half of 1993, and you end up with a cocktail of 'dirt' sufficient to make any mechanic worry over the extent of his engine's

The banana sector faces two major challenges: to improve quality and to raise productivity



The Courier

juddering, whether he can get it running properly again and, if so, how.

Banana 'split'?

Whereas bananas have always been part and parcel of St Lucians' diet, it was really only at the start of the 1950s that the banana trade started developing, thanks mainly to a 15-year contract with a UK company that was to buy all Windward bananas. Since then, bananas have rapidly become a key feature in determining not just the economic but also the social and political fate of Grenada, Dominica, Saint Vincent and the Grenadines, and Saint Lucia.

Saint Lucia is the biggest producer and exporter of the four Windwards, and it must be said that when the engine started juddering, even though the hiccoughs were as painfully felt by farmers in each island, it was here that they voiced their complaints most vociferously. Blaming their own Banana Growers Association, as well as the government and the common marketing agent Geest — the three main players on the banana scene — in August 1993, a number of unhappy farmers created the so-called Banana Salvation Committee, which called for a farmers' strike and for a halt to banana harvesting. Tempers quickly rose and things got out of hand. Riots in mid-October led to the deaths of two farmers.

All in all, the combination of developments both locally and internationally on the banana scene had major negative consequences for the entire nation. Banana production and exports both fell by about 11%. Production slipped to 123 000 tons (down from 137 600 tons in 1992), of which 120 000 tons were exported (against 135 000 tons the previous year). In terms of revenue, the catastrophe was felt even more strongly. Indeed, banana receipts, usually representing about half of total exports, fell by over 25%, down from EC\$ 184 million in 1992 to a mere EC\$ 137 million. There is a maxim that when 'bananas go, everything goes' but, unfortunately, the opposite is also true, as the banana dollar trickles down throughout Saint Lucian society. The wider economy felt the shockwaves to such an extent that the mere figures, however



Ira d'Auvergne, Minister of Agriculture
'The mood in the banana industry is gradually improving again'

dramatic, do not reveal enough. Within the banana trade, after four rather prosperous decades, the core of the business itself was badly hit and the whole banana scene was, and still is, in uproar. The Government faced major political unrest as the opposition tried to capitalise on the banana crisis. The Banana Growers Association, like those in the other Windwards, was not up to the challenges posed by the crisis and got into dire financial straits. Finally, something had snapped in the long-standing love-hate relationship between the farmers and their hitherto exclusive marketing partner Geest.

To Geest or not to...

Agriculture Minister *Ira d'Auvergne* feels 'the mood in the banana industry is gradually improving again and some of the gloom cast by years of uncertainty is being dissipated.' Securing guaranteed EU market access for 127 000 tons of bananas has certainly triggered a feeling of profound relief among the 8000-10 000 farmers concerned.

This is not surprising. Regulation 404/93 was the culmination of years of lobbying and fighting with Latin American banana-producing countries, their powerful backers among the US fruit multinationals and a number of reluctant EU Member States. The battleground often shifted and included such arenas as GATT panels and even the European Court of Justice, but in the end Saint Lucia, together



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Cyril Matthews, Chairman of the Interim Board of the SLBGA
'Cost-effectiveness has to be achieved throughout all stages of the banana chain'

with other traditional ACP banana suppliers, was able to secure a quota. However, the new European banana scene, now far more open to competition and far more difficult to play, owing to a complicated system of marketing licences, poses a number of tough challenges for the Windwards. They are all high-cost producers with large numbers of small-scale farmers, growing fruit of excellent taste on hardly mechanisable lands, destined for a niche market of connoisseurs. Long-term survival as banana suppliers on competitive markets will require a major quality/productivity boost in all the Windwards.

William Rapier, Chairman of Geest West Indies
'You cannot apply a spot-market approach in a long-term contract'



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Calixte George, Managing Director of the SLBGA
'...inefficient banana farmers should be encouraged to move into other crops'

The year-long uncertainty has made nerves twitchy in the banana business, and not just among farmers. Most bodies and structures concerned here came under severe pressure and some have 'cracked'. Throughout the Windwards, the Banana Growers Associations have faced and still are undergoing in-depth reorganisation. At the regional level, the old banana lobby of WINBAN has been replaced, after a long period of preparation, by a proper commercial firm, the Windward Islands Banana Development Company (WIBDECO). Jointly owned by the Windwards Governments and their respective BGAs, it is now WIBDECO that

Francis Leonce, Managing Director of Geest West Indies
'Its a damned good banana we produce here, but fewer people should produce a lot more of it'



The Courier

negotiates a new Windwards banana marketing contract — only one instead of four (one with each separate island) as before, and perhaps not just with Geest.

The long-standing partnership of more than four decades has certainly been severely rocked. At the height of the banana crisis, many a reproach was voiced against Geest, which was presumed to be suffering less, was blamed for a certain 'arrogance' stemming from its exclusive historic marketing relationship and was accused of being a high-cost operator itself.

Whereas, prior to the crisis, Geest bought its fruit exclusively from the Windwards, the UK company decided a few years ago to look to additional sources for its fruit, and consequently bought a Costa Rican plantation. This move prompted a lot of suspicion among the Windwards and William Rapier, Chairman of Geest West Indies, readily admits that Geest 'did not do the proper PR on the diversification of our sourcing, which was only meant to allow us to keep growth in our market share.' Within the Windwards, the fears were understandable, as Geest now also had a foot in the dollar banana camp. The BGAs felt it was part and parcel of Geest's 'divide and rule' policy. The growers are also convinced that 'the money is really made in the shipping and marketing', and that 'Geest is an expensive operator in those fields'. Also, as Calixte George, Managing Director of the Saint Lucia Banana Growers Association, points out, 'it was generally felt among farmers that when the exchange value of the pound sterling dropped so steeply — down from EC\$ 4.5 to a mere EC\$ 3.87 at the time of the strike — Geest, who were trading the fruit in pounds sterling, should have made a gesture by applying a reasonable rate'. Geest's response to this is that it lost money in 1993, though some critics argue that this was not due to its banana operations.

In essence, the two sides, the Windwards and Geest, are positioning themselves for tough negotiations on a new five-year banana marketing contract — 'and not just exclusively with Geest,' BGA spokesmen will always stress. Going commercial themselves through the es-

establishment of a WIBDECO branch in the UK — a move which has to be seen against the background of the new licensing system, where banana trading licences on the EU market have rapidly become very tradeable items themselves — the Windwards feel the new competitiveness required cannot just come from their side. Cyril Matthews, Chairman of the interim board of the SLBGA, stressed that 'cost-effectiveness has to be achieved throughout all stages of the banana chain.' In fact, the Windwards have closely examined all the links of the chain and remain convinced that their shipping and merchandising can be operated more cheaply. Geest, through



Farmer George Edwards, who has successfully switched to growing a variety of vegetables, now feels he is 'certainly better off than before' when he grew bananas

While Geest accepts the fact that 'there is room for changes' to their side of the operation, they are also adamant that 'the land-based activities need some thorough overhauling too.' Its spokesmen go out of their way to insist on the need for continued improvements to the quality of the fruit — determined to a large extent by the post-harvest sorting, weighing and packing — while at the same time hammering home the message of raising productivity. As Francis Leonce, Geest's Managing Director, bluntly puts it: 'It's a damned good banana we produce here, but fewer people should produce a lot more of it!'

Both Government and the SLBGA are only too aware of the need to raise yields considerably above their disappointing average of six to eight tons per acre. BGA Managing Director George stresses that 'undoubtedly the whole industry shares the same concern to see efficient farmers produce more in a more cost-effective way, which in itself means inefficient farmers should be encouraged to move into other crops.' BGA interim Chairman Matthews remains confident that 'the productivity challenge can be met, if there is a sufficiently strong price incentive.'

The negotiating positions may look very entrenched at the moment, but as the old Dutch saying goes, 'the soup is never eaten as hot as it is served'. With the long-term survival of the banana industry at stake, the Windwards and Geest will 'more than likely arrive at a compromise that is satisfactory for both sides,' feels a confident Agriculture Minister d'Auvergne. Geest is clearly willing to cut a new deal with the Windwards, hoping, as Chairman Rapier puts it, 'that in the end common sense will prevail.' Putting its 40 years of banana trading experience into perspective, it would probably also like to see more of a proper business approach in the land-based activities. Many farmers, while needing to be better informed on the real issues of the shipping and merchandising aspects of an eventual new banana contract, could become more professional banana growers rather than take their crop, and its regular income, for granted. The BGA spokesmen, building on the renewed strength that a guaranteed market offers, are as confident that the

farming community will meet the challenges of the future. 'After all, there is no way out but the way out,' stresses Chairman Matthews.

Linkages against leakages

The whole banana crisis has certainly made the need for agricultural diversification, already on the drawing board before, far more pressing. Restructuring the banana-growing community to make it more efficient implies weeding out inefficient farmers and cutting back on growing bananas on marginal land. This may be easier said than done as most farmers have become so heavily dependent on bananas. As Minister d'Auvergne describes it, it is part of their tradition and their culture. However profitable other crops may be, none offers the same dual advantage of regular cash flow and a 'secured' market-outlet. All other crops, whether vegetables, fruit or aquaculture products, will require increasingly developed managerial skills from farmers. With a higher degree of technological inputs needed, they will have to learn how to meet market demand at the right time, with the right quality and quantity. More generally, it poses Saint Lucia the challenge of identifying and conquering new niche markets when competition is already quite tough.

No one sees this diversification as a rival to the banana industry. On the contrary, most feel it should be built around and alongside it. Trying to promote a new type of high-tech farmer, able to live comfortably off his trade and with less tedious labour, is obviously part and parcel of a strategy to provide jobs for youngsters and in particular to arrest their drift to urban areas and/or tourist resorts offering more fashionable jobs.

Minister d'Auvergne, however, highlights an often overlooked factor potentially inhibiting the success of agricultural diversification. 'We face shrinking aid for agriculture in general as many donors have cut back their efforts in that field. But without aid and technology transfer in that sector, how can we develop it in a sustainable way? Our sustainable development can only be built upon our natural

and human resources, so perhaps they should give more consideration to our farmers. Anyhow, are not these the number one protectors of the environment, which in turn is so vital for our other main economic pillar, tourism?’

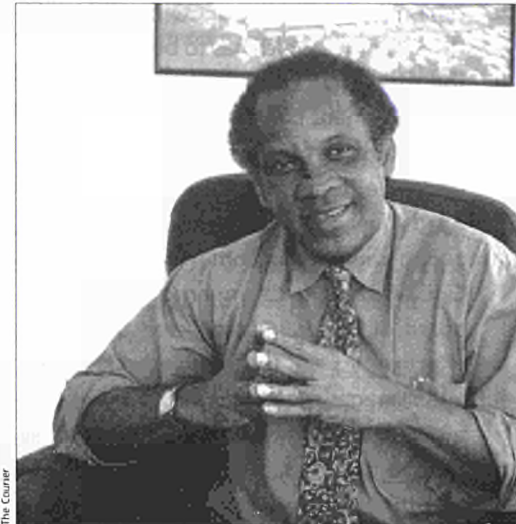
The whole agricultural diversification exercise will not only be export-oriented but will also give considerable attention to linking up with the booming tourism sector. One might well ask why pineapples, tomatoes or fruit juices, to name just a few products, must be flown in from Miami or Puerto Rico, when local produce often tastes as good, if not better. Yet again, it poses the challenge of farmers being able to manage their fruit and vegetable production, to meet the quality, quantity and timing requirements of hotels and restaurants. Those farmers that have gone into such types of diversification, away from bananas, certainly have no regrets. One of them is *Georgé Edwards*, who has successfully switched to growing a variety of vegetables and fruits such as dasheen, hot peppers, parsley, broccoli and watermelons. He agrees that his carefully maintained farm, with its own irrigation system, ‘requires more work and more proper planning than bananas’, but he continues, ‘I sell all my produce without problems to the Marketing Board and I am certainly better off than before, when I grew bananas.’

Farmers like Mr Edwards have a pilot function in highlighting the profit-

ability of the alternative to growing bananas. Within the tourism sector, there is active interest in encouraging farmers to aim at supplying the trade with local fresh quality produce. The ‘adopt-a-farmer’ programme tries to boost direct links between hotels and rural suppliers to their mutual benefit. People like *Robert Whitefield*, General Manager of the distinctive Royal St Lucian Hotel, are only too aware of their high bill for imported fruit and vegetables. ‘We have been lucky,’ he says, ‘to have been approached by an enterprising and clever lady farmer, *Madge Barnard*, who has been able to convince us, through the quality of her produce and the reliability of her supplies, that we really need not import everything. On the contrary, we are now actively pursuing local supply sources.’ Thanks to the hotel’s contract, Ms Barnard, who already employs seven people, has been able to secure a loan to build a new greenhouse, thereby allowing her to increase production and boost quality. Hotels are increasingly negotiating deals of this sort with individual farmers or farmers’ cooperatives.

At the national level too, awareness of the need to link agriculture more and more with tourism has led to this becoming a major priority. In fact, a joint agriculture-tourism mission recently went

A partial view of the distinctive Royal St Lucian, a classic EP hotel
There is much debate over the proportion of all-inclusive resorts vis-à-vis EP accommodation



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Romanus Lansiquot,
 Minister of Tourism
‘There is a definite need both to enhance and to appreciate better that part of the tourist dollar that stays in the country’

to Jamaica to study that country’s very successful approach in keeping as much of the tourist dollar as possible ‘at home’. The tourism authorities feel that their sector could make a major contribution to rendering non-banana agriculture far more viable — not to mention its impact on construction and manufacturing. The whole issue of ‘linkages’ against ‘leakages’ has to be seen, of course, against the background of the more fundamental debate on the actual contribution of tourism to the national economy. For, despite its steady growth over the past few years and the fact that it has helped to cushion some of the negative consequences of the banana crisis, it is still snubbed by many who allege that not enough of tourism’s earnings stay in the country.

A dynamic tourism sector

The fact remains, however, that tourism has been doing well in recent years; so well, its spokesmen maintain, that it ought, perhaps, to be given some more proper consideration both within government and in society at large. Over the past three years, tourism grew on average by almost 11% per annum, and last year, as the biggest foreign-exchange earner, it brought in almost EC\$ 570 million. *Romanus Lansiquot*, the enthusiastic Minister of Tourism (significantly this has only been a separate ministerial



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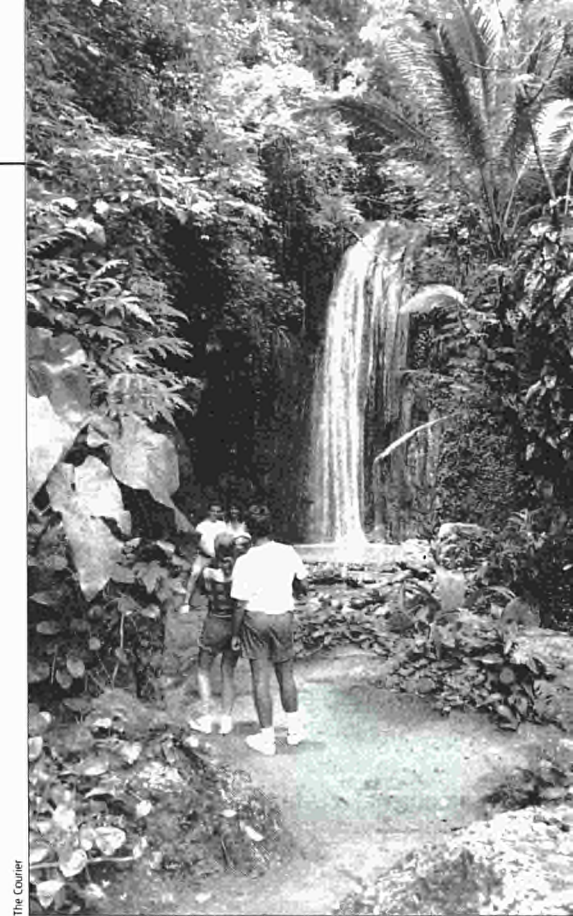
portfolio for a couple of years, despite Saint Lucia's well-established ranking as a top tourism destination), believes that 'there is a definite need both to enhance and to appreciate better that part of the tourist dollar that stays in the country.' He continues: 'Today it is alleged that only 40 cents in the dollar remain here, yet that has never been verified scientifically. We have appointed a research officer to compile the necessary data because we in the trade believe that tourism scores better and certainly has the potential for even greater spin-offs in areas such as agriculture, construction, manufacturing and maintenance. That is why the sector deserves a higher profile and more visibility.' A number of public awareness campaigns and other initiatives within schools are aimed at making the whole community increasingly aware of tourism's contribution to the country's progress.

Last year, when many of the main tourism markets such as the USA and Europe were still suffering from recession, or were only gradually emerging from it, Saint Lucia succeeded in attracting a total of 356 000 visitors, of whom 195 000 were stayover tourists, the remainder being cruise ship passengers (154 000) and excursionists (6700).

Despite a rise of almost 10% in the vital category of stayover visitors, compared with 1992, hotel occupancy rates in 1993 dropped from 73% to 68%, partly due to the coming on stream of new resorts.

These rates vary sharply according to the season, however, and the overall figures also mask a growing divergence between the so-called traditional EP hotels and the all-inclusive facilities. The latter comprise about half of the almost 3000 hotel rooms available, and they seem to be far less affected by seasonal fluctuations, recording high occupancy rates throughout the year. Their share as a proportion of the total of hotel rooms has risen rapidly in recent years as a number of major traditional hotels have been taken over, refurbished and converted by well known foreign enterprises such as 'Sandals'. Their relative preponderance, making Saint Lucia a major 'all-inclusive' destination, has, however, prompted much argument and heated debate in the island. Many critics contend that this type of sojourn takes place too much in an enclave, limiting the local spin-off to restaurants, taxis etc. Tourism Minister Lansiquot has appointed a committee to assess their real impact on the overall economy: 'Of course, as is to be expected, there are pros and cons,' he says. 'Certain problem areas were identified, such as the enclave perception with a potential split between locals and tourists, or the lack of incentives for the latter to explore the country over and beyond their pre-paid facilities. These issues, however, can and

Tourists admiring the sulphur springs at St Lucia's 'drive-in' volcano



Tourists passing in front of the attractive Diamond Falls

have been positively tackled. On the other hand, they offer undeniable advantages. Many of these all-inclusive operators have their own aggressive marketing which gives a considerable additional boost to our own efforts. Their level of investment, often foreign in origin, has created a lot of job opportunities; jobs which they succeed in keeping going throughout the year thanks to their year-long high occupancy rates, which also shield local suppliers from classic seasonal peaks.'

Agnes Francis, acting Director of the Saint Lucia Tourist Board, adds that 'this type of accommodation is, after all, what the market wants today.' In terms of future development of room capacity, a figure of 5000 has been set as a target for the turn of the century and within that framework Mrs Francis highlights that 'there will a conscious move to strike a balance between all-inclusives and traditional types of accommodation by giving specific investment incentives.' She also feels that while the country has a wide array of tourist assets and potential attractions, 'a lot more needs to be done to develop our tourism product more efficiently. That will require a better overall understanding of our sector as a proper industry regardless of the contention of



St Lucia Tourist Board

leakages which, combined with the presence, unlike in the banana sector, of many foreigners, seems to limit the perceived impact of tourism. It is, after all, the biggest direct and indirect employer and the main foreign-exchange earner!

Both Minister Lansiquot and Director Francis stress the need to try and get more Saint Lucians in the industry up to higher levels of skills and management and to raise the overall level of service. 'Human resource development is really the key to it,' stresses the Minister, who would like to get support for a proper hotel training school. Already he feels that 'the European Union has made a very positive contribution to overall Caribbean tourism development.' EU-funded regional tourism support programmes have indeed, over the years, contributed considerably to boosting the Caribbean's image on the European tourism market. Regional cooperation, however, does not preclude tough competition and, as the differences of opinion on a common Caribbean cruise ship tax have illustrated, it is not always 'one for all and all for one'.

Air access, particularly out of Europe, is a problem as far as scheduled flights are concerned. Charter operations often focus on a more downmarket type of tourist. Saint Lucia, however, unlike its neighbours, Dominica and St Vincent, is fortunate enough to have not just a regional airport but also one that is accessible to international wide-body carriers. Needless to say, there is much concern here over the ailing regional carrier LIAT. Suffering from a long-standing management problem and facing heavy financial losses, its eventual privatisation process became enmeshed in the local politics of the region. Yet the call to make it an efficient carrier has never been more pressing.

A wake-up call for the nation

The 'all-inclusive' debate has also given rise to discussion about the overall role of local private entrepreneurs. Already in the tourism sector, generous tax concessions and further incentives have been developed to broaden the scope of involvement of nationals and many have



Agnes Francis, acting Director of the St Lucia Tourist Board
'A better overall understanding of our industry as a proper sector is required'

responded by opening up smaller hotels. Yet, in a broader context, the Government cannot hide its disappointment about the fact that, in its view, the private sector has been lacking entrepreneurship. 'We have laid solid foundations in terms of infrastructure development, yet local entrepreneurs have not truly maximised the opportunities,' feels Minister Lansiquot. Minister

Jacqueline Albertinie, Executive Director of the Chamber of Commerce, Industry and Agriculture
'...more entrepreneurs can and must be created, while existing ones must become more development-oriented'



d'Auverge, suggesting they could do a lot more in agro-processing, feels that 'many are too timid or too conservative to take the quantum leap. Most are only merchandisers in for a quick profit instead of investors with a long-term goal.'

The private sector is felt to have too much of a laid-back mentality and this could backfire on it. The Government, for instance, is inclined to allow the giant US supermarket chain K-Mart to open a branch in the Cul-de-Sac area, both to decongest the capital Castries and to stimulate competition with local suppliers. The private sector, which has operated until now in a protected economic environment, obviously does not welcome such a powerful competitor but it is increasingly conscious that it too will have to live up to the new challenges. Jacqueline Albertinie, the new and forthright Executive Director of the Saint Lucia Chamber of Commerce, Industry and Agriculture, agrees that 'it is a sorry thing the private sector has not developed to the extent it should have'. Pleading for far more intense institution building within the private sector, she feels 'more entrepreneurs can and must be created, while existing ones must become more development-oriented. Local capital is here, although with a lot of flaws in the current credit system, which does not exactly encourage innovative approaches. Yet the profit motive of the private sector can clearly be developmental in its impact. Government and the private sector should, therefore, come to terms with this and start pulling in the same direction to the benefit of all.'

With an official unemployment rate of 16.7% and some thousands of school leavers every year — though not always with the skills required to meet demand — job creation will be a *sine qua non* if continued progress is to be achieved. Facing up to it may be easier said than done for such a small, open and vulnerable island economy. Clearly the numerous and not always favourable changes imposed by the outside world have engendered a distinct feeling among Saint Lucians of having their 'backs to the wall'. Yet out of something bad, something good can grow, and Saint Lucia seems more than determined to adjust to the changing tides. ■

Roger De Backer

'We cannot take to the boats!'

Prime Minister John Compton explains how St Lucia must bend to the winds of change

John Compton, who was born in 1926, studied law and economics at the London School of Economics. Starting a legal career back home in 1951, he went on to enter politics in 1954. A decade later, he was elected leader of the United Workers Party and was appointed Chief Minister (1964-67). As 'Premier' and Minister of Finance, Planning and Development (1967-79), he led his country to independence in 1979 as Prime Minister. Although he lost power shortly afterwards, it was only for three years and, in 1982, his UWP regained its parliamentary majority. John Compton has held the political reins of St Lucia ever since with his party winning each subsequent election. In the last poll, held in April 1992, the UWP won 11 of the 17 parliamentary seats (a gain of one) with the opposition St Lucia Labour Party taking the remaining six.

In power for virtually three decades, John Compton is one of a group of long-standing Caribbean leaders who have had a dominant role in shaping the region's development. He is a keen advocate of regional cooperation and, at the level of the smaller islands, even favours closer political integration. He has also been a zealous defender of the vital banana industry. All too aware of the maelstrom whipped up by the falling away of old forms of protectionism and the need for greater competitiveness in the world's emerging market blocs, he seems more determined than ever to force St Lucia to face up to the new challenges. In the following Courier interview, Prime Minister Compton (who continues to hold the finance portfolio) sets out his vision for the future.



The Courier

■ *Prime Minister, you have been in power in St Lucia for all but three of the last 30 years. Would you agree that considerable progress has been made, particularly in the field of infrastructure, and what do you think are the main achievements of St Lucia over the three decades?*

— Speaking about infrastructure, the first thing we have tried to do is improve our communications, both internally and externally, by modernising our ports and airports. One of the features of St Lucia is our safe harbours and we thought we should capitalise on those by developing them, not just for local trade, but with a view to attracting regional trade as well. We have been reasonably successful in that. When we look at our other assets we end up inevitably at tourism, which also needs good communications. We have improved our seaports by

building tourist facilities as well as developing our principal airports for jet traffic. Because of that we have been able to enter the tourist industry and we are now a major player in the game.

Before tourism, we were, and of course still are, an agricultural country. An important area in developing agriculture is road communications, to open up the land and the countryside. We have done that reasonably successfully. We used a fair amount of our EDF funds for that purpose during the 1970s and early 1980s. The effect of our field road development programme can be seen by the fact that in the space of just four or five years, our banana production increased from 40 000 tonnes to some 120 000 tonnes. That shows the importance of infrastructure development.

Having done that we then were able to increase our social services. We expanded the education system, for instance. In 1979, we had only two secondary schools with a total complement of less than a thousand pupils. Now we have nine secondary schools with almost 12 000 pupils. We have also entered into tertiary education, albeit to a limited extent. Then we started looking at improving the quality of life, particularly in the rural areas. We expanded our water supplies, for example. 50% of all homes are connected to the system and 85% of the population are now within reach of potable water from public sources. We have also extended our health facilities, ensuring that no major community is more than one mile away from a health centre.

Going back to the subject of agriculture, the banana industry is really

the one that has brought us to where we are today. Previously, our main export product was sugar, but we were producing, I believe, less than 30 000 tonnes a year and that was uneconomic, so we moved into bananas. The basis for that was the protected market that we had in the UK. Another thing that the banana industry has given us is what amounts, virtually, to a social revolution. In the days of sugar, we had large estates and the population was segmented — either large farmers or labourers. There was no small farming in between, because you needed large estates to keep the factories supplied. Now, with the banana industry, there is no factory that needs to be kept fed and the farmers are working for themselves. Of course, the small farmers have had to absorb the technology of banana production but they can plan the business for themselves and have more control over decisions that affect their own lives.

■ *The basic economic issue involves bananas, does it not? They played a major role in the past development of St Lucia but there are a lot of doubts about the future. Can they continue to be the engine for future growth?*

— They are just one of the engines here in St Lucia. Our economy has been fairly diversified and although bananas are important we are not totally dependent on them. They are particularly significant, though, because of the multiplying factor. There are so many people involved — small farmers, traders and so on. But we know we have to face the future and we know we have to compete. It is not a question of diversifying agriculture but of diversifying the sector around bananas. We still need them, not just because they give us a guaranteed regular income but because of the shipping aspect. Bananas are a weekly, non-seasonal crop and, if we are going to export anything else, then we need the regular shipping service that comes with the banana sector. Our other products, such as pineapples and oranges, are seasonal, and it is the banana industry that provides the foundation which will allow us to diversify. We do expect some people to stop growing bananas, however.

■ *Those that are less competitive and produce less?*

— Yes. The less efficient ones will move into other forms of agricultural production.

■ *But problems in the banana sector have been looming for some time and yet isn't it the case that people did very little about it?*

— They didn't believe it.

■ *Do you think they believe it now, after the events of October 1993? We are talking here about changing mentalities which can often be a slow process.*

— It will be a slow process but, as I said, some people will leave the industry while the more efficient ones remain. The important thing for those who have to find something else is knowing that they can sell the crops they plan to grow, whether in the domestic market or overseas. The market organisation we have is now geared up to that.

■ *Is it true that the government subsidises banana growers?*

— We have to sustain them yes, for the time being. In the longer term, we have to find ways of increasing the productivity of the land. Our big problem is that production per acre is too low. If we can just increase our productivity from seven tonnes to 10 tonnes per acre we would produce our quota of bananas on less land with fewer farmers. The people involved would then be able to make a decent income. But they have got to take it seriously. There are a lot of part-time farmers who just grow bananas because it is a crop they can sell. The people who are seriously in bananas should be assisted. The basic thing is to get a good contract for them. We have a market even if it is only until the year 2002.

■ *But that is only another eight years. Isn't that a source of worry?*

— Of course we are under stress all the time but at least we have the market for the time being. We have to capitalise on that with a good contract to keep the more efficient farmers in the field and to ensure that the institutions — the banana association in particular — are in a healthy financial state and able to supply the inputs to allow them to face the future.

The government has a role to play here. The trouble we had in October was because the institutions were not properly run, so when the stress came they just collapsed.

■ *I have heard it said that although the government has made a tremendous effort in putting the infrastructure in place, the private sector — which should be coming in — is not yet up to the task.*

— I think that is probably right. The private sector is very conservative and slow to change. Now that we are moving away from protection in the banana industry, they are asking for protection in other fields. In fact, they want protection from the changes that are taking place in the outside world. The mentality is pretty well the same as it was in the 17th and 18th centuries. They haven't moved into other areas of production or even into the provision of services but the fact is that they have to play a bigger role. The government can only do so much. It has provided the infrastructure — the education and so on — but somebody has got to provide jobs. That is the task of the private sector.

I should stress that we have a very young population. About 135 000 people, of whom some 40% are under 25. One of our big problems is the high population growth rate. We cannot afford it. It is putting too much strain on our social services.

■ *But has the private sector not been looking at what is happening in the outside world? Protectionism is no longer acceptable.*

— You are right, but throughout the Caribbean we have always been used to protection. We used to sell sugar to Britain under the Commonwealth sugar agreement. Then we moved over to the Lomé system but the protection was maintained. Then we moved into bananas and we still had our guaranteed markets. There were even guaranteed prices for other products such as coconuts. But we have to recognise that all that is coming to an end. It's not just a question of changing the mentality of farmers, but of society as a whole. If we don't change fast enough we are going to be left behind.

■ *Tourism has been growing quite fast over the last decade and indeed has overtaken bananas as the main foreign exchange earner. But there is a view that this has happened in a somewhat uncontrolled manner. For example, a lot of people are unhappy with the all-inclusive resort hotels which are now more numerous than the ordinary hotels. Some argue that local businesses — taxi firms, restaurants and so on — lose out as a result. Where should tourism go from here?*

— As far as we are concerned, the focus should be on expanding the number of hotel rooms and ensuring that the hotels are more integrated with the wider economy. That means we need to be offering the right things in terms of service. When you speak about competing for the US dollar, it is not just locally, but also with Miami. If we don't produce the goods that the hotels demand, then we obviously lose the business. There is no point just complaining about it. We have to identify and supply the needs — go out there and fight for the business.

For instance, we don't produce enough flowers. Yet horticulture offers some good prospects and not just for export. A local industry geared to providing a fresh bouquet of flowers for every hotel room would be a big operation. There is a market for fruit and fruit juices. These are brought in from outside but we could produce them ourselves. We have a foreign market right here in St Lucia because the foreigners come here to buy these things.

■ *But I have heard it said that young entrepreneurs with innovative ideas have difficulty getting access to credit. Apparently things are very slow and traditional, and lenders are averse to taking risks.*

— There is some truth in that but there is also the problem that young entrepreneurs lack management skills. The enterprise culture is something that is new to the island. This takes us back to what I said before about being used to protection and now having to manage on our own. We are short of managers in all fields. A lot of people have good ideas but they have to be able to manage money as well. You will find that that is one of our major

drawbacks, which applies both to government and to the private sector.

■ *And how do you produce managers?*

— By accumulating experience. They can't just be produced out of thin air. In any community, you have three sorts of people: the masses, the middle managers and the top echelons. If you are wealthy enough, you can import the top people and buy their services, at least in the short term. But the middle managers, the people living in semi-detached houses, are not likely to uproot themselves to come and work in your country. These are the people that must be 'home-grown' but it takes time for this happen.

■ *From what you say, there seems to be a need to translate ideas and decisions into concrete action. On a different subject — but one where a similar problem may exist — what are your views about regional cooperation in the Caribbean? Are you disappointed that in CARICOM decisions taken are not often acted upon? This appears to contrast with the situation in the OECS.*

— I agree that there is a problem with CARICOM in translating political will into action. As you say, it is different with the OECS. This is an effective organisation because its secretariat has what are virtually executive powers. It can translate words into deeds. There is no equivalent set-up in CARICOM although I should say that some of our best people work there. The problem is that although they write papers and carry out useful research, once decisions based on their advice have been made, the secretariat is not strong enough to see to their implementation. The system is a cross between the bureau of the non-aligned movement and the set-up you have in the European Community — and it simply doesn't work. There is no Jacques Delors to exercise authority and take the decisions when they are needed.

■ *So people agree to a decision but end up going their own way. Take the example of the tax on cruise ships. Apparently, only St Lucia stuck to this agreement.* **

— Yes, because there is no sanction. It is all voluntary.

■ *Of all the organisations that have been set up to bring the countries of the Caribbean closer together, which do you see as offering the most promising basis for integration?*

— The OECS. We already have very narrow parameters for independent manoeuvre in the economic field, having set up a Central Bank and surrendered sovereignty in the key area of money. When we take a decision in the OECS; we have to stick by it.

■ *Do you believe political union can come about within the OECS or is that just a distant dream?*

— I don't know. If you had asked me that question five years ago I would have said political union was possible. Today I would have to say perhaps.

I also think that there are too many organisations — too many balls in the air that have to be juggled with. We have the OECS, Caricom and now the ACS as well. We are members of the OAS and the United Nations. We are also in the Commonwealth and the ACP Group. As a small country, we cannot effectively service all of these organisations so we need to target. Are we going, for example, to concentrate on strengthening CARICOM or the OECS? I think we should be deepening our relationships first.

■ *You seem to be confronted with the same issue that Europe is facing — deepening versus broadening.*

— Yes, but Europe has already deepened quite a lot. We have to do the same thing now to protect ourselves. How are we to face up to NAFTA, for instance? As little islands, would it not be better for us to strengthen CARICOM so as to have, if not a huge market, at least a larger one which might be able to exercise some influence. But at the moment, this market is fragmented and so long as each of us keeps doing his own thing, we will not get very far.

■ *Do you find it easier to make concrete agreements on specific issues among the smaller islands than in an arrangement that involves more and larger players?*

— Yes. We can get things done among the smaller countries. You can get up in the morning, telephone your

counterparts to say that there is a problem, say that you want something done, make an agreement immediately and act upon it. When you are dealing with the bigger countries, there are more formalities and things tend to get lost in the wash.

■ *Is LIAT one of those issues that got lost in the wash?*

— You could say that LIAT got lost in the management wash. The problem of the airline was one of management, not political will. The decision to privatise it was a purely economic one. It could have been viable but the management was poor and we therefore decided to try and transfer it to the private sector. This generated a lot of emotion with people complaining about job losses and so on.

■ *But do you see the LIAT issue being resolved?*

— I wish I could say I do, but I am afraid I do not. There are people who have ideas about trying to turn it around but I am not optimistic.

■ *To come back to tourism, how much further can this sector be developed? Is growth that involves local inputs — local people providing services and in management positions — still possible?*

— You have to limit the physical growth. How many rooms can a small island support and still maintain itself without being overrun by tourists? As far as we are concerned there is a limit. We should reach 5000 rooms by the end of the century and, after that, we will try to see how we can maximise the benefits at this level. But the important thing in tourism is the marketing, not just in the sense of advertising externally, but also the internal organisation you need to meet the demands of a very sophisticated industry. The people who come on holiday expect certain things. You have to provide them with food of an appropriate quality. You have to package and market the product. We aren't there yet because we haven't been organising ourselves to meet the demands of the tourist industry.

■ *You agree then that, in addition to a lack of entrepreneurship, there is also a shortage of skills and of trained people? If*

you compare literacy levels, for example, with other islands, do you think that more efforts are needed in that area?

— We are already putting a lot of effort into this. We are expanding education. There is a school place for every child and a teacher to teach that child. We are also looking to reorganise the curriculum so as to train people for jobs when they leave school. We recognise that some of the education currently available will not be of much use in the future because it relates to jobs which will have become obsolete. So we have to look down the road and try to predict where the economy is going.



'If we don't change fast enough, we are going to be left behind'

■ *Will the St Lucia economy be able to provide jobs for all those young people that are going to be coming on to the labour market?*

— We can do it but we have to plan in advance. It is not so much a question of money but of managing the resources that you have. In other words, where do you put the money to achieve the best results? I think, for instance, that we should be looking at the new information technologies. We have to train our children to be computer literate. We have to ensure that they can cope with the type of world that they are going to be living in.

We are a very small community. We don't have a big population but we do have a lot of children — a lot of depend-

ants who have to be supported by too small a workforce. Having said that, if the economy is properly organised, we should be able to cope with 3000 or so school leavers annually, whether in the service industries, tourism, agriculture or the public service. It is not too big a number but we have to start planning from the time that they enter school.

In this respect, we need to ask what the private sector is doing. Is it simply importing things to sell here rather than producing wealth? Can that be regarded as growth? I am afraid that this is where we face difficulties. At present, the private sector is not the engine of growth that one would expect.

■ *To conclude, would you accept the view that St Lucia is at a kind of crossroads — that with bananas no longer dominant in the economic equation, new strategic choices now have to be made?*

— Yes. We will always have people in agriculture because we have the resources and the land is fertile. But there is a limit. That means we have to look towards tourism. But in doing that, let's not just build hotel rooms. It is really a question of servicing the industry and training our people — not only to make beds and lay tables but to manage all aspects of the industry. That means we need to be able to repair a refrigerator when it goes wrong and do all the other things that need to be done in a service industry. So we have to start educating our people for that.

And we have to look at meshing it all together. If you are a farmer, you should be asking what the hotels need. If bananas are out, what can they be replaced with? And you can't go back to the old slash and burn techniques either. We need to introduce appropriate technologies so that people can make a living on small areas of land. These are the kinds of challenges that we need to tackle.

■ *And are you optimistic that this will happen?*

— It has to. We have no choice — we cannot take to the boats. ■

Interview by R.D.B.

EU-St Lucia cooperation

by Philippe Darmuzey*

St Lucia is both a member of the Caribbean Community (CARICOM) and of the Organisation of Eastern Caribbean States (OECS). It is also one of the 25 full members of the Association of Caribbean States (ACS) which was created on 25 July 1994.

A formal cooperation partnership with the European Union was initiated in 1976 within the framework of the Association with the Overseas Countries and Territories (OCTs). Under the OCT 'Decision', St Lucia benefited through preferential trading arrangements with the EU, financial and technical assistance and other instruments of cooperation available through the fourth and fifth European Development Funds (EDFs). Subsequently, St Lucia acceded to the Third Lomé Convention as a full member of the ACP Group in 1984. It is now one of the 70 ACP States, signatories to the Fourth Lomé Convention which links the ACP States to the European Union for the 1990-2000 period.

Since 1976, *financial resources* allocated by the European Union to projects, programmes and operations in St Lucia have totalled about ECU 39 million.¹

The main areas of cooperation have been agriculture and rural development (57%), social infrastructure — mainly in the health sector — (17%), human resource development (11.5%), infrastructure (10%), energy and the development of small and medium-sized enterprises in industry, agro-industry and tourism.

Regional cooperation is also a focal area in St Lucia-EU cooperation. The country shares with the other ACP partners of the OECS, CARICOM and the Caribbean Forum (CARIFORUM)² the benefits of the regional resources of the EDF.

In addition, the country derives substantial benefits from its *preferential trade arrangements* with the European Union, including duty- and quota-free access for manufactured goods and, under the *banana protocol*, St Lucia enjoys preferential access to the Single European Market up to the year 2002. This, combined with the support provided by *STABEX*, the compensation scheme for losses incurred in banana (or other commodities) export earnings, represents the single most important aspect of cooperation between the EU and St Lucia.

St Lucia's sustainable development challenge

St Lucia, like many other Caribbean and Pacific State partners of the EU, faces the major development constraints inherent in Small Island Developing States (SIDS)³: the small domestic market, which seriously limits industrial opportunities, a

narrow resource base, a high per capita cost of economic and social infrastructure, a fragile environment and heavy external dependence and *vulnerability* to external shocks, including natural disasters (particularly hurricanes and tropical storms).

The country's economy has long been dominated by the production of sugar, which was first introduced to the islands in the 17th century. Sugar was gradually abandoned and replaced by bananas in the 1950s.

During the 1980s, St Lucia's economy took advantage of the years of plenty associated with high banana prices. The rapid development of the banana industry permitted the expansion of the external market and a reasonably diversified and performing manufacturing sector.

The country's development strategy emphasised economic diversification and export-led growth, with a central role for the private sector and a supportive role for the public sector. The Government has also undertaken an ambitious long-term programme in support of improved social and economic infrastructure. These efforts aim in particular to favour a continued development of the tourism sector, one of the engines of growth in the recent past. A significant acceleration of the diversification efforts is now required as a result of the structural challenges faced by the banana industry.

Economic performance has remained strong since 1982. During 1987-1990, St Lucia's economy recorded buoyant growth of 5% per year on average and achieved sustained improvements in its fiscal accounts. Steady expansion in banana output, combined with the dynamic performance of the tourism sector, were the underlying factors for strong economic growth which increased from 1.8% in 1991 to 7% and 3% in 1992 and 1993 respectively.

The recent deterioration of the performance of the banana industry and the serious economic impact of tropical storm *Debby* (September 1994) show, however, the degree of vulnerability of St Lucia's economy to external shocks and natural disasters.

Time and again, the country's long-term development efforts are jeopardised by exogenous factors: Hurricane *Allen* in 1980, the 1983 tropical storm and *Debby* in 1994. The financial damages caused by the flooding of most major rivers of St Lucia during tropical storm *Debby* was evaluated at US\$74m and the reconstruction programme envisaged subsequently will cost approximately US\$56m.

Both as a consequence of the necessary reform in the banana industry

The Castries Central Market has been extended and rehabilitated



* Head of the Delegation of the European Commission in Barbados, also responsible for St Lucia.

¹ Indicative exchange rate: 1 ECU = 3.3 Eastern Caribbean dollars (October 1994).

² CARIFORUM is the body established to group the 15 ACP States of the Caribbean region, including the two newcomers (Haiti and the Dominican Republic), within the framework of Lomé IV regional cooperation.

³ The first U.N. Global Conference on Sustainable Development of small island developing states took place in Barbados in April 1994.



A farming family active in the Mabouya Valley Development Programme



A public wash house, part of the village amenities built under the Mabouya Valley Development Programme

and the post-**Debby** reconstruction programme, St Lucia is facing a new economic challenge. During this transitional period, EU-St Lucia cooperation will be focused on the restructuring efforts in the banana industry and the agricultural diversification policy which must accompany the banana reform. STABEX transfers for 1992 and 1993 application years will be used, to this end.

Additional EU assistance is being envisaged to supplement the ongoing efforts with the resources of the proposed special programme of assistance to traditional ACP banana suppliers. It is intended to apply the proposed additional resources to support the **Windward Island Banana Industry** restructuring plan, at both the national and regional levels.

The Government and the EU are also considering allocating the uncommitted resources of the Lomé IV National Indicative Programme to some of the operations envisaged under the reconstruction plan.

EU financial and technical cooperation

St Lucia's efforts to meet the vulnerability and sustainable development challenges and to adjust to external shocks have been accompanied by consistent support from the European Union at the financial and technical level.

Under the First Lomé Convention (Lomé I: 1975-80), the main projects implemented were in the area of livestock development, agricultural resettlement and diversification and the construction of 27.4 km of feeder roads. Assistance was also provided to the water sector in the form of a study for the development of water resources, support to the Land and Water Use Unit and water supply micro-projects.

The Lomé II National Indicative Programme (1980-1985) continued the technical assistance to the Land and Water Use Unit while major financial support was provided for a drainage and land conservation programme and for the construction of secondary roads. A first multi-annual training programme in the form of scholarships was implemented.

Under Lomé III (1985-1990) the National Indicative Programme resources were allocated to Phase II of the Roseau Valley Agricultural Resettlement Project, a similar project in the Mabouya Valley, the extension and rehabilitation of Castries Market, tertiary level education and tourism promotion.

The Mabouya Valley Development Programme aimed to reduce dependence on the banana monoculture, to improve land titling legislation, to reverse urban migration and to conserve land and water resources. It involved the redistribution of 200 hectares of farm land, the construction of 13.5 km of farm access roads and 5 km of community roads to 80 rural settlements comprising over 900 households on Dennery Estate lands. The project also included the provision of a forest nursery and village amenities.

The Roseau Valley Resettlement Project aimed at completing the settlement of farms on 230 hectares. Difficulties faced by St Lucia Model Farms Limited, the executing body, resulted in it being placed in receivership. The implementation arrangements for the continuation of the project have delayed the utilisation of funds which are now being reallocated in the light of the damaging consequences of tropical storm **Debby**.

Both Mabouya and Roseau Valley were severely affected by **Debby**.

However, the land conservation and water development activities undertaken through the MVDP proved relatively effective.

The Castries Central Market Improvement Project is intended to stimulate agricultural trade diversification and consumption of local produce. To this end, the market, the largest outlet for agricultural produce, is being extended and rehabilitated. The extension part, co-financed by the Government of St Lucia and the EDF, is nearly complete (October 94).

In the area of education, at the tertiary level, a major project was financed through the combined resources of national and regional indicative programmes for the construction of a new library at the Sir Arthur Lewis Community College. This project is part of the OECS Education Reform Strategy.

Higher education and, more generally, human resource development is indeed a central concern in St Lucia, which has the distinction of having produced two Nobel Prize Winners — Sir Arthur Lewis in 1979 (for Economics) and Derek Walcott in 1992 (for Literature).

The Lomé IV National Indicative Programme (1990-1995) focuses primarily on social infrastructure with special emphasis on the health sector for the phased development of Victoria Hospital which will start in the second half of 1995 after completion of the feasibility study at the end of 1994.

In the rural development sector, the Government sought EU assistance to pursue the objective of generating new sources of income and employment and to improve living conditions in the rural areas of the island. In this regard, a second phase of the Mabouya Valley Development

Programme has been designed based on the results of the just completed first phase and taking into account the recent impact of tropical storm **Debby**. Project activities were expected to start by the end of 1994.

A third area for assistance is human resource development through the ongoing implementation of a programme of scholarships to support the priority requirements of the economy.

Finally, in October 1994, it was envisaged to review the situation of the Lomé IV NIP with a view to rescheduling the use of uncommitted financial resources within the framework of the 'post-Debby' reconstruction programme under discussion between St Lucia and the donor community.

Through the *European Investment Bank* (EIB), St Lucia has benefited from additional EU assistance in sectors which are normally not eligible for EDF assistance.

Under the four Lomé Conventions, the EIB has financed a geothermal energy study, two loans to the St Lucia Development Bank for the development of small and medium-size enterprises and two loans to St Lucia Electricity Services. Total EIB assistance for the 1980-1994 period represents ECU 12.5m.

Another important instrument of EU-St Lucia cooperation is the **STABEX** system. The scheme aims at remedying the harmful effects of instability of export earnings by guaranteeing the stabilisation of export earnings derived from St Lucia's exports to the EU or other destinations, of products, especially *bananas*, on which the economy is highly dependent.

In the 1980-1994 period, St Lucia has been entitled to STABEX transfers for a total of ECU 5.8m. This is particularly in relation to the 1992-1994 period as-

sociated with both price changes due to the overall evolution of the Common Organisation of the banana market in the EU and increased competition from non-ACP bananas, combined with local difficulties due to climatic factors (drought and tropical storms). STABEX transfers are being used by St Lucia to support a major reform of the banana industry in parallel with the global efforts undertaken to diversify both agriculture and the economy as a whole.

Emergency assistance, NGOs and micro-project financing schemes are among the other instruments which operate in favour of St Lucia. In the area of AIDS prevention, laboratory equipment and materials are being supplied.

Supporting the integration of St Lucia in its regional environment

The European Union also pursues a policy dialogue with the Caribbean on regional cooperation. St Lucia is a member of both CARICOM and the OECS, the latter having established a single monetary area and a common currency (the Eastern Caribbean dollar) as well as a common central bank — the Eastern Caribbean Central Bank.

Whether as an OECS or as a CARICOM member, St Lucia takes full advantage of the regional cooperation instruments of the Lomé Convention. The country also belongs, under the Fourth Lomé Convention to the group of 15 ACP partners who make up the Caribbean Forum. Island status, disparity of levels of development, cultural diversity and vulnerability to external shocks and competition are the main challenges which require enhanced solidarity and regional cooperation among the Caribbean partners. Lomé regional funds are committed to these objectives.

Regional and sub-regional projects and programmes, which are additional to the national indicative programmes, have benefited St Lucia within the framework of the EDF regional programme for the Caribbean. Under Lomé I, II and III, the country derived particular benefit from the following regional programmes:

Agriculture: Research carried out by the Caribbean Agricultural Research and Development Institute (CARDI). A study of crop diversification was implemented by the Agricultural Diversification Unit of the OECS (ADCU) which is based in Dominica.

Human Resource Development: Programmes in favour of the University of the West Indies; the OECS Tertiary Education Project, which contributes to the elaboration of an OECS education reform strategy and plan and provided new facilities at Sir Arthur Lewis Community College in Castries. New programmes under implementation include the University of the West Indies student accommodation project, which will provide halls of residence at each UWI campus.

Regional Trade Promotion Development: Major support is being received by the Eastern Caribbean States Export Development Agency (ECSEDA) set up in Dominica to provide assistance to OECS exporters. In the area of trade information and statistics collection, the EU has also participated in the funding of the Automated System for the Collection of Customs Data (ASYCUDA), under which computer equipment has been installed and is being operated at the customs office in Castries.

Tourism: The OECS tourism development project, launched in 1992, provides a three-year programme of support in marketing investment, policy formulation, planning and training. It coordinates its operations with the more extensive tourism development programme run by the Caribbean Tourism Organisation (CTO), which includes professional technical assistance for the development of a major marketing campaign in Europe for Caribbean destinations, including St Lucia.

Transport: Programmes in sea and air transport (relating respectively to WISCO, the West Indies Shipping Corporation and LIAT, Leeward Islands Air Transport), were implemented under Lomé I and II.

The Lomé IV Caribbean Regional Programme (CRIP) under the umbrella of the CARIFORUM, has identified programmes in six priority areas — agriculture, trade, transport and communications, environment and human resource development. The financial resources allocated to the CRIP for the 1990-1995 period amount to ECU 90m.

Financing decisions for the Trade Development Programme (ECU 14m), the Inter-University Programme including UWI, the Caribbean Examinations Council's Project (ECU 2.5m) and the Tourism Development Programme (ECU 13m) were expected to be taken in early 1995. In addition, a new programme in the area of tertiary education for the benefit of the OECS countries is in preparation. All these projects, plus a few others in the above-

The new EU-financed library of the Sir Arthur Lewis Community College



mentioned sectors will be of direct benefit to St Lucia.

Beyond the horizon of sub-regional cooperation, St Lucia, like its partners in the wider Caribbean, has to face the increased competition brought about by the creation of regional trade blocs in North America (NAFTA), Europe (the Single European Market) and Latin America. It is the Community's vocation, inspired by its own integration experience, to help St Lucia participate in the process of deepening and widening the Caribbean region. This can take such forms as:

— at the sub-regional level, encouraging the initiative of an OECS economic reform strategy;

— at the regional level, helping Caribbean decision-makers to assess the regional dimension of national adjustment programmes and to measure the costs and benefits of regional integration. This latter topic is the subject matter of a study which has been undertaken in close cooperation with CARICOM, the Caribbean Development Bank, the University of the West Indies, the Eastern Caribbean Central Bank and other Central Banks;

— regional cooperation and integration issues, addressed with the support of the EU, will remain of crucial importance in the face of the globalisation and regionalisation trends which the wider Caribbean Basin countries had in mind when they created, in July 1994, the Association of Caribbean States (ACS), among the 25 members of which St Lucia is a member.

EU-St Lucia trade relationship

Under the Lomé Convention, St Lucia benefits from duty-free access for manufactured goods to the EU market, as well as preferential arrangements for bananas.

The EU accounts for approximately three-fifths of St Lucia's exports and a quarter of St Lucia's imports. Bananas accounted for 1/5 of total exports in 1992.

The combined support of the Lomé IV banana protocol, which guarantees preferential access for St Lucia bananas to the Single European Market and STABEX provides the most important aspect of cooperation between EU and St Lucia in the present economic transition period. It also illustrates the comprehensive and integrated use which is being made by St Lucia of the Lomé Conventions trade and aid instruments. ■ P.D.

EU-St Lucia cooperation 1976-1995

Project/Programme/Operation	ECU	Total ECU
Lomé I		
Livestock development study	6 988	
Small farming enterprise study	40 905	
Water resources development study	34 376	
Feeder roads	917 582	
Water supply microproject	64 983	
Livestock development	1 080 760	
Land & Water Use Unit	162 227	
Agric. dev't & diversification	859 507	
		3 167 328
Emergency Aid – Hurricane Allen (1980)	1 000 000	1 000 000
EIB – Geothermal study	180 000	180 000
Lomé II		
Multi-annual training	228 648	
First annual microproject	11 173	
St Lucia secondary roads	1 248 036	
Tourism promotion study	17 500	
Land & Water Use Unit – T.A.	246 801	
Dennerly Survey – T.A.	246 097	
Drainage & land conservation	1 575 691	3 573 946
STABEX – Bananas 1980	1 619 000	1 619 000
Emergency Aid – tropical storm 1983	220 000	220 000
EIB – Loan to development bank/RC**	1 000 000	1 000 000
NGOs	170 000	170 000
Lomé III		
Roseau Agric. Resettlement Phase II	1 400 000	
Tourism promotional material	125 000	
Mabouya Valley Dev't Phase I	2 695 000	
Castries market	950 000	
Trade fairs programme	10 000	
OECS tertiary level education	700 000	5 880 000
EIB – Electricity (OR)*	6 000 000	6 000 000
– Electricity (RC)**	2 000 000	2 000 000
EDF – Interest rate subsidies	1 164 000	1 164 000
NGOs	15 128	15 128
Lomé IV		
Overseas training awards	750 000	
Victoria hospital study	250 000	
Drainage & Land Conserv. Ex-Lomé II	24 309	
Victoria hospital development	2 450 000	
Mabouya Valley Dev't Phase II	800 000	
Medium Term Reconstruction Programme*** and Reserve	750 000	
		5 024 309
STABEX Bananas 1992/93	4 209 668	4 209 660
EIB-St Lucia Development Bank (OR)* (RC)**	2 000 000	2 000 000
	1 500 000	1 500 000
NGOs	251 088	251 088
Special system of assistance to traditional ACP suppliers of bananas	N/a	N/a
Grand total		38 974 459
Regional Cooperation		
Regional EU-financed projects from which St Lucia benefits or has benefited directly or indirectly:		
University of the West Indies	19 500 000	
Training in environmental & allied health	1 150 000	
Training in project administration (CDB)	980 000	
OECS common services	883 000	
OECS tertiary education	6 809 000	
Caribbean Examinations Council Data Processing System	820 000	
Caribbean Agricultural Research and Development Institute (CARDI)	10 243 000	
Caribbean Food Corporation/CFC/CATCO Investment, marketing, inputs	7 100 000	
Regional Trade Promotion/Dev't	10 347 000	
Customs Data Collection – ASYCUDA	1 000 000	
Regional tourism development	20 730 000	
Leeward Islands Air Transport-LIAT	5 935 000	
West Indies Shipping Corp. – WISCO	6 250 000	
Caribbean Financial Services Corporation (CFSC) Risk Capital	3 000 000	
Eastern Caribbean States Export Development Agency – ECSEDA	3 430 000	
Caribbean Regional trade development project	6 100 000	

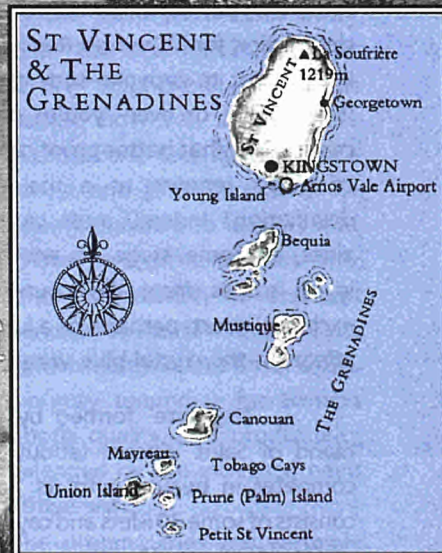
* Loan on own resources.

** Risk capital loan.

*** To be confirmed.

St Vincent and the Grenadines

Pulling the kite back up in the air



'The protective subsidy of some 30% we enjoyed for the last 30 years from the British housewife for our bananas is over.' This somewhat cryptic excerpt from Prime Minister James Mitchell's 1994 budget speech reflects rather well the *fin de siècle* mood that is currently felt in Saint Vincent and the Grenadines. The end of an era indeed, because gone are the days or rather years when ever more bananas were produced and exported, to be sold, for the greater part, at high 'protected' prices on the UK market. If one were to think of the country as a kite — an image inspired by a simple look at the map which shows the main island St Vincent as the body and the 30 or so Grenadines as its tail then the kite had, for years, been climbing higher and higher, on an updraught of constantly rising banana export receipts. But in the early 1990s it seems to have lost altitude and perhaps has even gone into a nose-dive. Whereas, during the previous 15 years, real growth averaged 6% *per annum*, the rate was virtually halved last year. Indeed, the income from bananas dropped by more than 39% during 1993 and the 'kite' was only able to keep flying thanks to tourism and its related construction activities. What caused the drop was the combined effect of a sharp decline in the exchange rate of the pound sterling, the currency used to pay for most of the exported bananas, and what the PM calls 'the free trade bulldozer'. What he meant was the set of new rules governing the opened-up yet tightly regulated EU banana market, which only came into force after years of fighting and haggling over the new arrangements. These events created a lot

of uncertainty and downward price pressures, placing a sword of Damocles over several thousand small banana growers in the Windward Islands, to which SVG belongs. The country finally succeeded in securing an annual quota of 82 000 tons (operative until 2002). Yet while bananas will continue to play a pivotal role in SVG's economy for some time to come, the survival of the sector will ultimately depend on it becoming truly competitive, both in terms of better quality and increased productivity.

Next to that, the other major challenge will be to broaden and differentiate the country's basis of economic activity. This will involve focusing on agro-based diversification while trying to boost both foreign and local investment, although, as regards the latter, the response so far has been disappointing. At the back of the mind, there is the reassurance that tourists are always likely to know where to find the 'kite'. Yet getting to it, in particular by air, suffers from a major constraint, namely the lack of an airport accessible to wider aircraft. This handicap is likely to hamper not just tourism but also any other high-value, small-volume diversification attempts. The ability to live up to these challenges and constraints, both in the medium and in the long term, will depend on the resourcefulness and stamina of the SVG people. The view that it is time to get the kite back into the air is definitely there. Who, after all, would wish to see such a beautiful object lying immobile on the ground?



The Courier

A unique archipelago

The mere mention of SVG as a destination for a Country Report 'mission' is sufficient to provoke such reactions as 'lucky you!' or even 'you're sure it is a mission?'. What better proof can there be of SVG's renown as a major holiday destination! Indeed, most glossy magazines, at some stage or another, carry idyllic scenes from the country — an exclusive resort, perhaps, or a luxury yacht afloat on the crystal-blue water.

The 'kite' formed by the main island of Saint Vincent (about 344 km²) competes in beauty with its 'tail' which consists of some 30 islets and cays with very varying features. The latter range in size from 18 km² (Bequia), to mere dots of land punctuating the Caribbean seascape. The total population of about 108 000 is also unevenly spread with some 99 000 living on Saint Vincent and just 4900 on Bequia. The other islands' inhabitants are numbered in the hundreds, or less. These include such places as Mustique, Canouan, Mayreau, Union Island, Petit St Vincent and Palm Island and most of them belong to that category of 'select' locations where a happy few 'rich and famous' tend to spend part of their exclusive and expensive holidays. Although the islands are all part of the SVG nation, some of them are privately-owned, making access to them even more selective!

Some of the islets, including the famous Tobago Cays, are little more than uninhabited rocks surrounded by white coral sand beaches and crystalline waters

A general view of Kingstown, the capital of SVG

offering the whole spectrum of green-to-blue shades. Little wonder that they have become the exquisite playground of divers, snorkellers and yachtsmen! The main island of St Vincent is of volcanic origin, with steep mountains rising out of lush valleys, carved through by waterfalls and rivers. It is dominated in the north by the La Soufrière volcano, which peaks at 1219m and which erupted as recently as in 1979 — the year when independence was finally achieved — damaging houses, roads and harvests but fortunately killing no one. Today many a hiker is tempted to visit the top of the volcano, however hard the latter tries to hide in the clouds.

Randolph Cato, Director of Planning
'Our economy at the moment is clearly somewhat sluggish because of the banana situation'

The Courier



In the distant past, successive waves of different Indian tribes emigrated to SVG from South America. The last wave brought the belligerent Caribs, whose rule lasted for several centuries. When European settlers — bringing African slaves in their wake — started to show an interest in the islands, the result was that many battles were fought, not just against the Caribs, but also among the competing European powers, most notably France and Great Britain, for control of the territory. Today SVG has a typical West Indian flavour, displaying many of the characteristics of its British heritage, although, for historical reasons, some of the smaller islands reveal somewhat more of the French influence.

Constitutionally, St Vincent & the Grenadines is a parliamentary democracy of the Westminster type with a bicameral Parliament sitting, in principle, for five-year terms. The last general election was held on 21 February of this year. Prime Minister James Mitchell, in power since 1984, led his New Democratic Party (NDP) to a third consecutive win with a comfortable majority of 12-3 in Parliament. The February elections were marked not only by the arrival of about 10 000 new young voters on the political scene, but also by an unusual amount of violence, which showed how high tempers can rise in such a small and relatively 'intimate' poll. It also signalled the return of an opposition to Parliament. In the previous election, the Prime Minister had scored a 15-0 landslide at the ballot box. On this occasion, after a series of difficult talks, a last minute alliance was forged between the two main opposition parties, the SVG Labour Party (SVLP) led by Vincent Beache and the Movement for National Unity (MNU) led by Ralph Gonsalves. Both were elected under an alliance ticket, together with a third independent member of the alliance. The remaining opposition party, the United People's Movement (UPM), failed to win a seat. Returning to power, the NDP is determined to build on the country's continuing political stability, to boost the overall tourism and investment climate and to try and live up to the challenges that the new international scene has forced upon this small and vulnerable island economy.



The Courier

Allan Cruickshank, Minister of Agriculture, Industry and Labour
'Our long-standing banana marketing agent, Geest, is no longer behaving as a genteel family enterprise'

Slow-down in growth

Despite the handicaps and constraints to SVG resulting from the small size of its domestic market — a factor which means that economic growth is therefore largely determined by the fate of its external trade — the country had an average real GDP growth rate of 7% per year over the 1985-90 period. Most of that growth was fired by the dual engine of banana exports and tourism (together with the related construction activity). Bananas proved to be a real winner, with production almost doubling from 42 000 tons in 1985 to about 80 000 tons in 1990. Tourism also did well, growing by 7% a year, increasingly showing potential for further growth and gaining in importance in the overall economic framework.

The early 1990s, however, saw a slow-down in the growth trend: in other words, the 'kite' began to nose-dive. Manufacturing was badly affected by the closure of three 'enclave' firms, producing electronic components, gloves and tennis rackets respectively. Their withdrawal resulted in the loss of 800 jobs and reduced the manufacturing sector's contribution to GDP to between 8% and 9%, well below the level of 13% achieved in 1984.

As if the troubles in manufacturing were not enough, the main impetus keeping the kite in the air — the banana sector — began to weaken. In the economic performance charts, 1993 recorded the worst set of figures for bananas for six years. In the previous five-year period, annual receipts from this sector averaged about EC \$86 million (compared with some EC \$68 million per annum generated by tourism). But a combination of lower prices (-22.9%) and smaller export volumes (-20.4%), meant that export earnings plummeted to just EC \$60 million, 39.3% less than the 1992 performance of EC \$99 million. As in the other Windwards, two major factors influenced this negative turnaround. These were the entry into force of the new EU banana market regulation which, combined with the preceding and ongoing battles with the dollar banana countries and companies, put prices under pressure, and the sharp depreciation of the pound sterling against the EC\$. In fact, the drop was more than 25%. Low producer prices, coupled with extended uncertainty over the future, heavily affected the entire production chain and only 58 600 tons were exported last year, a considerable shortfall vis-à-vis SVG's quota of 82 000 tons which it has been able to secure under the EU's 'famous' Regulation 404/93.

As in the other Windwards, the economic barometer in SVG rises and falls in line with the fortunes of the banana industry. The 'banana dollar' spreads throughout the economy, influencing local commerce, housing, education, small business investment and so on, in a very tangible way. 'Although tourism is increasingly showing its real potential and has

been able to attract a number of important projects in recent years, our economy at the moment is clearly somewhat sluggish because of the banana situation,' feels Director of Planning, Randolph Cato.

Revamping bananas while diversifying

Some say the economy is sluggish. Others, like Allan Cruickshank, the Minister for Agriculture, Industry and Labour, talk of the 'banana squeeze' while stressing that the year-long uncertainty cast a shadow over the sector that was acutely felt by the farmers. 'as long as bananas went well, people generally thought that they had an open-ended licence to grow them on virtually every available plot. The new requirements of the considerably toughened-up European banana market, however, send a new message to producers,' feels Mr Cato. 'The current market and price situation,' he says, 'has clearly signalled to farmers that they may have to reconsider what they grow where, and certainly to abandon growing bananas in less favourable plots while going into more suitable other crops. There is no way around it for banana growers: both quality and productivity will be challenged by the increased need for competitiveness.'

The present crisis has certainly concentrated minds on producing bananas in a more business-like way. 'That has become unavoidable,' feels Minister Cruickshank. 'After all, our long-standing marketing agent, Geest, is also no longer

The new banana scene has obviously prompted a concern really to come to grips with agricultural diversification

The Courier





The Courier

Simeon Greene, acting General Manager of the BGA
'We are fighting back, our industry is far from dead, and anyway, there is no real alternative'

behaving as a genteel family enterprise but rather as a tough business partner.' This, he says, has been revealed in the negotiations over a new marketing contract. Director Cato confirms the need for a more realistic approach. 'Through price incentives, combined with the identification of their costs, farmers must be able in the future to make their own assessment whether it is worthwhile staying in bananas.' Banana-growing, he continues, must, in any event 'become a real business.'

The Banana Growers Association (BGA) is acutely conscious of the new, 'tough' environment. Simeon Greene, the Association's acting General Manager, underlines the fact that 'the BGA can no longer act as a sort of welfare organisation. On both the production side and, through WIBDECO, on the marketing side, farmers are now aware that a proper commercial sense must prevail.' As in the other Windwards, the local BGA faces both huge debts and massive overdrafts. Mr Greene admits that 'the banana crisis is still making itself very much felt,' but insists, 'we are fighting back, our industry is far from dead, and anyway there is no real alternative!' The Government, meanwhile, has embarked upon a major banana improvement and rehabilitation scheme which is going so well that it is actually running ahead of schedule and initial targets have had to be brought forward.

Needless to say, there is the perception in SVG, too, that growers do not get a fair share of the cake. 'Geest Plc is no longer the Van Geest we knew before,' says GM Greene, 'and just as we cannot take it for granted that our standard of living will rise, if we do not work hard for it, Geest should also not take the profits it makes out of *our* fruit for granted.' The fact that a mere 30% of the banana retail price is returned to SVG — about 16.3% for the growers and 13% for the BGA — is obviously considered far from satisfactory. While Geest may perhaps be seen as 'the devil we know', the aims are nevertheless to achieve a fairer share-out of the banana profits and an end to exclusivity both in terms of the partnership itself and as regards the division between production and marketing operations. Whatever the extent of the current banana turmoil, there is widespread underlying confidence that SVG will succeed in becoming a competitive banana producer by the turn of the century. It may be a tough task, for, as PM Mitchell stressed in his budget speech, 'survival of the industry will be dependent on the willingness of farmers and the BGA to accept inevitable changes.' And, as he went on to observe, 'old habits die hard!'

The new banana scene has obviously prompted a concern really to come to grips with agricultural diversification. Special attention will be given to rehabilitating the production of arrowroot. Bananas had indeed been doing so well in the second half of the 1980s that many other crops were abandoned or neglected. The figures speak for themselves: exports of root crops and vegetables earned more than EC\$ 67m in 1986 but by 1992 earnings

had slumped to a mere EC\$ 14 million. But now there seems to be a clear determination to try and reverse the trend: fruits, root crops, vegetables, flowers and foliage all offer potentially rewarding niche markets.

'The Government is working vigorously to identify and respond to new opportunities with proper marketing arrangements,' stresses Planning Director Cato. He refers, in this context, to the growth in US imports of tropical flowers and foliage, a market which is now worth more than US\$ 400 million a year.

Comprehensive land reform

The whole agricultural diversification exercise is also, to a large extent, tied to the comprehensive land reform programme that SVG launched into about a decade ago, although there had been attempts on a smaller scale before. In the view of Karl John, the current Director of the Agricultural Rehabilitation and Diversification Project (ARDP), who was formerly Director of Planning, land reform has a two-fold aim. 'The first is to change social realities by making a more equitable distribution of land resources, while the second is the improvement of agricultural productivity coupled with crop diversification.' The exercise consists of a three-stage redistribution of available plots which before were part of some 10 major estates. Phase I involved the break-up of Orange Hill (now called the Rabacca farms), which used to be one of the largest coconut estates in the Caribbean and,

'Geest should not take the profits it makes out of *our* fruit for granted'

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Joseph Artman, one of the new owners under the land reform programme at Rabacca Farms, wages an ongoing battle against weeds as he works on his banana crop

indeed, in the world. It covered some 3300 acres, of which almost 2000 acres are arable land. With assistance from the European Union, the Caribbean Development Bank and the United Kingdom, plots ranging in size from 2 to 7 acres were redistributed to about 435 farming families. Karl John is keen to stress the interesting social aspects of the scheme. 'The Orange Hill project has been a major exercise in socio-economic transformation, as about 70% of the newly-established farmers were previously agricultural wage earners, who were less accustomed to working things out for themselves. A lot of extension efforts went into that aspect and most of those involved have quickly become used to their new status.' Prior to the banana crisis, farming was generally a profitable occupation, so giving people access to land was seen as demonstrating a genuine commitment to transforming their standard of living.

The Orange Hill project set the tone for the phases which followed. It was more than simply a land distribution exercise, offering, in addition, a whole range of support services including agricultural extension, credit facilities and marketing assistance. It also included infrastructural aspects such as feeder and farm access roads and social housing with fully serviced building plots.

Phase II of the land reform programme is the above-mentioned ARDP, which is sponsored by the World Bank and the IDA with additional bilateral support from Japan and Denmark. It entails the

carving up of seven estates covering some 4200 acres, of which about 1800 are arable land, into 745 plots. The plots will generally be smaller than those made available under Phase I, as a lot of the land was already occupied by squatters when the project started — clear evidence of the strong demand for land. Phase II is now well under way, with completion scheduled for 1996. The third phase, also EU sponsored, will deal with the so-called Mount Wynne/Peter's Hope area, which

Karl John, Director of the Agricultural Rehabilitation and Diversification Project
'The whole land reform programme must be seen as the successful transformation of a plantation system into a thriving small farmers' community'



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covers a total of about 700 acres on the west coast. Its commencement is delayed for a combination of reasons — the CDB is also interested in becoming involved, the results of an evaluation exercise of the Orange Hill project, which could be used to help fine-tune the third phase, are awaited, and there is the question of the area's significant tourist potential to be considered. Indeed, serious negotiations are going on with potential foreign investors for the establishment of a multi-million dollar tourism facility, comprising a 100-150 room hotel, a leisure complex, a marina and an 18-hole golf course. All in all, after Phase III is completed, there will be 'little left to redistribute', feels Karl John, who insists that 'the whole programme must be seen as the successful transformation of a plantation system into a thriving small farmers' community.' The proposed Mount Wynne/Peter's Hope tourism development will, in his view, 'be complementary to our agricultural diversification effort, with the tourism sector offering new opportunities for local suppliers.'

Top of the bill tourism

The development of tourism on the main island should also increase its share of this lucrative cake while relieving some of the pressure on the smaller Grenadines where most tourism is currently concentrated. That it is lucrative is beyond doubt. SVG attracts higher spending visitors than any other part of the Eastern Caribbean. The going rate in some luxury resorts varies from US\$ 450 to US\$ 700 a night, while villas may be rented on a weekly basis for anything between US\$ 7000 and US\$ 20 000 per week. The 'exclusive' tag that attaches to this destination is well-known. And with such famous regular clients as Princess Margaret, Raquel Welch and Mick Jagger, there must be something special about SVG. The list of assets — ranging from the idyllic beach resorts, the oldest botanical gardens in the western hemisphere and the stunning nature 'hikes' — is too long to enumerate. And this is not to mention the spectacular 'Vincy Mas', the highly popular carnival which provides many expatriate Saint Vincentians with a good excuse to pay a visit home and 'let their hair down'.



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The Director of Tourism, Andreas Wickham, stresses the dual nature of SVG's tourism product. 'We combine a nature and heritage type of tourism on the main island with up-market classic beach tourism on the Grenadines, which in turn are situated in the middle of some unique marine resources.' Last year was a successful one, with visitor numbers increasing by 5.2% to more than 163 000. The rise in the financially important 'stayover' category was even more impressive at 6.3% (56 700). The territory of SVG, spread out over a vast and diverse array of islands, each with its competing attractions, also makes it a favoured spot for sailors and yacht enthusiasts. It is not surprising, therefore, to discover that linked marina and yacht developments have been a pole of attraction for major foreign investments. Over the past few years, three very large projects have been undertaken: a yacht yard at Ottley Hall on the main island costing US\$75 million, a US\$102m marina and resort development on Union Island and a tourism project on Canouan on which US\$40m has already been spent, with plans to raise the total investment to US\$200m. Alpien Allen, who is the Minister of Foreign Affairs and Tourism, stresses that 'these investments must be seen as part and parcel of our overall diversification drive and an attempt at lessening dependence on bananas.' Hugh Philips, the Permanent Secretary of the same Ministry, explains that 'while the Grenadines clearly have a top reputation of their own, combining quality with serenity, it is now

Young Island, one of the many distinctive and exclusive SVG tourist resorts

time to adjust the main island to that up-market image in terms of developing its potential for eco-tourism. SVG, as a whole, obviously offers a multi-destination package, but because of the predominance of agriculture, and bananas in particular, tourism on St Vincent itself has been a sort of missing link. We have succeeded in promoting the development of some

Alpien Allen, Minister of Foreign Affairs and Tourism
'The major marina and resort investments must be seen as part and parcel of our overall diversification drive'



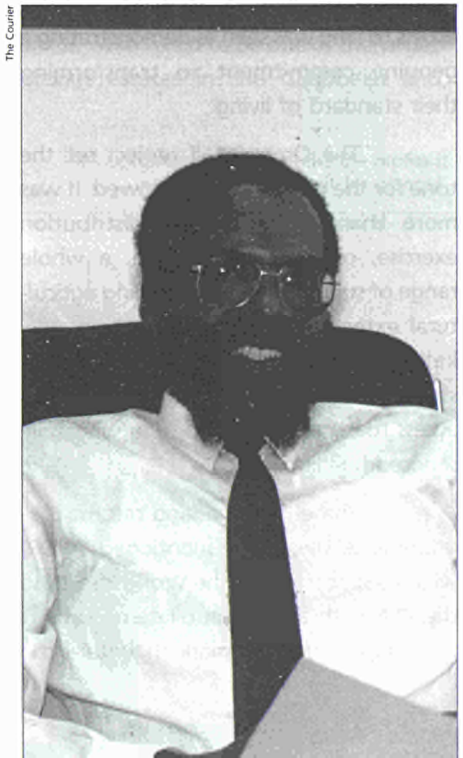
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smaller hotels there, but the Mount Wynne/Peter's Hope development will obviously be a top-of-the range attraction on the main island, into which agricultural and other suppliers could be directly tied.'

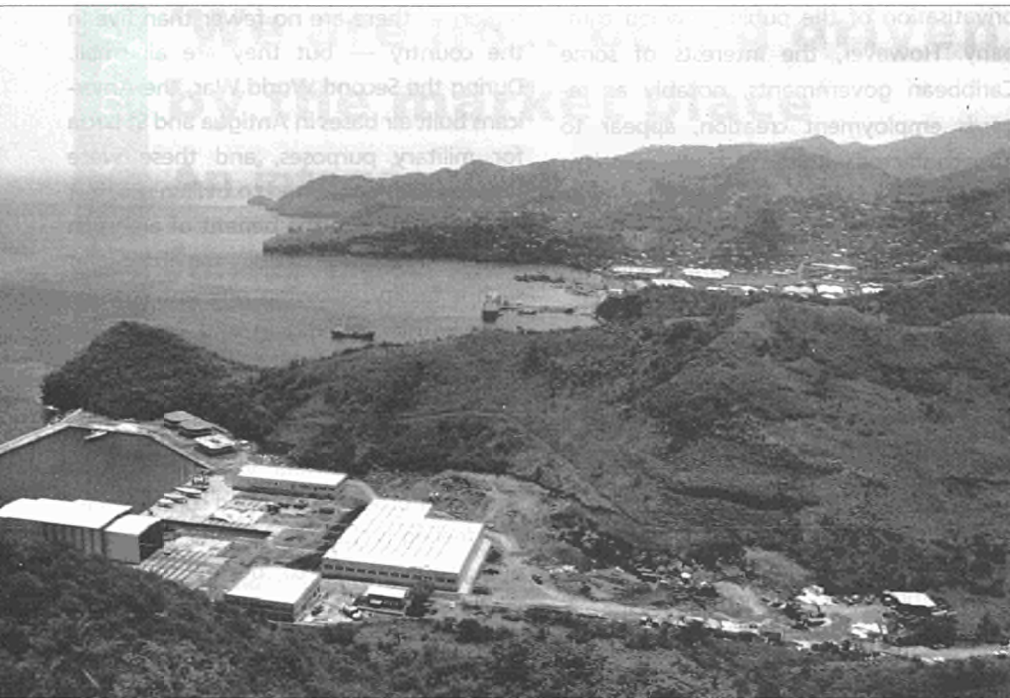
There is a feeling among the tourism authorities that more emphasis should be placed on proper product development, both locally and at the level of OECS and CTO regional programmes. This is seen as particularly important for eco-tourism as an adjunct to resort tourism. Preservation of the natural environment is a major concern among those involved in the sector. The land and marine ecosystems of the islands and cays are a vital part of the country's attraction, but they are also fragile and need to be protected from overuse or carelessness by visitors. There is, for instance, the issue of solid waste disposal by yachts and cruise-ships (for which a new berthing facility is planned), which is a major area of concern. Also, due to its particular geographical situation, SVG has unfortunately become a transshipment area for drug traffickers and this is proving difficult to control.

Hitherto, the view that there is an imbalance in the spread of tourist facilities between St Vincent itself and the

Hugh Philips, Permanent Secretary of the Ministry of Foreign Affairs and Tourism
'It is now time to adjust the main island to our up-market image in terms of developing its potential for eco-tourism'



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One of the recent multi-million dollar investments, the Ottley Hall Caribbean Charter and Yacht Yard

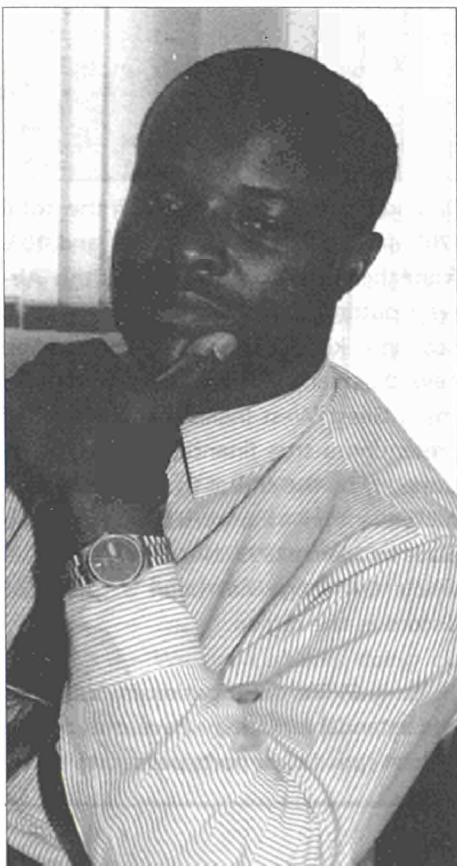
Grenadines has not really been strongly held. 'Tourism has developed into a tradition in the Grenadines to the extent that we have obtained a very high level of loyal repeat tourists. St Vincent has always been more oriented towards agriculture and more punch will be needed here if we are to live up to a more challenging future,' explains Tourism Minister Allen.

aging Director, Ken Boyea, who is also Executive Director of the Caribbean Chamber of Commerce and Industry, does not entirely share the view common among politicians both here and in neighbouring

Andreas Wickham, Director of Tourism
'We combine a nature and heritage type of tourism on the main island with up-market classic beach tourism on the Grenadines'

Private sector reluctance?

The Government, however, feels that it cannot face all of these challenges alone and that the local private sector ought to step in to do its bit. So far, the authorities have been rather disappointed at the response of local entrepreneurs. 'We recognise that the private sector in St Vincent is generally weak, with a few notable exceptions. It has not responded readily to the incentives and opportunities made available but we will continue to provide what support we can to strengthen it. The problem is that reluctance to take up new investment opportunities is quite marked in the private sector.' This was how Prime Minister Mitchell summarised the situation. Among the 'notable exceptions' to which the Prime Minister referred is the SVG-based Eastern Caribbean Group of Companies Ltd (ECGC), which is one of the sub-region's most successful enterprises. ECGC's Man-



countries. 'Most Caribbean governments,' he argues, 'are very reluctant to relinquish the stranglehold they have on their economies, as most of their power derives from providing largesse and jobs.' He claims that, up to now, few have really been interested in promoting private sector employment and indeed, that they have been 'hampering their private sectors with heavy tax burdens.' He continues; 'our local private sector does not really find the proper climate, whether in terms of support services or in the supply of properly trained staff. Most school leavers here adopt a traditional 'friendly-to-politicians' attitude in order to find a job, instead of the 'friendly-to-clients' one that the private sector requires. It is no wonder that we have to spend so much time and money on in-house training. So it is not really fair to say that the private sector does not take up the challenge. Both government and ourselves should be pushing the wagon in the same direction. We now face the challenge of having to change from virtually a one-crop society to an all-sectors competitive one, and that cannot really happen without raising our debt. Look at Jamaica or Mauritius. Debt has paid for their learning process in going from rags to riches. Throughout the Caribbean, we lack a fundamental dialogue between governments and private sector on real industrial development, which needs a long-term vision which extends beyond the length of most political mandates. Foreign investment alone is not enough, because, as our own record in SVG shows, once they have used to the full their tax advantages in a sort of splendid isolation they move on to other horizons. Local entrepreneurship is vital to create subsidiary industries and to create a sort of industrial network. Also, foreign enterprises are often invited to come in to make locals more competitive. But as the example of K-Mart in St Lucia shows, they use muscle instead of efficiency to compete. Thanks to their volume on their home market, they can undercut us all the time. Our governments offer them the kinds of advantages that we can only dream of. Caribbean entrepreneurs also suffer daily because there is no real freedom of movement of persons and capital in the region.'



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A wide array of tourist assets succeeds in attracting a highly rewarding and loyal type of tourist to SVG

Hamstrung by an airport?

For an example, both of the problems involving free movement, and of a failure to find common ground between Caribbean governments and at least part of the local private sector, LIAT, the ailing regional airline, certainly offers a case in point. SVG's Prime Minister was chosen as the lead negotiator for the proposed

Ken Boyea, Managing Director of ECGC Ltd

'Most Caribbean governments are very reluctant to relinquish the stranglehold they have on their economies'



The Courier

privatisation of the publicly-owned company. However, the interests of some Caribbean governments, notably as regards employment creation, appear to have conflicted with those of others such as SVG who were more in search of reliable and efficient air services. Also, while some of the parties concerned were looking for an external *deus ex machina*, parts of the Caribbean private sector wanted a chance to prove they could straighten things out and put LIAT back on track themselves. As it was felt in certain quarters that the debate was going round in circles and that a real breakthrough was not in sight, the so-called 'Sunrise' project was announced in September with a view to 'lancing the boil'. A US\$15 million package was put together for the setting up of a new airline, with the four Windward islands and

region — there are no fewer than five in the country — but they are all small. During the Second World War, the Americans built air bases in Antigua and St Lucia for military purposes, and these were subsequently converted to civilian use, but SVG did not have the benefit of any such 'blessing in disguise'. Today the absence of such a facility, allowing efficient connections within the region and beyond, is increasingly proving a development bottleneck. As with Dominica, tourist access is hampered and the potential for low-volume exports of high-value agricultural and other products is limited considerably. The feeling is that there is a vicious circle here that needs to be broken as a prerequisite to successful diversification and the further expansion of tourism. Given the country's physical geography, the price tag for solving the problem is



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Daily life on Bequia, one of the 30-odd Grenadines

Barbados contributing 80% of the total (70% from their private sectors and 10% from their governments) and British Airways putting up 19.9%. LIAT meanwhile is now in a kind of emergency phase. The new chairman, William Rapier, who also chairs Geest West Indies, has the task of presenting a true financial picture of the company by the end of the year, with the subsequent privatisation scheduled to take place by March 1995. Needless to say, the whole LIAT saga has been a source of discord in the region.

likely to run into hundreds of millions of dollars. Various alternatives have been studied, but having come to terms with the nature and scale of what is needed, and subject to what they can afford (presumably including at least some outside help), there seems no realistic option other than to press ahead.

It may not be the only challenge SVG is confronted with, but it is certainly one of the biggest ones. Confidence in the future however is solid because, as the PM says, 'we have what others will pay for and we have the ability to produce what is wanted.' ■

Roger De Backer

SVG's participation in Sunrise is understandable. It may have one of the highest ratios of airports per capita in the

'We are now being driven by the market place'

An interview with Prime Minister

James Mitchell

In ancient times, Prime Minister James Mitchell, now in his early sixties, would have been called a 'homo universalis': a man of many talents. Indeed, while being a keen sailor, he is also an agronomist and while running a hotel on Bequia (one of the Grenadines islands), he holds the dual responsibility of presiding over the Government and supervising its finances. Starting his political career in 1966 as a member of the SVG Labour Party, he soon resigned to stand as an independent. 'Premier' of a coalition government from 1972-74, he was in opposition between 1974 and 1979. In 1975, he created his own New Democratic Party, which he led to a victory in the Parliamentary election in 1984. Five years later, he went on to win a landslide, with his party taking all 15 seats in the legislature. On 21 February of this year, he was returned again with a comfortable 12-3 majority and embarked on his third term of office. A leader of the 'no-nonsense', pragmatic kind, sensitive to the balance between the Grenadines and the main island, St Vincent, he is also a keen advocate of regional cooperation, particularly at the level of the OECS and the Windward Islands. His Caricom colleagues also appointed him to be the chief political negotiator for the sensitive restructuring and ultimate privatisation of the regional airline, LIAT. In the following interview, he comments on some of the most recent developments in the LIAT saga, as well as on the broad range of challenges facing SVG as a result of what he describes as 'the bulldozer of free trade'.

■ *Prime Minister, what do you consider to be the main challenges that St Vincent & the Grenadines faces in the coming years? Is the banana issue the main one to be solved? In particular, does the uncertainty which has dogged the industry for so long still exist or has it at least been partly resolved by the entry into force of the new market regulation and the allocation of a quota of 82 000 tons?*

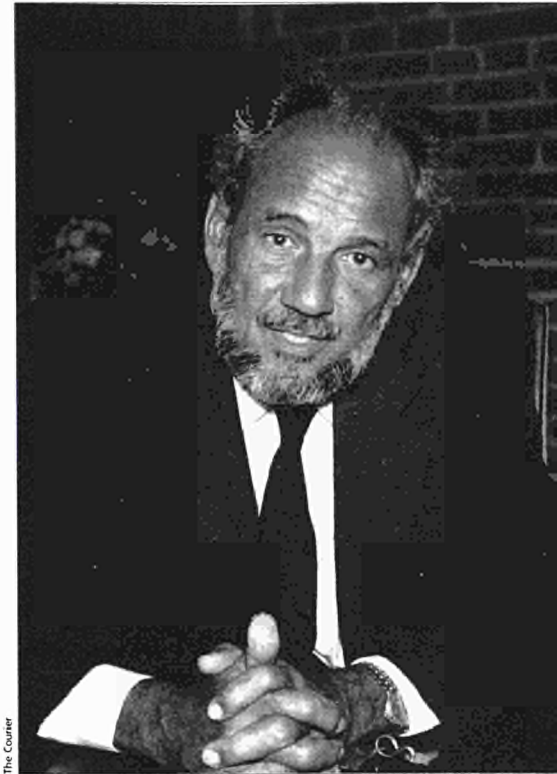
— Well, I agree that the banana industry is the number one concern for St Vincent and the Grenadines. It represents the largest sector of our foreign exchange and is the most important industry in employment terms, particularly in the rural areas. The uncertainty you mention seemed to have been resolved when the European Union agreed on the structure of the preservation of the banana protocol and that certainly made a difference. But currently — indeed, in the meeting I have been attending today — the issue is back on the agenda. Can the protocol survive the challenge from inside the EU, from Germany for example, or the external

pressures being brought to bear by some Latin American countries and by the United States in the GATT and its successor body, the World Trade Organisation? We still need answers to these questions. But what we have got so far has been satisfactory. Obviously, we would have liked to have had more, but the quota allocated to us was reasonable.

Having said this, we have been suffering economically over the last year. We had our first recession for a decade, caused by the fall in the value of the pound sterling against the dollar. This has reduced our income.

■ *What about the internal challenge you face to make your banana industry more competitive. Are you confident that St Vincent will be able to respond to this?*

— We are certainly doing our best to respond to it. We have a full programme in place to make the industry more competitive but we still require some



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income support and other assistance from Europe, if we are to make a successful transition to competitiveness.

■ *There is, of course, the big issue of banana marketing. Previously, there was an exclusive contract with Geest but I believe the negotiations, which should have been concluded by now, are still going on and relations are apparently quite strained. Also the Windwards have entered the trading side directly, through the creation of WIBDECO. How do you see the whole marketing scene evolving?*

— We have relied on an exclusive arrangement in the past but under the new regime, there is now a licensing mechanism which we would like to have more control of. In the negotiations with Geest, we have been discussing in great detail how these licences should operate and who will benefit from the income directly derived from them, as well as the question of shipping. We have had a roll-over contract with Geest which has only really been selling our bananas on the British and, more recently, the European market. This has involved a lot of fixed costs and all the problems have been passed on to us. Geest has continued to make a profit on its shipping and other

areas of activity from which we have not benefited. So we have been working with Geest to try and restructure the entire marketing arrangement. The World Bank and the European Union have themselves pointed out certain weaknesses in the arrangements which we had with Geest. The farmers have also worked it out for themselves. We in the governments realised that unless we were directly involved in the negotiations we would have no industry in the long run.

■ *Is WIBDECO really going to become the commercial arm of the Windwards' banana industry?*

— Definitely. It is a company that we have organised in the islands and established in the United Kingdom.

■ *Geest's usual response is that it is all very well for the Windwards to tell them to become more effective, but there is also a need for the land-based banana production activities to become more competitive. Do you agree?*

— We agree that there is a need to increase competitiveness on both sides.

■ *They also argue that their contract arrangements offer long-term marketing security.*

— We are not interested in that any more. This idea of long-term reliability has turned out to be a fiction. There are other people who are keen to take our bananas, especially now that there is an annual European licence. We could benefit by having a better regime on marketing.

■ *Is this a negotiating position?*

— We have notified Geest that the contract with them has ended. Now we are negotiating afresh and if they do not come up with a new contract we will sell our bananas to somebody else. We cannot carry on, I am afraid, on the basis of a simple historical relationship. We are now being driven by the market place and we have to respond to the prevailing market conditions, within the framework of what we have worked out and ne-

gotiated carefully with the European Union.

■ *Is this you mentally adjusting to the 'free trade bulldozer', as you called it in this year's budget speech?*

— Indeed.

■ *If you look at the world scene today, you see the formation of large economic blocs and groups of states around you. Do you have a sense, in the Windward Islands, of being marginalised and that perhaps your interests are not being properly taken into account?*

— We have to look at our position in the world and make a realistic assessment of the market opportunities available to us. As the world changes, we have to change with it, and this is what lies behind our economic restructuring. It is not just a question of agricultural diversification. We also need wider economic diversification. We have already made good progress in upmarket tourism. A World Bank study has revealed, for instance, that we in St Vincent and the Grenadines attract the highest expenditure and income per visitor in the Eastern Caribbean. And so while we realise that we may not be able to compete with Latin America on bananas, we certainly have an exclusive tourism product and we clearly want to maximise our income from that. That is why we have gone into the development of shipyards and yachting facilities. This is an area where we have a comparative advantage that we can exploit.

■ *Looking at the question of diversifying the economic base, you have succeeded in attracting a number of large-scale investments, such as the Union Island one. Do you intend to take this approach further?*

— Yes. We are pursuing it at the moment with a proposal for a big coastal development on St Vincent designed to strengthen our 'upmarket' tourism product. This in turn should allow us to achieve greater agricultural diversification because, obviously, home-based tourism generates a lot of additional demand for food and vegetables.

■ *Is there also an intention here to redress some of the imbalances? After all, tourism is heavily concentrated in the Grenadines rather than on the main island of St Vincent.*

— Yes, we certainly want to do that and perhaps relieve some of the pressure on the Grenadines.

■ *Talking of pressure, what about ecological concerns such as the dumping of wastes from cruiseships. Is preservation of the natural environment becoming more and more of an issue?*

— There is certainly a big problem regarding the cruiseships that come to the Caribbean. We are one of those territories that have a charge for visitors, levied at 10 US\$ per head. We feel that if someone is not prepared to pay this modest amount, they might as well stay at home. Nor do the cruise ship companies spend much money in our countries. Under pressure, they are now beginning to purchase some goods locally, but basically they still get most of their provisions and supplies in Miami. And they don't have much of an impact in terms of labour either. So they have relatively little positive economic impact.

We are currently trying to redress this situation and we are not the only ones. Institutions like the World Bank are very concerned about the dumping of waste at sea and about applying the international rules that govern this. If these wastes are to be disposed of in our islands, there must obviously be additional charges for that. We are only prepared to take cruiseship waste if we have a proper regime for dealing with our own solid wastes.

■ *But what about this issue of the cruiseship tax? The OECS countries agreed to apply the same levy but the cruiseship companies, in what seems to have been a 'divide and rule' strategy, succeeded in breaking the whole thing up. Some countries are now applying the tax while others are not.*

— That is unfortunate. It is an area where collectively we could be very strong, if we stood our ground, because 75 % of the cruiseship business comes into the Caribbean. When you look around the

world, there is no area quite like the Caribbean where cruises can be offered for an extended period. In Norway, they have a season of just six weeks. The same is true for Alaska. The Mediterranean is very polluted and in the Far East, the distances are too great. So the primary area for this business is the Caribbean and, if we stand together, I think the cruiseship companies will come to understand our position. I think we will get to it in time.

■ *Air access is another important question, particularly for the Windwards. The privatisation of LIAT, which you have been heavily involved in, seems to have been left hanging although there has been some restructuring. In the meantime, some of the OECS countries, together with Barbados, have set up a new company, Sunrise. Are we seeing a breakaway movement here and what sort of feelings have been aroused by the issue?*

— Well, the press loves it when governments differ from each other, whether in Europe, Africa, the Caribbean or elsewhere. They thrive on that sort of thing. I have spent a lot of time on the LIAT privatisation. In fact, it was me who advanced the basic idea. I complained more than anyone else because the people of St Vincent and the Grenadines have suffered particularly from the poor service. People have had to sleep in terminals overnight because of lack of connections, and visitors have had difficulties as well. Up to now, unlike other territories, we have not had an international airport. Our concern, therefore, was about better communications and transport services. For some other governments, the prime interests have been employment and prestige, not the basic question of good communications.

So it has long been a serious problem that we take very seriously. I put forward proposals for the privatisation of LIAT. These were accepted, on a step by step basis, by various CARICOM Heads of Government meetings. I went so far as to get the Caribbean Development Bank involved. Money was set aside for studies and we hired the Paribas Bank which analysed LIAT and produced a report. Everybody saw the recommendations that

were put forward and was aware that the European Investment Bank had earmarked EC\$ 15 million for the LIAT restructuring. Then the privatisation ground to a halt. But the market opportunity remains. I was requested at our meeting in Nassau to carry forward the privatisation exercise. In accordance with the CARICOM mandate, I had meetings with British Airways. The Prime Ministers of Jamaica and Trinidad also met with them. BA was asked to look at the situation and come up with recommendations. Some of us responded to their analysis while others did not, but at no time was there any question of creating a monopoly on air transport in the Caribbean. As a matter of fact there are several different airlines operated by different governments.

We must do what we can to improve our air transport networks. Given the problems we have with bananas and other agricultural exports, and with NAFTA, it is vital that we ensure there are no impediments to tourism.

■ *If you are aiming for agricultural diversification, so as to export high-value products in what must be relatively small volumes, you will presumably need runway facilities for wider-bodied aircraft. There seems to be no way round it. What is the current state of play?*

— We are studying the idea. We have had various proposals but haven't yet reached the stage of being able to determine what can be done. We are still awaiting technical responses to the studies that have been done. We will also have to see what is feasible in terms of financing and I hope we can reach some conclusions before the end of the year.

■ *You have always been a keen advocate of some form of political integration at least at the level of the Windward Islands. Is this still on the agenda and do you think it is achievable in the Caribbean?*

— I would never be one to write off the subject, even though it looks as if it is in suspense at the present time. We in St Vincent and in the New Democratic Party have pushed this issue but I would like to see initiatives from other political parties as

well. I am also waiting to see what kind of initiative might come from other governments to carry the matter forward.

■ *Both you, in your budget speech, and Prime Minister Compton in St Lucia, have expressed disappointment about the apparent lack of response of the private sector to efforts made by your governments in improving the infrastructure. They still appear to be concentrating on trade rather than moving into production or investment.*

— That problem certainly does exist. Some entrepreneurs are moving slowly in the right direction but in general I don't think the private sector has sufficient resources to embark on risk-taking ventures. Where there are market opportunities, we have seen changes for the better. For example, when we amended the hotel concessions, a lot of hoteliers improved the quality of their product and they are continuing to do so. But there has not been any big move towards industrialisation. Of course, there are always the problems of marketing given the small size of our islands.

■ *St Vincent and the Grenadines have attracted a number of major industrial investments from the USA in the past but these have all since left.*

— There was a time when the kind of factory assembly you refer to was fashionable in the Caribbean because wages were low compared to other countries. But as a result of the devaluation around us, in Central America and elsewhere in the world, the manufacturers can now make products more cheaply elsewhere. Operations of this kind have all moved out as a result.

■ *Are you optimistic that you can attract companies back again?*

— At the moment, we are building a container port beside the industrial estate at Campden Park. We hope to make the facility more competitive and get more people involved in that area in producing goods for export.

■ *Politicians must always be conscious of the need to strike a balance in catering for different sections of the population. Have you succeeded in maintaining a balance between the interests of the Grenadines and those of the main island of St Vincent? You, yourself, are from one of the smaller islands. Is there competition for investment and infrastructure?*

— There was a time when the Grenadines were ignored. They were effectively dependencies and very little attention was paid to their infrastructure — airports, roads, jetties, electricity and so on. When I was in the opposition, we had no electricity in Bequia, for example, for long periods. That now is a thing of the past. Both the quality and coverage of the electricity network have been improved and we have maintained a sense of balance. As Minister of Finance I have made sure that the resources are fairly spread around. If we hadn't done that, we would not have won all the seats that we did, and maintained a good working majority in Parliament.

■ *On a very different issue, do you find it difficult, as a small country with limited human resources, to service all the different regional and international organisations to which you belong.*

— Yes, it is very difficult. That is one reason why I have tried to push the idea of political union. If we could have one person, speaking with one voice on our behalf, we would have more weight in the international community. But you put your finger on the basic issue in your question. We have all these agencies that need to be serviced and only a small number of people capable of doing it. At the same time, we have a lot of people without the right qualifications unemployed in our countries.

■ *Your unemployment rate is obviously fairly high. Is this a priority for you and what can you do to create new jobs?*

— Our unemployment, according to the most recent figures, stands at 19%. I see in the paper today that it is something like 12% in France and youth unemployment is much higher. Obviously, it is a worldwide phenomenon. What one

has to do is not just seek to restructure our economies, but also to get away from jobless growth. You want economic growth of course, but it must create new employment in the form of jobs that are sustainable. This takes us back to the question of human resource development and training.

■ *How do you see the future of the Lomé Convention from a Caribbean point of view?*

— There is a difference between what we would like and what we see as being the actual prospects. We would



'We must do what we can to improve our air transport network. Given the problems we have with bananas and other agricultural exports, and with NAFTA, it is vital that we ensure there are no impediments to tourism'

certainly like to see a continuation of the Lomé Convention into the next century. We think that it has been good both for us and for the Europeans. But I recognise that with the expansion of the European Union and the new associations with the former east bloc countries, the Caribbean could well be marginalised. We also see the

problems facing Africa, where there is not much progress. I do not know what is going to happen to that continent. But even if the Lomé Convention has to be changed or restructured, we would like to see a continuing framework of linkages between Europe and the Caribbean. I think it has been in the interests of all parties concerned.

■ *What sort of St Vincent and The Grenadines would you like to see in, say, five years time, at the end of your current term of office?*

— I would hope that the banana situation will have stabilised and that our economic diversification, especially in tourism, and the creation of more employment, will be advanced more.

■ *On tourism, you currently offer a product at the top of the market range. Isn't there a danger that if you go for numbers, you might lose out in the high-quality, high-spending sector?*

— No, I don't think so. There is a big market out there and we think that with the increasing wealth in the world, there are a lot of people seeking the kinds of things we have to offer. We have to make sure that we build on our natural assets and not destroy them. That means things like good quality architecture. What we do must be compatible with the environment. We have to protect it and keep it attractive.

I am not just talking here about the physical environment. Visitors come to the Caribbean for peace and tranquillity and we have to get our people to understand that those who seek privacy and relaxation do not, for example, want to be bombarded by noise. They don't want to be harassed when they go shopping. We have to ensure that visitors are comfortable and that they continue to feel they are getting good value for their money in our part of the Caribbean. After all, everybody is going for quality these days.

■ *And you think that St Vincent has the most to offer.*

— That is right. ■

Interview by R.D.B.

'We want genuine accountability'

An interview with Vincent Beache, Leader of the Opposition

Among the St Vincent and the Grenadines opposition parties there is a distinct feeling today that 'it is good to be back'. 'Back', that is, in Parliament where, after five years of absence, they have at last returned following the 22 February 1994 election. Indeed, after Prime Minister James Mitchell's 15-0 landslide victory in 1989, the opposition has now succeeded in gaining three seats. Only shortly prior to the election, the main opposition parties, the SVG Labour Party (SVLP) led by Vincent Beache and the Movement for National Unity (MNU) of Ralph Gonsalves succeeded in overcoming some of their differences of opinion and in forging an alliance. After an unusually violent election campaign the two leaders were elected, together with Louis Straker, who stood as an independent member of the Alliance. The United People's Movement — from which the MNU had split in 1982 — failed to win a seat. Vincent Beache was Minister of Trade and Agriculture in the Government that was ousted in the 1984 election when P.M. Mitchell's New Democratic Party (NDP) took control. In this *Courier* interview, he highlights the different approach the opposition favours to ensure SVG's future, while stressing the need for increased accountability in government affairs.

■ *Mr Beache, as leader of the opposition, how does it feel to be back in Parliament? I am not suggesting that there was no opposition before, but it was not represented in Parliament.*

— You are quite right in fact. There was no formal opposition and as such, you can effectively say there was no opposition. We don't really have pressure groups here. We have only two newspapers and there are constraints on what they write because they depend quite heavily on government advertising. There is the Chamber of Commerce, of course, but they are not really a pressure group. There is also the Church Council and, I know this may not go down too well, but I don't think they have been doing as much as they could. So when there is no formal opposition in Parliament you more or less have no opposition at all.

To answer your question, it is good to be back. Being there, we are able

to ask questions of the Government and at least try to get answers. I say try because it doesn't always work. As you may know, we walked out of the chamber recently because the Prime Minister refused to answer a series of questions that we had put down. There were 32 of them altogether, which was allowed under the standing orders, but when I was called to ask the first of them, the Prime Minister stood up on a point of order and said that he had never known more than three questions to be asked. He refused to answer them, although he said he might do so at the next sitting, and when they moved on to other business, we left the chamber in protest. It is different in other parts of the Caribbean. In St Lucia, for instance, they can ask as many questions as they like during the hour that is allotted to them. It is the same in Dominica. But here, they refuse to answer questions that might embarrass them. We even had a situation



where civil servants were threatened with dismissal if they provided information. That is not allowed, of course, but the fear is there.

■ *So you feel there is a problem of accountability?*

— Exactly. The rules of the House are very strict and they severely limit what you can ask. You cannot impute wrong things, even if you know them to be true. Let me give you an example. One of the questions that we asked was about the size of the national debt, both internal and external. This is a perfectly straightforward request, but we cannot get an answer. The Government will not publish any material about this. The same thing happened when we asked about certain funds that were being paid to overseas personnel. If we are to have genuine accountability we must be entitled to get answers to questions like this.

■ *You have expressed concern about what you have called 'erosion of the democratic process'. What do you mean by this?*

— Essentially, the Government is operating more by executive decree, rather than through the legislature. Of course, in small Parliaments like ours, it is not really possible to have a proper

separation of powers. In practice, the executive *is* the legislature in the sense that because they are in the majority, they can put anything through the House. Even so, at least you can debate it there and the public can hear about it. But what the Government is doing is using subsidiary rather than substantive legislation in a lot of areas.

There is also the issue of the Deputy Prime Minister. This position is not provided for in our Constitution but in the last Parliament, the Prime Minister went ahead and appointed one. And there are difficulties over getting legal redress. We have brought a constitutional motion before the court arising from the last election. I can't say much about it because our appeal is pending, but the ruling of the judge at first instance about costs is a cause of concern to us. In a democracy, the judiciary should be independent.

■ *You obviously have reservations about the independence of courts in the region. You have spoken about the role of the Privy Council and said that you would not trust a higher court of appeal in the Caribbean. Could you elaborate on this?*

— This is quite true. I would not support a West Indian Court of Appeal as the final court. We have seen what is happening in the Caribbean. Judges should be impartial but in this region we have had a lot of magistrates and judges who have been corrupt. This is a fact. I am not saying they are all like this, but who is to know who is or is not corrupt?

■ *This is a very grave accusation.*

— Yes, but it is a fact which you can check out if you want. We have had some judges in Trinidad who even went to prison. We have seen it happening in other parts of the Caribbean. But what I think mostly happens is that the judiciary here tends to give the benefit of the doubt to governments rather than to what the law actually says and I think this is bad. As a matter of fact, I have known one judge in St Vincent who said that he can never rule

against Government. So you see the difficulty.

■ *Is that why you support a continuing role for the Privy Council?*

— Yes. When you go to the Privy Council, they look at the law and apply it strictly.

■ *Going back to politics, you have here a typical Westminster two party system. The opposition won three seats to the Government's 12, but what was the breakdown in terms of votes?*

— I think the figures were something like 51% for the NDP and 49% for us. It was certainly very close. On the mainland, for instance, leaving out the Grenadines, where the Prime Minister's party is very strong, we got just over 20 000 votes and they got 22 000. Because of the Westminster system, that translated into 10 seats for the NDP and only three for us. We believe that there is a need for electoral reform — some form of proportional representation or at least a combined system. Indeed, we think that the whole constitution needs to be looked at.

■ *But isn't it the case that those who hold power have no interest in changing the system?*

— Exactly, and that creates a dilemma. You might say that the party in power is not interested in reform but the opposition is. If the opposition then takes power and decides to do nothing, because the system now favours them, you are never going to get any changes. But if the process is to be upgraded and improved, then somebody has to do it.

■ *Did you have a genuinely common platform within the opposition at the last election, and are you planning to merge to form a single party with a single programme?*

— What happened was that the two parties came together fairly late — not until after the election was called, in fact. It would have been difficult to present

ourselves as one party with a single symbol because that would have meant re-registering.

■ *Why was the Alliance formed so late?*

— Well, the two parties had had discussions but they could not reach agreement initially. Then a group of prominent people — 'concerned citizens', as they called themselves — who felt there was a need for a change in government, brought the two together and we were able to work out a compromise. We had a common policy platform but the parties' own symbols were used in the constituencies where they actually stood. We made it clear at the outset, however, that we intend to merge the two parties so that we can stand under a single symbol as a united political force at the next election.

■ *From the point of view of economic development, in what key areas do you diverge from the view of the current Government? As a small island state, you don't appear to have a huge range of economic options. How distinctive can you be as an opposition?*

— We diverge on the issue of foreign investment. Unlike the present administration, we don't think we should just sit back until people who want to invest come to us. We believe that we should go out and try to get people to come and invest in St Vincent. We feel, for example, that there should be industrialisation by invitation.

■ *The Government would presumably respond that they have succeeded in bringing in two major investments.*

— Nonsense. What investments? If you are talking about the Ottley Hall project, that does nothing to improve the economy of St Vincent. The Government has guaranteed EC\$ 155 million to an Italian company to do something that will only create 40 jobs. Overall, the project is costing over EC\$ 200 million, so we are talking about something like EC\$ 5 million per job. In the meantime, because of policies like this, the industries such as

Wilson and Pico that we already had here have closed down. We have also spent \$7 million of Canadian money, which was supposed to be a grant to establish a new industrial estate, but now there is only cattle grazing there. You can go there and see for yourself. The cattle are living in better accommodation than a lot of people. So these two major projects are not helping the economy of St Vincent and, in fact, I don't think they are going to succeed. I think it is a scam myself. We were against them from the beginning. We were not in Parliament at the time but we know how it works. The projects are guaranteed by the Government and if they fail, it is us who have to pay the bill.

In 1984 when the current Government first took power, manufacturing accounted for something like 19-20% of GDP. I doubt if it is even 8% now although it is very difficult to get accurate figures here. Certainly, the last figure from the World Bank was only something like 10%. It is all well and good to have large-

The Eastern Caribbean Supreme Court in Kingstown, the capital of St Vincent and the Grenadines
'...the judiciary here tends to give the benefit of the doubt to governments rather than to what the law actually says,' believes Opposition Leader Vincent Beache



The Courrier

scale projects but are they really helping the economy? I don't think so. Ten years ago, the World Bank reported that our unemployment rate was about 40%. Now it is thought to be 60% or perhaps even more, although you might see official figures of about 18%. During that time a lot of industries have closed down. The sugar factory has gone. We used to have five arrowroot factories — now we have only one. We had over 1300 acres of arrowroot fields and now it is down to something like 200 acres. These are some of the reasons for all the unemployment.

We feel that we must use agriculture as a basis for our development. We had a flourishing trade with Britain and we used to export quite a lot of produce — mangos, ginger and so on. All that is cut off now and our economy is based completely on bananas.

■ *Is it fair to blame the Government for all of this? Isn't it the case that farmers were keen on growing bananas because it was lucrative for them — easy money, in a sense?*

— Bananas are not an easy crop.

Once you get it going, and there is a weekly cash flow, it can be very good but you can lose money as well. Farmers moved out of other crops because the Government did nothing. It was the marketing corporation that used to be their mainstay. It bought the produce from the farmers and then went out and found the markets but that has now come to a standstill and the fault lies fair and square with the Government. There was also the loss of the Trinidad market. After the fall in the Trinidad dollar, they started to go more for their own produce.

So the changes weren't really because of the banana market. In fact there are certain areas which are not really suitable for bananas and where the returns are very poor: for instance, where the sugar cane used to be grown, close to the coast. But the farmers had no other option.

Our sugar sector is another example. Apart from supplying local needs, and saving on foreign exchange, sugar production is geared mainly towards the

rum industry. We knew that this was one of the few commodities that we would have no problem selling in Europe. That is why, under our last administration, when I was Minister for Trade and Agriculture, we expanded the distillery. In fact that was in 1984 and we lost power shortly afterwards. The contract was completed by the present Government. But now we are having to import molasses and this is making the rum less competitive — because the Government wasn't interested in sugar. They felt sugar could be bought cheaply elsewhere but, of course, such things change. Today we can't even supply our own rum needs, far less export.

We would have diversified our agriculture. In fact we invited the Japanese and Taiwanese to investigate introducing high value products like shrimps and asparagus that can be airfreighted and still remain competitive — and it was going quite well. We introduced onions instead of having to import them, but that has now almost disappeared. We were going into rice with a view to producing enough to satisfy local demand, because we think that self-sufficiency is important.

So this is how we differ from the present Government. They feel that the private sector should do everything. I am not anti-private sector but, in a small country like ours, the Government must act as a catalyst. There isn't really a proper private sector here when you think about it — let's face it, they are all shopkeepers and for a very good reason. You buy things, and if you don't sell them today, you can sell them tomorrow. If, as a merchant, you import something that goes bad, the insurance will pay at the end of the day. You don't have union problems in the mercantile sector. But it is very different if you build a factory. The unions immediately move in. That is another reason why I think most of the entrepreneurs here are not prepared to go into manufacturing.

■ *There have been some complaints, even from successful enterprises like the ECGC, about the way things are being run at the moment.*

— I think the problem is that the Government isn't really giving the kind of leadership that is necessary to get an industry going. As for ECGC, that was another one of our initiatives of course. When I was Minister of Trade, I was the one who brought them here. I do know that they are regarded as one of the Caribbean success stories as far as manufacturing is concerned. I believe they have a good management team but I cannot say why they are complaining, I don't know the inside story.

■ *It seems to be a question of taxation.*

— Well, this is something that we have been pointing out. We have been losing companies who come in, get ten years' tax holiday, and then all of a sudden are forced to pay 45% corporate tax. This is crazy. What we would have done is to have a sliding scale. Say, after four tax-free years, you have to pay 10%, going up to 15% the following year, and so on. It is like jumping twenty feet off a roof instead of going down the stairs at a steady pace. The impact is bound to be less painful. I don't think we would lose anything by doing this. I don't think we have anything to lose, in fact. At the moment you have companies who stay for ten years paying no tax and then go off somewhere else and perhaps get another ten or fifteen years' tax holiday in their new location. It is wrong for industries to pay nothing but I accept we have to be pragmatic in finding the right balance. They obviously have their shareholders who want their dividends.

■ *If you look at the other major project currently under way, the tourism one on Union Island, there seems to be a lot of popular concern over the potential threat to the environment.*

— Yes, I agree. It is strange that this Government should have proclaimed the 1990s to be the decade of the environment. When you look at what is happening, you see that we are still destroying it rather than doing anything to save it. I know that the people in Union Island are concerned because they are

worried about the impact of the development on their swampland and their marine life. Prime Minister Mitchell, overriding the expert opinion of people like Jacques Cousteau, with whom he disagreed whether a reef — where an airport extension was going to be built — was dead or alive, just swept the ecological concerns under the carpet.

■ *What other developments do you see as vital for the future of the country?*

— Well I know it is going to cost a lot of money but I think that we must try to get some type of international airport here. As Minister of Trade I fought for that but it turned out to be a chicken and egg situation. When you went to the institutions to say that you wanted an airport to develop tourism, they replied that there wasn't sufficient hotel capacity. When you went to the hoteliers to see about increasing the number of beds, they replied that there wasn't sufficient infrastructure, particularly at the airport.

I feel that we have to start somewhere. When you look at what we spend on tourism in comparison to Antigua, Barbados or St Lucia, it is a drop in the ocean. If we are really serious about diversification of the economy as a whole, and not just of agriculture, then we have to look at all the possibilities including tourism. At the moment we are losing tourists because we do not have the infrastructure.

I think we also need to do more to develop small-scale industries. We would push within CARICOM, as indeed we did when we were in power, for the rationalisation of the industrial base within our countries. We did it once in agriculture and although that worked quite well, it has now been scrapped. The vital thing is to create jobs. If we can't get more people employed, I fear that we could have violence here.

We already have a problem involving drugs: more and more people are turning to marijuana growing and they might not do so if they had the opportunity of real jobs. Everyone is also well aware of the fact that the Grenadines are a

major transshipment area for cocaine from Colombia and other parts of South America. Again, we need to offer proper jobs if we want to stamp this out.

You know that foreign companies get all the major contracts. I have no problem with this in principle — we need the expertise after all — but I don't see why, for example, when a company comes here from Trinidad, they should even bring their own drivers with them. That is crazy. By all means employ outside engineering firms, or whatever, but the contract should require them to employ local labour.

Another area where we disagree with the Government is over the question of the public works department. We believe that we should have one that is well-equipped. This saves money in the long run. We used to have a good public works system with all the heavy-duty equipment. When there was a contract, we leased the equipment to the contractors and of course, we still had it when they had left. Now, when you get a company in, you have to pay them to transport everything that is needed for the work to be done. This is an example of an area where we should be able to save money.

■ *Do you think the Government will learn how to live with an opposition again?*

— Well, Mr Mitchell and, indeed, most of his MPs, ought to know how to live with an opposition. Just because they had five years without one doesn't mean that they should have become addicted to unopposed rule without any real accountability. ■

Interview by R.D.B.

St Vincent and the Grenadines and the European Union

by Philippe Darmuzy*

St Vincent and the Grenadines, which attained independence on 27 October, 1979, enjoys, like its sister Windward Islands, a close cultural, political and economic relationship with the European Union. The country is both a member of the Caribbean Community (CARICOM) and of the Organisation of Eastern Caribbean States (OECS). It is also one of the 25 full members of the Association of Caribbean States (ACS) which was created on 25 July, 1994. A formal cooperation partnership with the European Union was initiated in 1976 within the framework of the Association with the Overseas Countries and Territories (OCTs). Under the OCT 'Decision', St Vincent and the Grenadines benefited from preferential trading arrangements with the EU, financial and technical assistance and other instruments of cooperation available through the fourth and fifth European Development Funds (EDFs). St Vincent and the Grenadines acceded to the Third Lomé Convention as a full member of the ACP Group in 1984. It is now one of the 70 ACP States signatory to the Fourth Lomé Convention, which links the ACP States to the European Union for the 1990-2000 period.

Since 1976, financial resources allocated by the European Union to projects, programmes and operations in St Vincent and the Grenadines have totalled about ECU 53.9 million.

The main areas of cooperation under the National Indicative Programme resources have been agriculture and rural development (34%), social infrastructure, mainly in the health sector (37%), human resource development (3.5%), economic infrastructure (21%), tourism and trade (4%), energy and the development of small and medium-sized enterprises in the area of industry, agro-industry and tourism.

Regional cooperation is also a key element in St Vincent-EU relations. In common with the other ACP partners of

the OECS, CARICOM and the Caribbean Forum (CARIFORUM) the country benefits from EDF regional resources. The construction of Bequia Airport, completed in 1992, is the major single operation supported from the resources of the EDF regional programme in the Eastern Caribbean, with benefits primarily accruing to St Vincent and the Grenadines.

In addition, the country benefits substantially from its preferential trade arrangements with the European Union. These include duty and quota-free access for manufactured goods and preferential access to the Single European Market for bananas, up to the year 2002, under the banana protocol. Taken together with the benefits under the STABEX compensation scheme for losses incurred in banana (or other commodities) export earnings, this constitutes a considerable component of

cooperation between the EU and St Vincent and the Grenadines.

'SIDS' vulnerability

To an even greater extent than several other Caribbean and Pacific State partners of the EU, St Vincent and the Grenadines faces the major development constraints inherent to Small Island Developing States (SIDS): the small domestic market, which seriously limits industrial opportunities, a narrow resource base, a high per capita cost of economic and social infrastructure, a fragile environment and heavy external dependence and vulnerability to external shocks, including natural disasters (particularly hurricanes and tropical storms).

The SIDS syndrome is compounded in this particular island state by the geographic dispersal of micro-development poles throughout the archipelago. Against this background, it is rather difficult for the country to reconcile its development requirements and the stereotyped image of the Grenadines tourism paradise.

St Vincent's mainstay is agriculture, in particular bananas. The country's resource balance is largely determined by the level of tourism receipts, banana exports (50% of total exports) and capital inflows. Through infrastructural improvements, the country is trying to develop its tourism potential. Non-banana agricultural production has increased. St Vincent is the main supplier of arrowroot. Fish landings and manufacturing production have also increased.

Since the mid-1980s, St Vincent and the Grenadines has pursued sound economic policies. This, along with increased banana exports, resulted in strong private sector-led growth. In 1990, real GDP increased by over 6% due to expansion in banana production. The country has continued to manage its public finances well in recent years.

The country's relatively rapid economic growth since the mid-1980s only slowed down with the drastic deterioration of the situation of the banana industry in 1992-93.

The depreciation of the UK pound by the end of 1992, followed by the banana price fall on the European market (the total banana exports from St Vincent

* Head of the Delegation of the European Commission in Barbados, also responsible for St Vincent and the Grenadines.



The Courier

are absorbed by the United Kingdom) in 1993 have been combined with a reduced production volume, together with reduced returns to the farmers and future negative expectations, to induce a decline of 40% in local currency of banana export earnings.

Construction activity increased during 1991, due in large measure to work on the Bequia airport, mainly financed by a grant from the European Union.

GDP-growth rates for 1992 and 1993 were +6.5% and +1.4% respectively.

The recent deterioration of the performance of the banana industry and the serious economic impact of the 1979 Soufriere eruption, Hurricane Allen in 1980 and the tropical storms of 1981, 1986/87 and 1993 show the degree of vulnerability of St Vincent's economy to external shocks and natural disasters.

Both as a consequence of the necessary reform in the banana industry and its vulnerability, St Vincent is facing continued sustainable development challenges. During this transitional period, EU-St Vincent cooperation will be focused on the restructuring efforts in the banana industry and the diversification policy which must accompany the banana reform. STABEX transfers for 1992 and 1993 will be used to this end.

Additional EU assistance is being envisaged to supplement the ongoing efforts with the resources of the proposed special programme of assistance to traditional ACP banana suppliers. It is intended to apply the proposed additional resources to support, both at the national level and at the regional level, the Windward Island Banana Industry restructuring plan.

EU financial and technical cooperation

St Vincent's efforts towards sustainable development have been supported consistently by the European Union at the financial and technical level.

Under the First Lomé Convention (1975-80), the island's road system and health sector, both in the rural and urban areas, received priority support.

The health sector projects consisted of the construction of a clinic at Georgetown and the construction and supply of equipment for a 50-bed paediat-

ric ward at Kingstown Hospital in the capital.

Lomé II (1980-85) and Lomé III (1985-90) saw assistance again concentrated on the health sector, in the form of continued development of the Kingstown Hospital, where a 90-bed ward was constructed. A clinic on Union Island was also financed.

Under a revamped Master Plan for the Kingstown Hospital, the main operating theatre has been completed, the emergency department is already manned 24 hours a day, and some nurses have been sent to Jamaica for training in special recovery room techniques. On completion of the project, the hospital will have 307 beds, an increase of over 100. New delivery suites and a special baby care unit are also being built as part of the project.

The focus of the Lomé III programme was on rural development, notably the settlement of the Orange Hill Estate in the north-east of the island. Funds were also made available for further improvements to the Kingstown Hospital and a small tourism project.

The Orange Hill Development Project involved the settlement of 1225 hectares. It included the provision of a farm access road network (32 km), housing sites, public utilities, a central administration providing advice on crop production, the supply of farm inputs and the provision of agro-processing facilities. Shops and schools were also constructed on the estate lands.

Four-acre plots of land have been leased to farmers, with an option to purchase. A total of 400 plots were allocated. Cultivation includes coconuts, bananas, nutmegs, citrus, peppers, pigeon peas, cassava, eddoes and other fruits and vegetables. The agro-processing complex produced bottled water.

A similar land resettlement operation with potential diversification linkages in the area of tourism development has been prepared, under the Lomé IV Indicative Programme (1990-95) on the Mount Wynne/Peter's Hope Development Scheme. Lomé IV funds have also been earmarked for further expansion of the Kingstown Hospital, the provision of additional secondary education facilities and tourism development with special

emphasis on the tourism-environment linkage.

The *European Investment Bank* (EIB) assistance to St Vincent has provided additional EU support in sectors not usually eligible for EDF assistance.

Under the four Lomé Conventions, the EIB has financed operations in support of the improvement of electricity generation through loans to the National Electricity Company (VINLEC) (ECU 6.9 million under Lomé II and III) and the promotion of small and medium-scale enterprises in the industrial, agro-industrial and tourism sectors. EIB partner-institutions in the latter areas were DEVCO, the Development Bank and the Caribbean Financial Services Corporation. In addition, a feasibility study on an OECS-Guyana sand supply scheme was financed in 1993 and further support in the area of port infrastructure was under consideration by the end of 1994.

Total EIB assistance for the 1980-94 period represents ECU 11.5 million.

Another important instrument in EU-St Vincent cooperation is STABEX, the system which seeks to offset losses in agricultural earnings caused by price fluctuations. St Vincent's exports to the EU, or other destinations, of products on which the economy is highly dependent (most notably bananas in this case), qualify for STABEX coverage.

In the period 1980-94, St Vincent has been entitled to STABEX transfers totalling ECU 6.3 million. This is particularly in relation to the period 1992-94 associated with both price changes due to the overall evolution of the common organisation of the banana market in the EU and increased competition from non-ACP bananas, combined with local difficulties due to climatic factors (drought during 1993-94). STABEX transfers are being used by St Vincent for support to a major reform of the banana industry in parallel with the global efforts undertaken to diversify both agriculture and the economy as a whole.

Other instruments which benefit St Vincent include emergency assistance and NGO micro-project financing schemes. In the field of AIDS prevention, laboratory equipment and material are being supplied.

The integration of SVG in its regional environment

The EU also has an ongoing policy dialogue with the Caribbean on regional cooperation. St Vincent is a member of both CARICOM and the OECS. The latter has established a single monetary area, a common currency (the Eastern Caribbean dollar) and a common central bank (the Eastern Caribbean Central Bank).

As a member of the two organisations mentioned, St Vincent takes full advantage of the Lomé regional cooperation instruments. Under Lomé IV, it also belongs to the group of 15 ACP partners who make up the Caribbean Forum. Island status, disparity of levels of development, cultural diversity and vulnerability to external shocks and competition are the main challenges which require enhanced solidarity and regional cooperation among the Caribbean partners. Lomé regional funds are committed to these objectives.

Regional and sub-regional projects and programmes, which are additional to the national indicative programmes, have benefited St Vincent within the framework of the EDF regional programme for the Caribbean. Under Lomé I, II and III, the country derived particular benefit from the following regional programmes:

Transport: The Bequia Airport is the largest single EDF-financed project in the Eastern Caribbean. The airport provided a new air link in the sub-region between the Grenadines (Bequia is the largest island of the Grenadines), and Barbados, Martinique and Guadeloupe. The airport was officially opened in May 1992 by Prime Minister James Mitchell in the presence of several Caribbean Heads of Government and Philippe Soubestre, Deputy Director-General for Development of the European Commission. The EDF contribution to the project is ECU 18.5 million, of which ECU 2 million is from the National Indicative Programme and ECU 16.5 million from the Regional programme (Lomé III).

Other programmes in sea and air transport (relating respectively to WISCO, the West Indies Shipping Corporation and LIAT, Leeward Islands Air Transport), were implemented under Lomé I and II.

Agriculture: Research carried out by the Caribbean Agricultural Research and De-



velopment Institute (CARDI). A study of crop diversification was implemented by the Agricultural Diversification Unit of the OECS (ADCU) which is based in Dominica.

Human Resource Development: Programmes in favour of the University of the West Indies; the OECS Tertiary Education Project, which contributes to the elaboration of an OECS education reform strategy and provides for new facilities at St Vincent 'A' Level College.

A new student accommodation project under implementation for the UWI will provide halls of residence at each UWI campus.

Regional Trade Promotion Development: Major support is being received by the Eastern Caribbean States Export Development Agency (ECSEDA) set up in Dominica to provide assistance to OECS exporters. In the area of trade information and statistics collection, the EU has also participated in the funding of the Automated System for the Collection of Customs Data (ASYCUDA), under which computer equipment has been installed and is being operated at the customs office in Kingstown.

Tourism: The OECS tourism development project, launched in 1992, provides a three-year programme of support in marketing investment, policy formulation, planning and training. It coordinates its operations with the more extensive tourism development programme run by the Caribbean Tourism Organisation (CTO), which includes professional technical assistance for the development of a major marketing campaign in Europe for the Caribbean destinations, including St Vincent and the Grenadines.

The Lomé IV Caribbean Regional Programme (CRIP) under the umbrella of the CARIFORUM has identified programmes in six priority areas — agriculture, trade, transport and communications, environment and human resource development. The financial resources allocated to the CRIP for the period 1990-95 amount to ECU 90 million.

Bequia Airport is the largest single EDF-financed project in the Eastern Caribbean

Financing decisions for the Trade Development Programme (ECU 14m), the agricultural sector programme (ECU 25m), the Inter-University Programme including UWI, the Caribbean Examinations Council's Project (ECU 2.5m) and the Tourism Development Programme (ECU 13m) were expected to be taken in early 1995. In addition, a new programme in the area of tertiary education for the benefit of the OECS countries is in preparation. All these projects, plus a few others in the above-mentioned sectors will benefit St Vincent and the Grenadines directly.

Beyond the horizon of sub-regional cooperation, St Vincent, like its partners in the wider Caribbean, has to face the increased competition brought about by the creation of regional trade blocs in North America (NAFTA), Europe (the Single European Market) and Latin America. It is the Community's vocation, inspired by its own integration experience, to help St Vincent participate in the process of deepening and widening the Caribbean region. This can take such forms as:

— at the sub-regional level, encouraging the initiative of an OECS economic reform strategy;

— at the regional level, helping Caribbean decision-makers to address the regional dimension of national adjustment programmes and to measure the costs and benefits of regional integration. This latter topic is the subject matter of a study which has been undertaken in close cooperation with CARICOM, the Caribbean Development Bank, the University of the West Indies, the Eastern Caribbean Central Bank, other Central Banks and European Universities;

— addressing regional cooperation and integration issues. These will remain of crucial importance in the face of globalis-

ation and regionalisation trends. The countries of the wider Caribbean Basin had this in mind when they created the Association of Caribbean States (ACS) in July 1994. St Vincent and the Grenadines is one of this organisation's 25 members.

EU-St Vincent trade relationship

Under the Lomé Convention, St Vincent and the Grenadines benefits from duty-free access for manufactured goods to the EU market, as well as preferential arrangements for bananas.

The EU accounts for approximately one-half of St Vincent's exports and one-fifth of St Vincent's imports. Bananas have accounted for more than 90% of exports to the EU in recent years.

Exports of bananas were around 70,000 tonnes. The Banana Protocol will extend preferential access to the Single European Market up to the year 2002. The subsidy implicit in the EC guaranteed banana market has been estimated to amount to about one-fifth of the total value of St Vincent and the Grenadines' banana exports. The financial support deriving from the Banana Protocol is thus far more significant than regular EU development aid to St Vincent and the Grenadines.

The combined support of the Lomé IV Banana Protocol and STABEX provides for the most important aspect of cooperation between EU and St Vincent in the present economic transition period. It also illustrates the comprehensive and integrated use which can be made of the Lomé IV Convention's trade and aid instruments. ■

P.D.

EU-St Vincent and the Grenadines — cooperation (1976-1995)

Project/Programme/Operation	ECU	Total ECU
Lomé I		
Coastal Roads	1 889 553	
Sanitary Organisation Improvement	845 347	
Kingstown Hospital Study	255 100	
Integrated Beef & Milk Production	11 385	
Technical Assistance — Union Island Clinic	55 612	
		3 057 000
Emergency Aid-Soufriere Eruption 1979	300 000	300 000
Emergency Aid-Hurricane Allen 1980	500 000	500 000
Lomé II		
Multi-annual Training	131 512	
Health Project	2 645 240	
Trade & Tourism	15 000	
Livestock Development	123 765	
Technical Assistance — Tourism Development	124 999	
Kingstown Hospital Development	251 338	
Bequia Airport Assessment	15 000	
Orange Hill Development	243 949	
		3 550 800
STABEX — Bananas 1980	913 286	913 286
Emergency Aid — Torrential Rains 1981	200 000	200 000
EIB — Hydro-electricity (RC)*	2 900 000	2 900 000
— Bequia Airport Study (RC)*	93 251	93 251
— OECS-Guyana Sand Supply (RC)*	200 000	200 000
NGOs	26 000	26 000
Lomé III		
Tourism Development	322 000	
Orange Hill Preparation Study	23 000	
Kingstown Hospital Redevelopment	1 800 000	
Orange Hill Development Project	2 800 000	
Trade Fairs Programme	10 000	
Bequia Airport Additional Environmental Study	30 004	
Bequia Airport Construction (NIP)	2 000 000	
Bequia Airport Construction (Regional)	16 500 000	
		23 485 000
Emergency Aid-Storms 1986 & 1987	85 000	85 000
EIB — Industrial Development (RC)*	1 800 000	1 800 000
— Electricity (RC)*	4 000 000	4 000 000
EDF Interest Rate Subsidies — VINLEC	670 000	670 000
NGOs	15 000	15 000
AIDS Control Programme	25 000	25 000
Lomé IV		
International Trade Fairs	16 000	
Mt Wynne/Peter's Hope Land Resettlement	3 200 000	
Kingstown Hospital Phase II — Feasibility Study	35 000	
Kingstown Hospital Development — Ex-Lomé II	16 902	
Orange Hill Development — Ex-Lomé II	36 051	
Livestock Development-Ex-Lomé II	6 985	
Kingstown Hospital Dev. Phase III	1 000 000	
Tourism/Environment/Education Project	838 000	
		5 149 000
STABEX — Bananas 1993	5 452 277	5 452 277
EIB (RC)*	1 500 000	1 500 000
Special Programme of Assistance to Traditional ACP Supplies of Bananas	N/a	N/a
NGOs	12 170	12 170
Grand Total		53 933 784
Regional Cooperation		
Regional EU-financed project from which St Vincent and the Grenadines has benefited directly or indirectly:		
University of the West Indies	19 500 000	
Training in Environmental & Allied Health	1 150 000	
Training in Project Administration (CDB)	980 000	
OECS common services	883 000	
OECS tertiary education	6 809 000	
Caribbean Examinations Council Data Processing System	820 000	
Caribbean Agricultural Research and Development Institute (CARDI)	10 243 000	
Caribbean Food Corporation/CFC/CATCO Investment, marketing, inputs	7 100 000	
Regional Trade Promotion/Dev't	10 347 000	
Customs Data Collection — ASYCUDA	1 000 000	
Regional tourism development	20 730 000	
Leeward Islands Air Transport-LIAT	5 935 000	
West Indies Shipping Corp. — WISCO	6 250 000	
Caribbean Financial Services Corporation (CFSC) Risk Capital	3 000 000	
Eastern Caribbean States Export Development Agency — ECSEDA	3 430 000	
Caribbean Regional trade development project	6 100 000	

* Risk Capital.

Is there a European social policy?

'Europe needs a broadly-based, innovative and future-oriented social policy, if it is to succeed in taking up the challenges it will face'.

These are the opening words of the 'White Paper on European social policy' which the European Commission has just forwarded to the Council of the European Union, the European Parliament, the Economic and Social Committee and the Committee of the Regions.

At a time when the problem of unemployment is on the agenda in almost every country in the world, and when the relationships between growth, employment and social protection are being discussed in connection with this, we thought it would be interesting to analyse the European Commission proposals on the subject.

Social policy goes beyond employment. It affects people not only when they are at work, but also when they are outside work or without work. What is at stake is not just the preservation but also the development of the European social model, especially the cohesion between the forces active in society.

Competitiveness and solidarity

The responses to this challenge are given in Article 2 of the Treaty on European Union: 'to promote throughout the Community a harmonious and balanced development of economic activities, sustainable and non-inflationary growth respecting the environment, a high degree of convergence of economic performance, a high level of employment and of social protection, the raising of the standard of living and quality of life, and economic and social cohesion and solidarity among Member States'.

Is the desirable possible? Europe has never created such a society, but nowhere in the world has so much progress been made towards such objectives. If an explanation for such a phenomenon is sought, the reply is probably that a certain number of common values exist which

constitute the basis for the European social model.

In particular, democracy and individual rights, the freedom to engage in collective bargaining, the market economy, equal opportunities for all, social protection and solidarity spring to mind. In a word, competitiveness and solidarity are inseparable. There is a consensus in favour of preserving these common values, even though radical changes are needed with regard to the way in which they are applied in practice.

It is in this capacity that the search for a high level of social protection must not be considered solely as a cost, but also as a crucial element of the rules of competitiveness. Social policy is not a replacement solution for economic development. Confidence is also a competitive advantage; it can only be created from reconciliation between economic and social growth.

Assistance or employment?

Although employment growth in the European Union has been low compared to the United States and Japan, the levels of social solidarity are higher. But this solidarity has been essentially passive. It consists in maintaining the income of certain social groups without preparing them adequately to contribute to economic activity. To move to a more active approach presupposes no longer giving pride of place to assistance, but to job creation.

This is a matter of dignity for individuals, but also of efficiency for societies. Firstly, the financing of social policy schemes depends on jobs. Social progress can only be based on economic

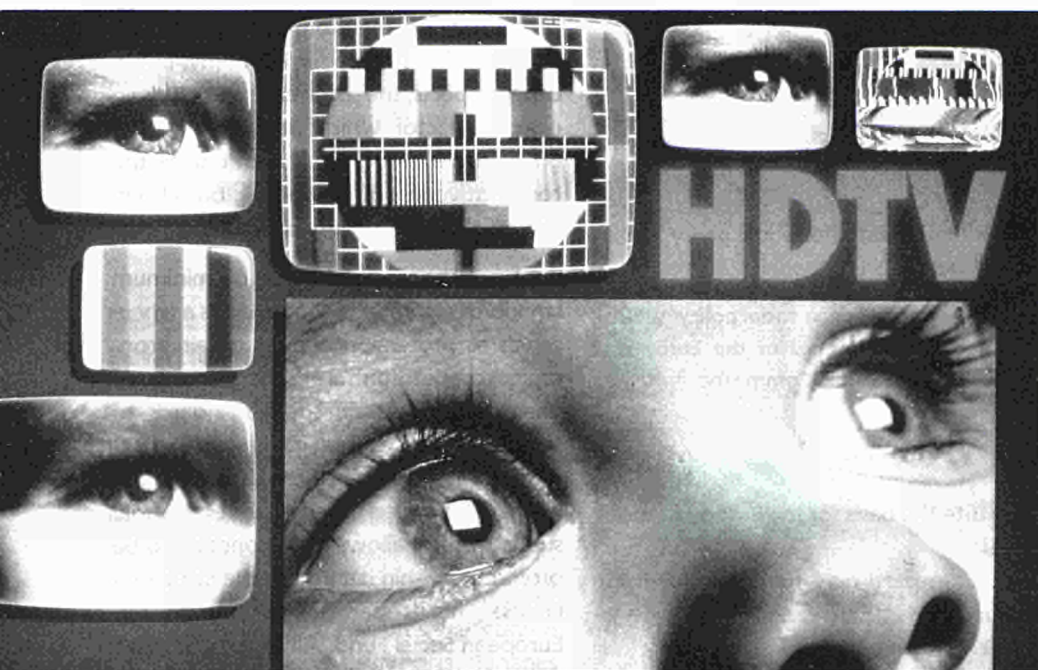
prosperity and therefore on the competitiveness of the European economy. But in other respects, the social environment is an essential factor which determines economic growth. Progress lies not only in the competitiveness of economies, but also in the efficiency of society as a whole.

The establishment of minimum standards common to the Union as a whole serves as protection against unfair economic competition and the making of unacceptable cuts in social standards to bring about an artificial increase in competitiveness. To achieve these shared objectives, the European Union provides financial support which allows social cohesion to be promoted within it through the Structural Funds. This is particularly true of the European Social Fund. All aspects of social policy are involved: action against unemployment and exclusion, the promotion of equal opportunities, support for the integration of young people, encouragement for workers' mobility and adaptation to industrial change and, in regions where development is lagging behind, the boosting of education, science and technology services and training for the health sector.

The European Commission recognises the need for more effective synergy between the efforts of the Union and those of Member States and the need to step up cooperation in and coordination of the activities concerned. It is also appropriate to promote increased, better structured cooperation and exchanges of experience on questions of common interest, not only between Member States, but also at local and regional level, through networks and, in particular, activities which are both innovative and transnational. Finally, the process of change calls for joint reflection and coordinated action, for example, with regard to the future of work itself, the impact of the information society (the dawning of a multimedia world) or the increasingly blurred relationship between work and qualifications.

One priority: employment

For too long, Europe has concentrated on the management of unemployment instead of promoting job creation as a priority. Dynamic structural changes,



stronger economic growth and increased flexibility of the market are needed as a matter of urgency.

Recently, the economic outlook for the Union has improved. But there is still a risk that, in the absence of structural measures for job creation, growth will not enable more labour to be absorbed, but will barely compensate for the productivity increase resulting from policies to improve efficiency and competitiveness.

The *White Paper* on growth, competitiveness and employment (see *The Courier*, No 145, May-June 1994, pp. 79-83) stressed the need to establish a new form of solidarity based on the use of productivity gains to create new jobs. Whilst supporting high productivity jobs, the Union must maximise its capacity to create and maintain jobs at other levels.

Education and training

Investment in education and training is now recognised as one of the key conditions for the competitiveness of the Union and the cohesion of our societies. The challenge of long-term competitiveness is in fact to secure a highly skilled, easily adaptable workforce. This is vital because, in the future, workers will be obliged to change jobs more frequently in the course of their lives.

In this field, the Commission intends to formulate the following proposals in 1995:

The process requires coordinated action with regard to the information society

- to guarantee that no young person under 18 years of age is unemployed anywhere in the Union;
- to eliminate illiteracy and lack of basic qualifications among school-leavers;
- to improve the status of initial vocational training and instruction;
- to extend the range and scope of existing apprenticeship programmes and/or other combinations of jobs and training;
- to improve coordinated guidance and placement services, especially at local level;
- to examine ways of introducing tax incentive measures for companies and private individuals in order to encourage them to invest in their on-going training.

All these measures are being put forward in full knowledge of the danger of training programmes becoming nothing more than mechanisms to control unemployment.

Thanks to a budget of more than ECU 181 billion for the period 1994-1995, the structural funds and the Social Fund will make a substantial contribution to investment in human resources, to action against unemployment and to the smooth functioning of the job market.

The task of the Social Fund is to combat long-term unemployment and exclusion from the job market, to try to

provide all young people with the necessary skills and the opportunity to work, to promote equal opportunities and to help the workforce to adapt to industrial changes. The structural funds are there to assist regions whose development is lagging behind.

Standards of employment for a competitive Europe

Improvement in the employment standards and the rights of workers is designed to ensure that the creation of the single market does not lead to a decline in these standards or distortions of competition and that the workers too benefit from the new prosperity. The priorities are equal treatment for men and women, the free movement of workers, health and safety and labour law.

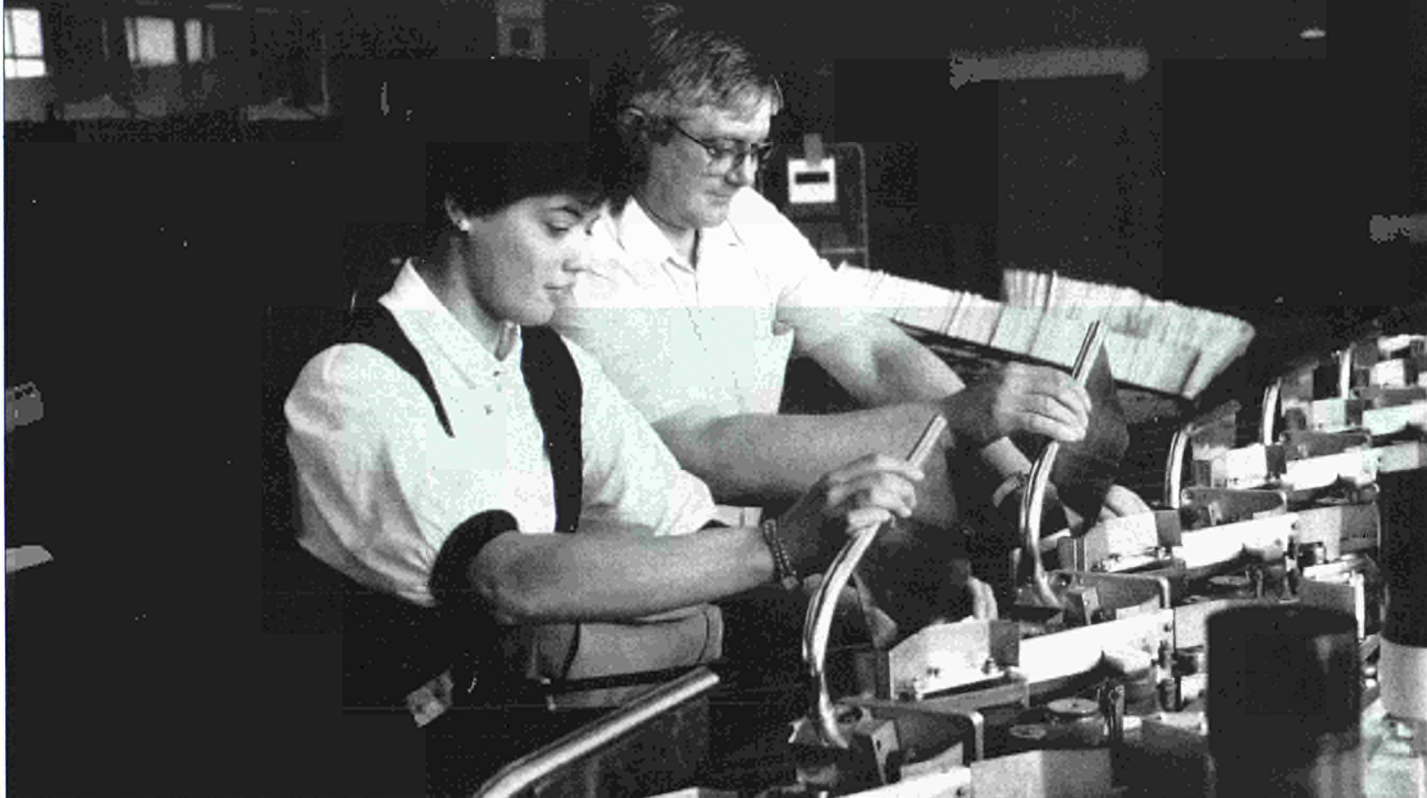
It will be necessary to take account of the fact that new types of employment have been appearing over the past few years, deriving in particular from changes in production patterns and the services sector and leading to more flexible forms of contracts of employment.

Furthermore, the problem of standards of employment is controversial, since it is at the heart of the debate on the links between competitiveness, growth and job creation. Some maintain that employment standards which are too high generate costs which reduce the competitive advantage of businesses in a country or region. Others think that productivity is the key to competitiveness and that high standards of employment have always been an integral part of this.

With regard to the delicate problems arising from the informal sector of the economy, the Commission will submit proposals on illegal working, including its links with illegal immigration.

A European job market

One of the major successes of European integration has been the transformation of economic migratory movements between Member States into the free movement of persons. During times of high unemployment, it is obviously more difficult to achieve the objective of freedom of movement for citizens of the Union, let alone for immigrants from third countries.



CEC

The challenge which the Union must take up today is that of the creation of a true European mobility zone, in which freedom of movement becomes not only a right but also a daily reality. A prerequisite is that European provisions in the field of social security ensure adequate protection so that the disparities between the social security schemes of the various Member States do not have negative repercussions on people going to another country. The comprehensive approach which has been adopted is not intended to harmonise the social protection schemes of Member States, but to achieve effective coordination of these schemes within the Union.

With regard to the integration of immigrants, the object of the policies is to improve the position of nationals from third countries residing legally within the territory of the Union and to strengthen their rights in relation to those of the citizens of the Member States.

Equal opportunities for women and men

The European Union has long been committed to promoting equal opportunities between women and men (Article 119 of the Treaty of Rome). But the economic context of the equality policy has undergone radical changes in recent years. Women's rate of participation in the labour force has increased, even though at the same time their unemployment rate has been higher than that of men.

The balance between the sexes in economic activity will probably be pro-

foundly disrupted by the structural changes in the economy and especially by the growing role of services, the new technologies and the new forms of flexibility sought by public and private enterprises in the organisation of work, working hours and contracts of employment. It is a matter of maximising these possibilities whilst minimising the risks.

Furthermore, the growing participation of women in economic life indicates that it is now urgent, in the interests of society as a whole, to achieve more effective synergy between working life and family life. Lastly, the objective of equality between women and men will remain in vain if women's involvement in decision-making does not progress far more rapidly in all sectors of society.

The emphasis should be placed on equal opportunities and equal treatment, not only on the labour market, but also in society in general. Formal equal opportunities do not automatically lead to equal treatment or to appropriate representation of women at decision-making levels.

An active society for all

Although it is true that the European social model rests on solid foundations, it must nevertheless be adapted to produce a new synergy between the functions of social protection and the creation of wealth. This is all the more important as, in the next 20 years, the European Union is set to experience profound demographical upheavals and

The objective is sexual equality, not just on the labour market but in society in general

social protection schemes will have to adapt to these developments.

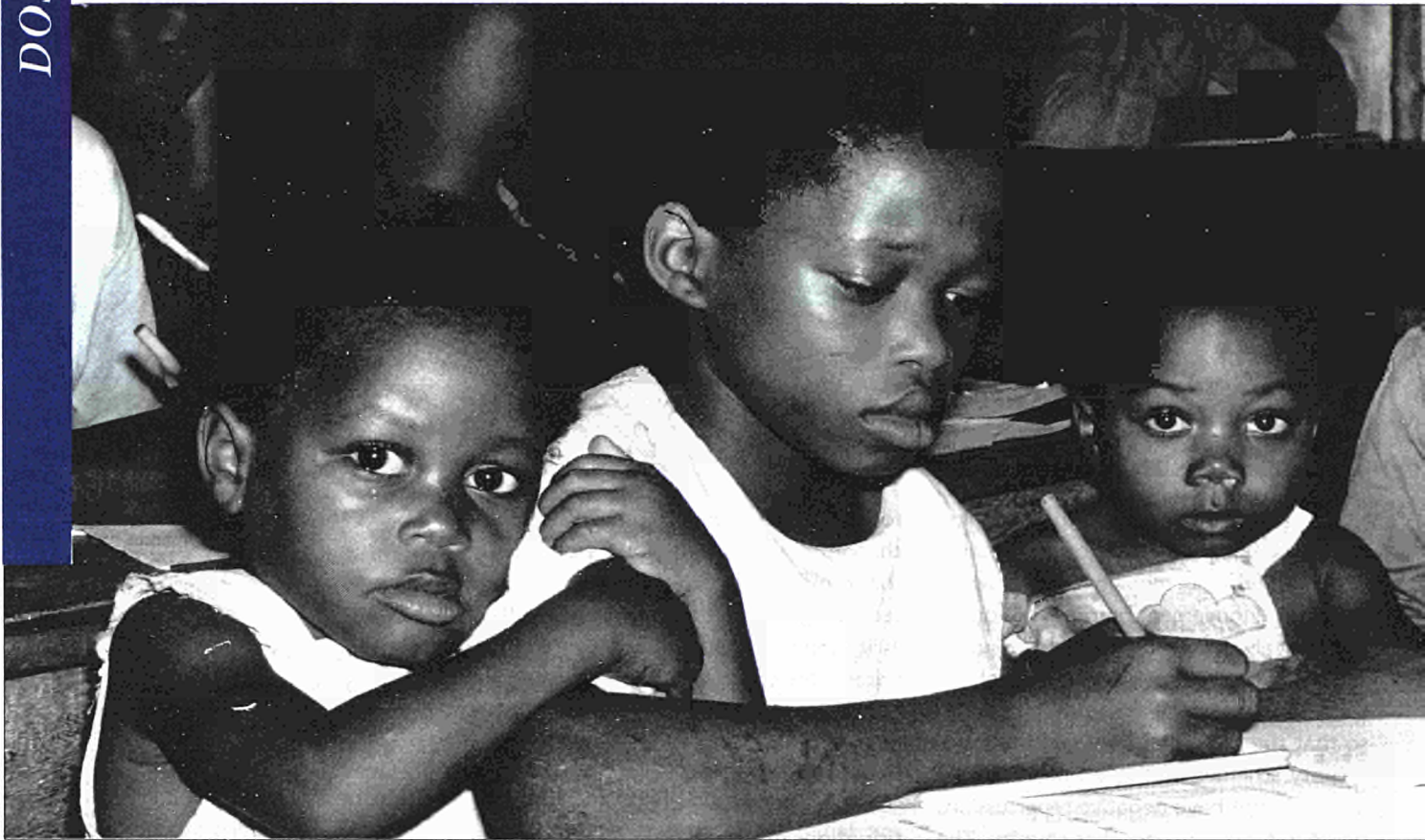
The Member States of the Union recognise that a single market can be established whilst preserving the diversity of the existing social protection schemes. It is therefore appropriate to encourage social protection policies centred on common objectives, especially action against exclusion and the promotion of the welfare of *all* individuals; workers and others. This is a challenge which concerns over 52 million citizens in the Union who live below the poverty threshold. It also entails the integration of disabled people (over 10% of the Union's population) into society, and a reassessment of the economic and social role of the elderly. In addition, measures are planned in the field of public health.

Furthermore, the strengthening of the social dialogue will involve trade unions, employers' organisations and voluntary workers.

To conclude, the European social model is not impermeable to influences from other parts of the world and efforts at international cooperation, both bilateral and multilateral, will continue, particularly as regards the social issues linked to international trade. ■

D.D.

Education



JOYANT UNIVERS

There has never really been any argument over the link that exists between education and development. Education may not, in itself, be a universal recipe for economic and social progress, but it is a fundamental — and some would argue *the* fundamental element in the development equation. It allows individuals and societies to unlock their potential, to expand their horizons and to adapt to a changing world.

In a certain sense, there is a global 'education' system which always functions, propelled by humankind's curiosity and its capacity for continuous learning. A child absorbs information at a remarkable rate, through observation and experience. The adults in his or her life instinctively become 'teachers', passing on their knowledge and experience while themselves remaining 'pupils' in the classroom of life. This is as it has always been. But education in the modern, complex world must go a great deal further. Societies need systems capable of passing on the accumulated knowledge which provides an essential basis for creativity and progress.

In the so-called 'developed' world, universal primary and secondary education is largely taken for granted. So too are opportunities for further study or training at the tertiary level. Such systems absorb a lot of resources for no immediate (economic) return but they are justified because they are investments which will be repaid with interest in the longer term. This principle is no less understood in the developing countries but, sadly, the resources are often not sufficient to translate objectives into practice. Countries are caught in a vicious circle, aware that development requires an educated population but lacking the funds that only development can generate to provide the education.

A further key aspect is that education is a cumulative *process*. Starting from the bottom, each brick must be firmly positioned before being built upon. The foundations are basic literacy and numeracy and these, ideally, should be laid early in life. Sadly, the resource crisis means that there are millions of children in

developing countries who are deprived of even primary education. And among those who do have this opportunity, attrition rates are so high that many never see the inside of a secondary school and only a tiny few make it to university or advanced training.

In this Dossier, compiled with the collaboration of Christian Platteau, a researcher at the Université Libre de Bruxelles, we look at some of the main issues involved in laying the foundations for education in ACP countries. The focus is on basic questions such as school attendance, curricula, literacy and the financing aspects.

The authors who have contributed to the Dossier reveal clearly how much more needs to be done before 'Education for all' is achieved in the developing countries, but they also make a positive contribution in highlighting how some of the challenges might be tackled. ■

Simon Horner

Education, the key to change ?

by Jean Claude Buchet*

More than 90% of children in the Third World start primary school. But in many countries, half of them abandon their studies before completing the four years of primary education, the minimum required for basic education: there are an estimated 100 million children today aged between six and 11, two-thirds of them girls.

In order to meet the worldwide challenge of education for all, implementation of a comprehensive, consistent, effective strategy on the one hand, and a firmer commitment by governments and all the partners on the other, are needed to broaden access to primary education for all children and to develop new educational approaches.

In the past, and especially in Africa, there was a close link between

* Director of 'Aide et Action', a non-governmental organisation.

traditional learning and the fundamental needs of each community. The wise men of the village were able to pass on know-how and a set of values needed to perpetuate the way of life. Emphasis was placed on collective rather than individual abilities. Today, high population growth rates and general economic decline jeopardise the future of families and children. The decline in the system of mutual aid within families, particularly in towns and cities, has made children more vulnerable than ever. The lack of stimulation and backing deprives the present generations of support from the family received by children in the old

traditional society. For this reason, education itself assumes greater importance, since it is a matter — at least in part — of replacing the functions previously performed by the family.

Education, a basic right

In December 1990 in Jomtien, Thailand, 155 countries ratified the world Declaration on education for all. This Declaration stresses the need to place the emphasis on the acquisition of useful knowledge in primary school, rather than on learning by rote and traditional teaching methods. It also stresses that governments and partners must find both suitable and innovative means of enabling as many people as possible to be reached. This new vision of education stresses the necessity of incorporating — into primary education — the basic knowledge children need to achieve a higher standard of living and to meet the challenges of a constantly changing environment more effectively.

Children at a pre-school centre in Zaire
How is the worldwide challenge of education for all to be met?



This view therefore gives priority to the development of skills which prepare children to lead more independent lives. In this field, special efforts must be made for girls, for they are the group most often left on the sidelines in the formal sector.

Primary education is in a state of crisis in most Third World countries, essentially as a result of cuts in expenditure on education in the 1980s. The combined effects of economic decline and high population growth rates led more or less everywhere to a deterioration in schooling conditions.

And when investment falls, books and equipment are no longer renewed and it is more difficult, if not impossible, for a school leaver to find a stable job. Hence the decline in enrolment rates since 1980 shows — in part — an acute loss of confidence in the relevance of the present system.

Crisis in the education systems

This crisis has today become almost general. The scope for governments to cater for the needs has declined. More classrooms and buildings would be needed every year to enable every child of school age to be given a place at a school. The reason for the failure of a large number of reforms to education systems also doubtless lies in the fact that they were confined solely to the teaching field. The failure to appreciate the impact of demographic or economic factors has gradually compartmentalised the education systems, which are anxious to perpetuate their own existence, without considering the real problem of how they are to fit into the economic system and be most effective within it.

Finally, failure to take sufficient account of the links between the development process and education has resulted in specific, limited approaches which have prevented the issues being dealt with as a whole. The various aspects of development cannot be dealt with effectively without considering a radical overhaul of educational systems.

Towards more appropriate forms of education

A basic question to which an answer must be found is that of the relevance of primary school curricula. Often altered, most such curricula are too full and their content is out of step with local reality. It seems today that it is not just one-off adjustments which need to be considered, but a complete rethink which questions their objectives and redefines their ultimate economic and social purpose. The objectives of education need to be looked at afresh. On leaving primary school, children must have acquired knowledge which enables them to cope with practical situations in everyday life. This point is a crucial one.

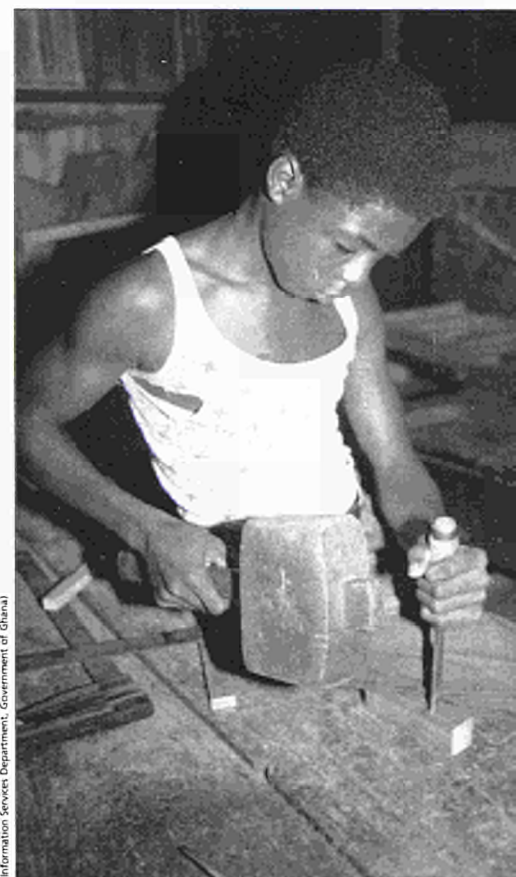
For children, the effects of the educational systems in most Third World countries today tend to mean breaking with their environment rather than successful integration into it. The present systems give priority emphasis to traditional education, limiting the development of children's understanding of the world about them.

It is therefore important for partners outside the school, in direct contact with the environment of the village or urban district, to be involved in drawing up the curricula and defining the educational practice of the school.

Schools do not function in isolation

Four approaches must be developed to promote this objective :

- there must be a response to a set of needs in the primary education field in order to increase access to school and to improve the quality of the teaching ;
- practical and productive activities, drawn from local know-how and oriented towards the acquisition of modern tools and knowledge, need to be brought into school ;



Information Services, Government of Ghana

'Children must have acquired knowledge which enables them to cope with practical situations in everyday life'

- the involvement of society as a whole in the life of the school needs to be boosted through greater involvement of the teaching staff, the parents of pupils and external partners ;
- an interest needs to be taken in the social conditions of school attendance, i.e. the living conditions of children in their environment.

Any development strategy should be based on this essential principle : the school does not function in isolation, it is at the heart of a village or urban district and must lead to children being able to act on their environment later by transforming it.

Once this constant has been established, it should be possible to devise a fairer world, one which shows greater solidarity with children from the back of beyond. ■

J.C.B.

Increasing school enrolment rates

The point of view of parents

by Christian Platteau*

The tasks of the school include social integration: school provides the skills which the society from which it springs needs if it is to function smoothly. This is the very definition of external efficiency. Society and school must therefore work together to avoid any failure of understanding or dissatisfaction. Ideally, society must state what it needs and the school must, among other things, educate to meet this demand.

The educational reform carried out in Rwanda prior to the current crisis provides an illustration for our comments (UNESCO, African Development Bank, 1991). Rwandan society is largely agricultural. The effort to promote school attendance in the 1960s led to the award of a large number of primary education diplomas, whereas there was very little capacity for secondary education. Reform was therefore necessary to adapt the aims of primary school to fit the conditions of Rwandan society. The objective of the reform was to reintegrate primary school-leavers into rural environments and it was implemented by introducing practical agricultural and craft work, extending school attendance from six to eight years and introducing Kinyarwanda as the language of education. These changes were clearly designed to reconcile the needs of society and the education dispensed at school. However, the reform did not meet with enthusiasm from the Rwandan people and had to be modified, mainly on account of the way parents viewed school. For them, its purpose was to equip children to escape the peasant condition. School should not therefore teach the 'skills of the soil'. A different approach to reform, especially one which took account of the way people regarded school, would have been more effective. With a different scenario (for example, four years plus four years) and

some thought as to the correlation between the objectives of education and the image people had of school as an institution, failure would possibly have been avoided.

Part of the reason why schooling malfunctions is the image which those concerned have of school. The way it is seen by ordinary people and parents influences the way it functions at several levels: the enrolment rate, the drop-out rate and the percentage of pupils who have to repeat school years.

Parents' idea of school influences their attitudes as regards sending and keeping their children there. Traditionally, school is seen as a means of climbing the social ladder, an opportunity of securing an economic and social position which is more highly thought of and different from that of the child's parents. Disappointed hopes lead to one of two ways of thinking: either the school serves no purpose at all, or it is useful for something else. The first attitude leads to disinvestment, the second calls for work to clarify and harmonise the perceptions of the parties involved.

To carry through action in an educational institution, it is important to know what parents' image of the school is and what their expectations are (Lourie 1992). Once this is known, more effective direction can be given to the educational system: if parents entertain expectations which the school meets, there will be no great disappointment; the school must take care to retain this confidence and credibility. If, on the other hand, parents'

expectations do not coincide with the objectives of the school, a change in the perceptions of parents and the population at large or a mutual adjustment of perceptions becomes necessary. Work must be undertaken in the field of communication and adaptation.

A survey which we have been conducting in Sahelian Africa for the past 12 months seeks to identify these expectations. The main question of concern to us is the way in which society, and more particularly parents, assess the usefulness and functioning of the school, whether parents consider or no longer consider it to be worthwhile, whether or not society is prepared to contribute its energy to the institution and, lastly, whether it has expectations or criticisms with regard to the school.

These questions presuppose that we investigate the various agents involved in the education system. Our choice has focused on one type of agent: the women of Senegal, Mali, Niger and Burkina Faso.

The methodology used for this survey is based on structured interviews (directed conversation) allowing information to be obtained in a standardised format. All the interviewees reply to identical questions and receive the same explanations and the interviews take place under conditions which are as similar as possible. This produces a kind of oral questionnaire.

The preliminary results

From an analysis of the first interviews, principally involving women from Mali, three characteristic points emerge:

- there was a distinct homogeneity in the responses given. Few questions generated features peculiar to any specific category, whether in terms of age, occupation, number of children, level of education or ethnic origin.
- there was an excellent knowledge, in general, of the education system of the country, which made for lively discussion during the interviews. Replies to questions were very often relevant and highly practical.
- the image of school, of what it is and what it should be, which emerged is sometimes a long way from our view of it,

* Researcher at the Université Libre de Bruxelles, Adviser on education in the developing countries at the Institut Belge de Formation (IBF).



'Improve living conditions for parents and we will be able to send our children to school'. Parents nevertheless believe that school is well placed to improve living standards for their children.

The interview replies suggest that the women want to devote their energies to an educational project, whether in the form of an existing parents' association or of a parents' association to be set up at a basic school. The idea of basic schools to be set up in various districts and initiated by the women is one which the women taking part in the survey find attractive.

Access to primary education for girls is still too often at the whim of the father, who seems to be the sole decision-maker at this level. It is also surprising to hear women maintain that boys have more chance of doing well at school than girls.

In conclusion, the skills of the pupils are essentially defined as being scholastic: reading, writing and arithmetic. However, 32% of this sample is totally unaware of what primary school-leavers might know. The contribution which a certificate of primary education makes to the professional lives of the children will be essentially a pecuniary one and should enable them to find employment. It should be noted that 23% consider that on concluding primary school education, the children will have gained nothing more than children who have not been to school. It must be stressed that in tourist areas large numbers of children who have not been to school manage to earn CFA 10 000 a day by selling trinkets to tourists or acting as guides.

It is still too soon to draw any general conclusions: the results from only one country out of four, and from 40% of the women, have been analysed. Nevertheless, if the current trend were to be confirmed, it would suggest some interesting challenges and should encourage all the parties involved, both national and international, to give thought to their choices as regards the action to be taken to increase the enrolment rate in primary schools. ■ C.P.

and especially from that of the international organisations which are the main lenders.

Although the 'physical' image which the women interviewed had of state schools is that of schools in poor condition which urgently need renovating, excessive importance should not be given to school infrastructures. Indeed, it emerges from the interviews that although a minimum does have to be achieved, it is not necessary to focus too heavily on the buildings and classrooms to increase the school enrolment ratio. The demand is not at that level: as far as they were concerned, all that is needed is classrooms which can be closed, have doors and windows and are built in materials suited to the climate of the region. We would also stress that a large majority sees no use in classrooms except in the rainy season: the climate means that it is possible to meet outside and there would consequently be no point in investing too much in buildings.

The shortage of benches and chairs in classrooms is not a vital issue either, in the opinion of the sample. Either all the children sit on the ground and the teacher gives his lessons in this way or, if absolutely essential, the children organise themselves to take turns sitting on a bench.

Classroom conditions for pupils (overcrowded classrooms, double usage, subdividing) although not ideal, do not

It is important to know how parents regard school and what their expectations are

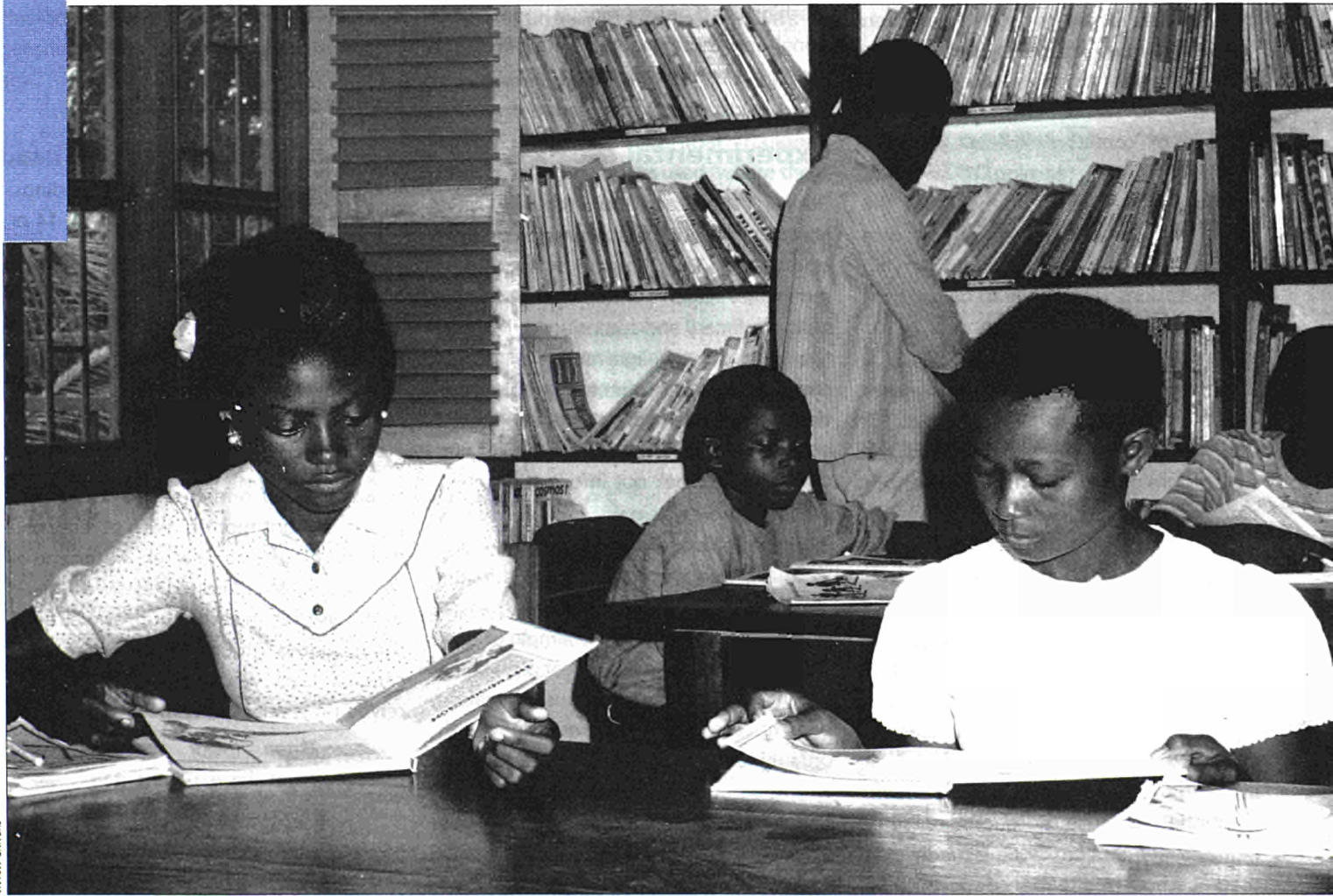
seem to be of too much importance either. Whereas some thought that a class should not contain more than 100 pupils, there were others who thought that the ideal class would consist of between 50 and 60 children, and yet others who said there should not be more than 40. But the vast majority were convinced that the teacher is trained to cope with this kind of situation and that should not give rise to any major problems, either for pupils or for teachers.

The cost of schooling for parents (school canteens, enrolment fees, the costs of education during the year) is the aspect which crops up continuously during the interviews. Parents in Mali, for example, have to pay CFA 2000 to enrol a child. This amount is an obstacle for a great many families. To illustrate this, a woman who sells her produce at the market may earn only CFA 20 or CFA 30 for an entire day's work. In addition to the enrolment fee, children need basic school supplies, which come to between CFA 5000 and CFA 8000, per child. Given the size of the average family, the costs mentioned need to be multiplied by anything between six and ten.

To be able to have their children educated, the view expressed by the majority of women was as follows:

School textbooks Investment... or waste

by Louis Vandevelde*



There is a lot more to education than simple rote learning. While a good teacher may be able to impart a lot of knowledge orally to his or her pupils, acquiring the skills of learning for oneself is arguably just as important. This implies access to teaching materials and textbooks. It also prompts discussion about the merits of different types of reference source and about ways of organising the material.

It would be understandable if these issues did not appear as priorities in

many ACP countries where it is often a struggle to find resources even for the basic infrastructure or teaching staff. But given the link between education and development, research into making the former more effective is relevant to any country.

In this article, Professor Louis Vandevelde analyses some research concerning school textbooks recently undertaken in Belgium.

For some years, the item 'school textbooks' has been taking an increasingly important share of resources allocated to

investment in teaching aids under many educational aid projects.

Although not so very long ago books were considered a luxury which were not only inaccessible, but also often superfluous, the rule 'as many textbooks as there are children' has now become a common objective and in some cases a reality thanks to a number of educational reforms currently under way.

It is certainly not the intention of this article to contest the right of each child to enjoy the privilege of using the educational tool which the book constitutes.

* Professor at the Université Libre de Bruxelles. Director of the Department of Experimental Education. Consultant to International Organisations.

Our aim is to examine, in the light of systematic findings made on the spot and of a prospective survey, the conditions required to ensure that this right can be accompanied by the anticipated multiple effects of learning for all children, wherever they live, and to stop money being wasted.

What is the use of school textbooks?

The answer to this question varies somewhat depending on the subject and on whether it is asked at primary or secondary school, but it presents a large number of common aspects. Generally speaking, in the teaching of a child's mother tongue and of mathematics, the school textbook is used mainly as a source of exercises in applying rules and carrying out operations which have to be grasped. (The teacher often has the 'answers' to the exercises in a teacher's book, which is sometimes appended to the pupils' book and is sometimes separate.)

In other disciplines, where the subjects are generally divided into lessons corresponding very closely to the succession of topics provided for in the curriculum, the textbook offers summaries which are supposed to be memorised.

In other words, because the teaching material in a textbook is set out in a way which tends to provide a faithful replica of the lessons given by the teacher, in practice its only utility is as a way of avoiding the need to copy out the above-mentioned exercise questions or summaries by hand. A textbook is hardly ever used at school as a reference source to be consulted in order to learn something new.

Nor is it used to show that subjects taught by a teacher in a certain way or in a certain form can also be explained in another way or expressed differently without changing the substance. It is not even a tool to which the pupil is supposed to refer spontaneously to answer questions when he does not trust his memory (since, in the majority of oral or written examinations, the teacher assesses 'knowledge' or mnemonic ability, and not the ability to investigate whether the book contains any useful facts. The same applies regarding the capacity to use any available

data judiciously. If this barely caricatured description reflects the real situation, then it must be recognised that, as far as school textbooks are concerned, the relationship between 'quality of educational service' and 'price' is totally disproportionate. As will be shown below, with a very few rare exceptions, neither the actual organisation of the books and their accompanying teaching guides, nor the objectives stated in curricula, nor even — and perhaps especially — the vocational training of the teaching staff, encourage a more functional and therefore more educative use for school textbooks.

Experimental studies

The observations set out above are not mere impressions or superficial assessments. They are the outcome of a number of experimental studies into the skills of primary and secondary children, in the 10 to 18-year age range, as regards consultation of reference tools (dictionaries, general works, school textbooks etc.) and, more generally, the ability and willingness to seek out information.

A very significant preliminary investigation is at the root of all this work. We gave two standard tests, one in the mother tongue and the other in mathematics, to a representative sample of over 2000 pupils (11, 14 and 16-year olds) being taught in Belgium's various education systems. These contained questions both on subjects within the relevant curricula and intentionally chosen from outside them. Each pupil was asked to give two sets of answers: the first time on the basis exclusively of their knowledge, the second time with a 'glossary' at hand specially designed for this research and containing all the facts needed to respond to the questions, with a table of contents and an alphabetical index as 'keys to access'.

The results revealed that for more than 80% of the pupils studied, of whichever age group, performance with the help of the glossary as a reference source was no better than the results obtained without access to the information.

Two extremely significant observations were also made. On the one hand, a very large number of pupils,

including some of those whose results from the memory test were excellent, did not even try to use the reference booklet. On the other hand, some pupils who did refer to this source and found the necessary help there (as the wording of their answers showed), preferred to claim that they had not done so, considering that it was more 'honourable' to be able to reply without copying! This justification shows how greatly the education system underestimates the intellectual value of research and enhances the value of reconstitution.

Reference sources

A second investigation was undertaken following these first findings. It revealed that even though, at 11, 14 or 16 years of age, the ability to consult reference sources to answer a question is still a skill acquired to greatly varying degrees, it is perfectly possible to teach it. Indeed, three samples of pupils aged 11 (fifth-year primary), 14 (second-year secondary) and 16 (fourth-year secondary), were given various types of training in the consultation of reference sources, over a period of eight months, with at least one such teaching session a week. At the end of the training, standardised tests were given to the children in each group, as well as to three control groups at the same educational level whose members had received no special training.

Three major findings clearly emerged from this experiment:

— Not only can consultation of reference material be taught. It even equips primary school children trained in it to achieve average performances which are statistically better than those of untrained 16-year olds.

— Although it is shown that the required capacity and attitudes favourable to the consultation of reference material can be taught, good results are only achieved after very systematic training. 'Learning by doing' (without back-up) is obviously not sufficient.

— The common feature of the experiments set out briefly above is that they relate to learning how to consult very common works and other instruments specially designed as reference sources.

We then went on to look at whether existing school textbooks could contribute to developing these same skills. Here too, a systematic experiment was carried out.

It consisted of presenting a series of questions (concerning the mother tongue) to 15-year olds. They were asked to answer from memory and then to consult their current school textbook, and to indicate, where appropriate, whether parts of the answer appeared therein. Finally, they were asked to reply to the questions using the information found, if any.

Limited aptitude

This experiment confirmed, firstly, the very limited aptitude (and certainly the lack of practice) of the majority of pupils at this educational level in using textbooks to solve general questions. It also showed that the school textbook is not, or is only very rarely, the work tool or reference source that it should be.

On analysing the results of the latest experiment, it emerges very clearly that most failures cannot be attributed solely to the lack of training in how to consult reference sources. The fact that the vast majority of school textbooks are not designed to be used as reference tools is also a major element. Among the shortcomings identified:

- not only are contents tables often incomplete, but the headings in them only rarely refer to significant key words;
- subjects are generally organised in the same order as that in which the author chooses to set out his teaching material, but consultation can be difficult and even problematic;
- very few textbooks contain an alphabetical index of subjects, even though this can be a particularly effective key to access;
- by highly regrettable tradition, there are separate school textbooks containing the curriculum for each of the various school years; it only takes a few experiences of unsuccessfully trying to find something for the pupil to lose confidence in his book and give up looking.

The results of this work not only reveal obvious inability among pupils from

environments where there is no consultation of reference material (since there are no books there either). They also, perhaps more than anything, reveal the gaps in the training of teaching staff with regard to the range of educational activities offered by books (as by any other source of information). And lastly, this research clearly demonstrates that education through books cannot be improvised: the very concept of the 'school textbook' needs to be radically rethought.

Contrary to what happens with a great many education reforms, particularly in the developing countries, the requisite conversion of school textbooks should not be confined to a superficial 'regional adaptation' of the books used, where they only constitute a 'genre' amongst the wide variety of books available. It is as though the people responsible for promoting school textbooks in these countries were unaware of the extent to which the traditional textbook is falling into disuse in places where other sources of information exist, within the reach of pupils.

Photocopies

This is true in both secondary and primary schools. Photocopies are insidiously replacing books and, in many schools, the traditional textbooks are already tending to disappear. This is a very worrying development. In fact, far from correcting the faults of ordinary school textbooks, photocopies aggravate the paucity of teaching material used. They become a kind of *aide memoire*, narrowly confined to the instruction provided by the teacher. And there is the risk that in future, the only children who will retain contact with external resources (in particular, bibliographical material) will be those who have the right cultural environment, and who have the resources to widen their intellectual horizons through the use of libraries and the acquisition of reference works. For them, the decline of the traditional school textbook is also a loss but one which can be made up for elsewhere.

What the school textbook is supposed to contribute and promote is a matter solely for the people in charge of the education system in question. Only warnings against the unquestioning adop-

tion of practices and methods, whose only recommendation is that they exist or have been justified at some other time or place, can be warranted from the outside. Some of the comments below are obvious truths; for example, the observation that waste needs to be avoided at a time when there is such a clear gulf between identified needs and shrinking resources.

Other observations have to do with social choices and educational options. The fact remains that they must be addressed by the people in charge and notably by project managers.

Errors not to be repeated

In view of the low frequency of consultation and, particularly, the lack of variety in the use made of textbooks, expenditure on this type of educational resource appears disproportionate.

In primary schools, provision is generally made for one book for the mother tongue and one arithmetic book for each of the six years, one 'observable sciences' book from the third year and a geography and history book for each of the last two years. This gives a total of about 20 textbooks. This average of at least three books per year of study is often doubled in secondary education. There is no need to simulate a cost calculation to see that the financial burden, whether borne by the school, the family, or the two jointly (depending on social conditions), comes to a very substantial amount.

That is why, until recently, various forms of cost reduction — often combined — have been devised and implemented: a single book for several pupils; use limited to work during school hours; reuse of the same books for several years, and so on. Each of these economy measures inevitably results in a reduction, not only in frequency of use, but also in the diversity of educational services made available. For example:

- where a single book has to be used by several children, the time for individual reading is naturally reduced;
- the ban on taking books home has the unfortunate side-effect that only those who own copies of them can make up for

any difficulties they have in class by studying outside school hours ;
— having to return the books allocated to a school year when the next year is started, on the pretext that the curriculum is different, postulates that forgetting even part of what has been learnt is not permitted — and that deprives books of one of their main reasons for existing.

Damaging effects

The damaging effects of these measures have gradually been realised and so the idea that each pupil needs to be provided with the full collection of school textbooks associated with the curriculum of the year in progress is gradually gaining ground. The principle is generous, but naïve. Experience confirms that teachers do not make more use of books in the classroom in such circumstances. Nor do pupils alter their learning habits. This is despite the fact that this approach entails a significant increase in costs.

The reasons for this are obvious and straightforward. The teachers, weaned on the methodological instructions contained in the guides which accompany the textbooks, have fewer reasons for modifying their teaching as the textbooks change only in appearance. Indeed, it appears that most projects involving the individualisation of textbooks include what is purported to be a regional or national adaptation. In reality this updating — of a supposedly cultural nature — is superficial, involving nothing more than changes in the subject matter or illustrations aimed at allowing particular readers to identify more closely with the text. Little change is made to the core information or to the teaching suggestions contained in the textbook.

In other words, implementing the basic idea that each child should have every book will only be helpful if the books in question enrich the cognitive processes of learning through their design and presentation. From the teaching sources that they are today, they should become information tools. To achieve this, they have to have contents tables setting out the key words as well as indexes, vocabulary lists and glossaries. They should even contain questionnaires, tables and

summaries to allow them to become genuine 'work instruments' which can be used to obtain a better understanding and to find information that has been forgotten. Schoolbooks which also contain lists of exercises and applications should be designed so as to enable the teacher to help pupils in difficulty : in other words, in such a way that with systematic consultation of the book's key indicators, the pupil is bound to succeed in the task being undertaken.

Implications

For reasons of both economy, and of lack of physical space, it will probably be necessary to reduce the number of books at each level and year of study, if one opts for such 'textbook-tools'. Contrary to preconceived ideas and traditions, there is no obvious reason why the textbook used during a particular school year should have to correspond closely with that year's curriculum. More significantly, it does not have to mirror closely the teaching approach that has been chosen.

On the other hand, the same textbook should, strictly speaking, cover the full range of subjects in the curriculum at any given level. At the very least, it should deal with the concepts encountered previously by the students. This means that it would be appropriate to replace the traditional chronological approach to presentation with one based on systematic subject classification. This would require consultation on a functional basis which, in itself, would represent significant progressive training capable of being transferred to other spheres on study. The corollary to reducing the number of different textbooks for a single subject would be that one kept them for a longer period ; certainly longer than a year and possibly even from one level of study to the next. They would not have to be returned at a given time and would, therefore, always be available. Indeed, they might continue to be useful even after the end of one's formal education. It would be encouraging to find that, having completed basic education, former pupils were continuing to apply the skills learnt in researching something before taking action.

This is not the place to enter into a discussion about the techniques needed for designing and producing such 'textbook tools'. One need only note that a number of extra-curricular collections, designed as information tools, are already on the publishing market and that there is very active educational research on the subject. There is also considerable activity in the field of discussion and training seminars designed for textbook authors and people in charge of educational projects. Clearly, this focus should be extended to cover both initial and in-service training of teachers. It is necessary, at the very least, that any projects or reforms containing a 'school textbook' component should, henceforth, involve :
— preparatory studies aimed at ensuring that decisions taken incorporate the idea of intellectual and social 'investment' as well as that of financial savings ;
— the systematic introduction of systems for evaluating both the knowledge that is currently taken for granted and any additional paracognitive attitudes which such investments are liable to generate.

Common to the above considerations is the conviction that there can be no democratisation of education without systematic training, by the school and within the school, in the practice of research and the use of information. Unequal opportunities lie not so much in the difference in knowledge gained as in the possibilities of having access to it. It is for the school to promote the aptitudes — and even more so, the attitudes — which enable pupils to acquire knowledge not actually taught to them or to reacquire knowledge about things they have forgotten.

This conviction is held by a large number of educationalists, who constantly proclaim that there is no point having classes or schools if there is no library fund. Those who are working towards transforming the school textbook from a teaching aid to an information tool share this conviction. And in their enterprise, they see a first-class opportunity to contribute to the essential goals of ensuring that people retain their learning achievements, and of promoting on-going education. ■

L.V.

Development indicators and education

by Christian Platteau *

The annual reports published by the UNDP (United Nations Development Programme), the World Bank and UNESCO provide statistical indicators which form one of the 'raw materials' of economic, sociological and political analyses, and which today have a considerable impact on the international scene.

The growing importance of these indicators raises the question of how the various agents select and use them, whether in fact they reflect the phenomena analysed and how accurately they do so. Essentially economic in nature at first, they now cover broad aspects of life which come into play with development, such as state of health, natural and human resources, population, military expenditure, balance of the national accounts, communications, employment and unemployment.

Since the purpose of these indicators is to measure development, this presupposes defining the concept of development itself and rendering its component concepts operational. The UNDP says in its 1990 report that the first researchers into quantification of the economy placed the emphasis on the human factor, a policy which was abandoned somewhat in the last few years but which reappeared recently. Although development has become a constant preoccupation of politicians, economists and other social science specialists, there are a large number of divergences in the appreciation of its nature and in the way of measuring it and achieving it. Whereas the pioneers of the measurement of production and national income stressed the importance of social concerns, after the second world war economic growth became the central issue. Growth in capital was considered the means of achieving

development and the per capita GNP growth rate became the most important yardstick.

The international organisations dealing with development aid and finance have drawn up classifications of the Third World. The examples given by the UNDP and the World Bank deserve a certain amount of examination, for they show the difficulty in establishing a consensus.

The table classifies 41 developing countries in Africa by two different criteria: gross national product per capita an exclusively economic criterion used by the World Bank, and the Human Development Index (HDI), a composite indicator devised by the UNDP, which takes into account life expectancy, education and income. This dual classification shows the difficulty inherent in any such exercise and how hard it is to embark on a rigorous classification of the countries of the Third World. There is little agreement between the two. The rankings of some of the countries differ considerably from one classification to the other. Column A of the table shows the differences between the two classifications. A positive figure indicates that the HDI ranking is higher than the GNP ranking. A negative figure indicates the reverse. By grouping together the data from this table, we observe that:

- 15 countries show a difference of between 0 and 5 positions
- 15 countries show a difference of between 6 and 10 positions
- 5 countries show a difference of between 11 and 15 positions

— 3 countries show a difference of between 16 and 20 positions

— 2 countries show a difference of more than 20 positions.

In the light of these differences, we refer to Cazorla and Draï (1991), who wrote that the classifications by international organisations result from a distortion between an abstract dimension of underdevelopment (stressing its unity) and the divergent situations in reality. Each country, they say, has its own specific geographical, historical, economic and social characteristics and it is increasingly difficult today to consider the Third World as a whole the distinguishing feature of which is that it is different from the other group of developed countries. But there is more to calling into question the concept of a Third World than just finding differences in conditions. The problems of the international organisations in arriving at a strict definition of the Third World show that it is very difficult to find satisfactory criteria by which to define underdevelopment (and development). Which common criteria, Cazorla and Draï ask, should be used for countries with such contrasting levels of development?

In short, the underlying content conveyed by the indicators should therefore be stressed: their function is to express theoretical ideas. Their practical aspect allows measurement and quantification. Their theoretical aspect raises the question of their accuracy, their relevance in expressing abstract concepts. The richness and difficulty of the indicators (per capita GNP and HDI) is to make a concept as complex as development sufficiently tangible to make it measurable. Their weakness is to reduce development to one or two dimensions and to assume it to be a simple entity, acquired to varying degrees by the different nations.

What about education?

Literature on the education sector shows that the controversy in respect of the risks or the need to use performance indicators for the education systems of different countries is the same as the long-standing controversy concern-

* Researcher at the Université Libre de Bruxelles. Adviser on education in the developing countries at the Institut Belge de Formation (IBF).

ing development indicators. A. Cambier, J.M. De Ketele and Ch. De Pover (1994), authors of current research commissioned by the Administration Générale à la Coopération et au Développement (AGDC — Belgium), recognise that indicators often only provide partial information and most of the time mask major disparities between genders, regions and environments (rural/urban) and so on.

However, these disparities form an important component in diagnosing the state of the education system. To take a specific case as an example, it is possible to reach the conclusion that, in terms of external effectiveness, growth in the national average primary education enrolment ratio calls for narrowing the gap between the enrolment ratio for boys and that for girls and, in consequence, for specifically increasing the school attendance of girls.

The international tables rarely show the disparity in the traditional indicators, disregarding the fact that any distribution is defined by two parameters: a central trend (mean, mode, median, frequency) and a distribution index (for example, variance or asymmetry of the curve). Too often, the traditional indicators summarise and conceal the disparities they cover.

The pupil: teacher ratio, for example, as indicated in the work of Jarousse and Mingat (1993), reveals that the data collected in the context of experimental work may cover very different situations in reality. An average of 68 pupils per class in the 2nd-year primary school in Togo conceals extreme class sizes of 18 and 116 pupils. This average varies from 77 in towns to 85 in suburban areas, 57 in agglomerated rural environments and 43 in dispersed rural environments. It would not be right to believe that the size of classes is a variable which is entirely subject to manipulation (Jarousse and Mingat, p. 214). It is partly dictated by the number of children attending school within the catchment area of the school. There is therefore interaction between the geographical environment and the size of classes on account of shortage of children, at a time when this increase would be a

Comparison of the classifications of the World Bank (by GNP) and the UNDP (by HDI) of the countries of sub-Saharan Africa in 1992

Country	World Bank GNP per capita	World Bank ranking	UNDP HDI	UNDP ranking	Difference in position
Benin	360	22	0.111	32	10
Botswana	2040	4	0.534	4	0
Burkina Faso	330	23	0.074	39	16
Burundi	210	34	0.165	27	-7
Cameroon	960	6	0.313	14	8
Cape Verde	890	7	0.437	6	-1
Central African Republic	390	19	0.159	29	10
Chad	190	36	0.088	33	-3
Comoros	780	9	0.269	17	8
Congo	1010	5	0.372	10	5
Côte d'Ivoire	750	10	0.289	16	6
Equatorial Guinea	330	23	0.163	28	5
Ethiopia	120	38	0.173	25	-13
Gabon	3330	2	0.545	3	1
Gambia	260	29	0.083	36	7
Ghana	390	19	0.310	15	-4
Guinea	440	15	0.052	41	26
Guinea-Bissau	180	37	0.088	33	-4
Kenya	370	21	0.366	11	-10
Lesotho	530	13	0.423	7	-6
Madagascar	230	31	0.325	12	-19
Malawi	200	35	0.166	26	-9
Mali	270	28	0.081	37	9
Mauritius	2250	3	0.793	1	-2
Mauritania	500	14	0.141	31	17
Mozambique	80	41	0.153	30	-11
Niger	310	25	0.078	38	13
Nigeria	290	27	0.241	20	-7
Rwanda	310	25	0.186	23	-2
São Tome & Príncipe	400	18	0.374	9	-9
Senegal	710	11	0.178	24	13
Seychelles	4670	1	0.740	2	1
Sierra Leone	240	30	0.062	40	10
Somalia	120	38	0.088	33	-5
Swaziland	810	8	0.458	5	-3
Uganda	220	32	0.192	22	-10
Tanzania	110	40	0.268	18	-22
Togo	410	17	0.218	21	4
Zaire	220	32	0.262	19	-13
Zambia	420	16	0.315	13	-3
Zimbabwe	640	12	0.397	8	-4

Sources: World Bank, Report on World Development 1992, Development and the Environment, pp. 212-213.
UNDP, World report on Human Development, 1992, pp. 139-141.

Key: In the final column, a position figure indicates that the HDI ranking is higher than the GNP ranking. A negative figure indicates the reverse.

wise decision. Although information on the dispersal of pupils is liable to make general tables more unwieldy, it is helpful in intervention projects: it indicates the scale of the deviation from the average and steers the data collections towards more down-to-earth levels.

The basic problem consists therefore in finding the right balance between the quantity of information needed to define and monitor indicators which are sufficiently 'refined' to be able to reflect the disparities, the quality of this inform-

ation, the cost of collecting it and the capacity to analyse all these data.

The definition and choice of relevant indicators is no easy matter and consensus on this subject is seldom reached between education experts.

If we compare the indicators of the three international organisations, the UNDP, the World Bank and UNESCO, we find that the UNDP, which started by using 24, then 37 indicators concerning the education sector, were employing 42 by 1992. However, only five of these are to be

found in the reports of the past three years. In 1992, the World Bank had been using 14 indicators for the previous three years in its assessment of the education sector in the developing countries. In the same year, UNESCO used 45 indicators which had been identical for the previous three years. However, within this vast range, the only indicator common to the three institutions for the three years concerned (1990 to 1992) is the pupil: teacher ratio in primary schools.

The same indicator is not always defined in the same way from one source of information to another. In the case of an indicator such as the 'pupil: teacher ratio in primary schools', the three institutions issue a warning to the reader. Other people involved in the education system, such as librarians and supervisors, were apparently taken into account for the purpose of calculating this indicator.

The question also arises of the usefulness of indicators in a context of rapid change, when the time between the collection of data and their analysis and conversion into indicators often comes to several years (often the average is three years).

Many authors stress the importance of monitoring reforms of the educational system effectively. This must necessarily be based on adequate and reliable information comprising, inter alia, relevant indicators from which a diagnosis can be made. Despite the dangers of comparisons, drawing them between countries, but also between regions of the same country, can be helpful. Besides this spatial dimension, comparisons are also essential over time, i.e. between two successive moments of a development process.

Conclusion

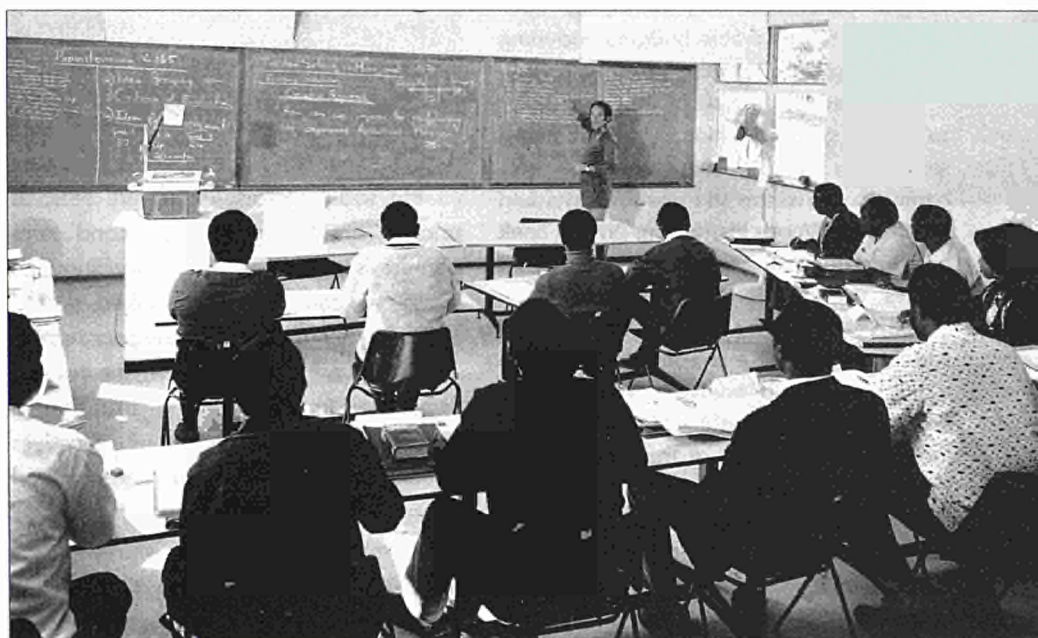
The traditional indicators have the merit of existing and of summarising information collected over large areas. They condense the information to make it accessible at a glance to the majority of operators and users. This state of affairs is the result of constantly growing, universal pressure to measure education (Orivel, 1993). The indicators attempt to reconcile

two requirements: to be concrete and quantifiable on the one hand and to represent important, decisive aspects of the educational process on the other (Scheerens, 1991). Although it is clear that at the first level there are serious shortcomings, and all the publications recognise this, it is still necessary to question the capacity of the indicators to be 'good', i.e. to provide information which will be decisive for intervention.

Consideration must be given to three factors:

— How general the indicators are

The traditional indicators appear to be very general measures, since they aggregate,



among other things, the geographical, occupational, cultural, gender, socio-economic and philosophical differences. Furthermore, these same differences turn out to be decisive in the field of diagnostic evaluation. The traditional indicators which swamp them and erase them therefore derive from too general a level of analysis. It is appropriate to consider whether data which are widely collected and summarised in a single figure constitute an appropriate level of generalisation where an intervention is involved.

— Knowledge and use of the individual characteristics of the contexts

Without resorting to a case-by-case study, it should be recognised that effective intervention in education presupposes taking account of the individual charac-

teristics of the contexts in which it occurs. The traditional indicators used by the international organisations give an image of reality. There are others which may make the general indicators more unwieldy, but prove to be decisive when it is necessary to act on the ground. Focusing the process of the decision to intervene on a very general indicator, usually chosen and defined in accordance with a point of reference external to the environment in which intervention is to take place, has the disadvantage of focusing observation on the observed variation in this field, to the detriment of other, sometimes fundamental, internal fluctuations.

'... it should be recognised that effective intervention in education presupposes taking account of the individual characteristics of the contexts in which it occurs'

— Lack of information on the process

A final consideration is the interpretation of the traditional indicators. It is not independent of the first consideration, but relates to the meaning of the indices. These are numerical indicators. They reflect a state of affairs, but contribute no information to the processes. They establish and record situations, leaving the reader to interpret the figures and to imagine the underlying processes. ■

C.P.

Structural adjustment and education support programmes

by Catherine Dom*

The reason for Community support for structural adjustment in the ACP States was the increasingly pressing demands from a large number of countries which were almost all facing growing macroeconomic difficulties and obliged to adopt Structural Adjustment Programmes (SAPs). Soon, following examination of the potential and actual adverse effects of first generation SAP, (principally 'cuts' into vulnerable budgets, including those for education), a will emerged on the part of the Community

to adopt a special position of its own, whilst supporting the macroeconomic reforms agreed on between the governments and the Bretton Woods institutions (World Bank and International Monetary Fund). What makes the position special is that the support will also be directed towards the social sectors: there is a determination to avoid the 'costs' of adjustment and to take the social aspects into consideration, to incorporate the needs of the social sectors from the moment the programmes are defined. Under the Lomé IV Convention, a new instrument was to make its appearance: the Structural Adjustment Support Programme (SASP).

What are SASPs?

Structural Adjustment Support Programmes (SASPs) (negotiated between each government and the Commission, like all cooperation aid from the EU to the ACP) consist of two components: balance-of-payments assistance (one of the major macroeconomic balances which almost always has to be corrected in the context of ACP structural adjustment programmes) by making foreign exchange available to finance General or Sectoral Import Programmes. The sale of this foreign exchange to national importers allows counterpart funds to be generated in local currency. The EU's stance in the field of structural adjustment is special in that the counter-



Educational systems in many ACP countries are in a state of crisis (Roland Platteau)

part funds in the State budgets allocated to the social sectors, which are seen as priority, are targeted. The second component is therefore budgetary support. These two components are linked, even if only chronologically, since the counterpart funds derive from the sale of the foreign exchange. In this way, a situation is reached where two types of objectives (macroeconomic and sectoral) are pursued by means of a single instrument.

Sectoral policy of Community aid to education

Past interventions, prior to the signing of the Lomé IV Convention, focused essentially on infrastructures and grants. Since Lomé IV, there has been a move towards programmes for the development of human resources and greater variety in their content.

In the present context of crisis in the education systems in many ACP countries (a diagnosis made long ago by other lenders), the EU wishes to increase its involvement in the social sectors, *inter alia* through a specific standpoint which it has adopted with regard to the issue of structural adjustment. This standpoint is a recognition of the priority nature of development of human resources, which must form the basis for long-term, endogenous development within the ACP.

The result was the recognition of this sector as one in which coordination between the EU and the Member States should be enhanced through the adoption of common guidelines in the sectoral aid policy. Since, moreover, the amounts of the counterpart funds allocated to education under Structural Adjustment Support are substantial compared to those given as programmable aid, there is an even greater need to strengthen consistency between the two types of Community aid (programmable and non-programmable).

Characteristics of aid for education

Among the 34 ACP countries benefiting (or to benefit) from Structural Adjustment Support Programmes, there are 17 where an 'education' component exists. At the end of April 1994, 41 decisions were taken to finance Structural Adjustment Support (for 31 beneficiary countries), corresponding to a total of ECU 860 million committed and ECU 690 million paid up. The amount of the counterpart funds allocated to education (about ECU 188 million) represents just under 30 % of the counterpart funds which will normally

* An engineer and development economist.

be set up following payments of foreign exchange already made for Structural Adjustment Support in the 31 countries. Comparing this same amount with the total payments made in the 17 countries where an 'education' component exists shows that 50 % goes to 'education'. Among the individual cases which we can cite, the proportions range from 100 % in Papua New Guinea to 10 % in Comoros and 50 % in Tanzania, the exact mean, where support is divided evenly between the education and health budgets.

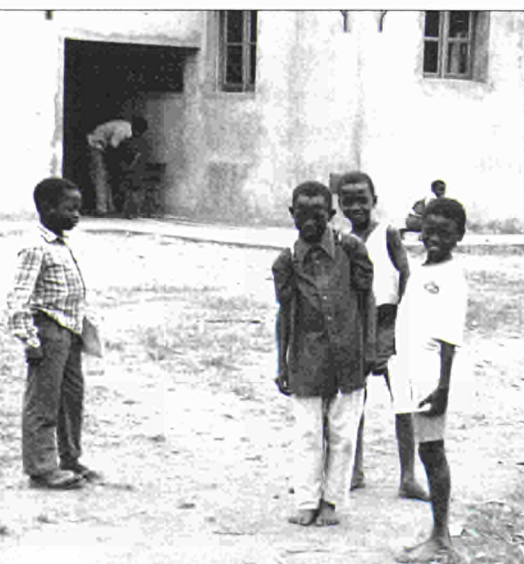
Strengths and weaknesses of this type of support

We shall conclude by listing the various strengths and weaknesses of this kind of support. Although 'quantitatively' the fields in which improvements would be desirable are more numerous than the positive points, the reader must not interpret this conclusion as a negative judgment on Structural Adjustment Support Programmes: our sole objective is to draw attention to the various points where improvements would be desirable or essential.

Weaknesses

— The level of knowledge of the beneficiary sector, which should exist on a case by case basis, is often quite limited.

Schoolboys in São Tomé
'Real sectoral support for education should be long-term'



Structural adjustment aid allocated to education

ACP countries with an 'education' component in their structural adjustment support programme (17 out of 34)	% illiteracy rate	Total structural adjustment support (ECU million)	Amount allocated to education (ECU million)
Burkina Faso	81.8	48.00	15.66
Comoros	n.d.	3.50	0.30
Gambia	72.8	6.20	1.90
Ghana	39.7	48.80	17.22
Guinea	76.0	10.50	4.76
Guyana	3.6	4.30	1.96
Lesotho	n.d.	8.35	4.00
Malawi	n.d.	19.70	4.37
Mali	68.0	46.00	13.48
Mozambique	67.1	30.00	16.47
Uganda	51.7	18.00	7.24
Papua New Guinea	48.0	16.50	16.50
Dominican Republic	16.7	31.50	8.28
São Tomé & Príncipe	n.d.	1.50	0.25
Tanzania	n.d.	61.50	30.75
Zambia	27.2	68.50	32.25
Zimbabwe	33.1	13.50	12.28

Progress is sorely needed in targeting the support, for example in terms of conditionality (What types of conditions? What targets should be set?), as well as in terms of areas supported in the sector. The following sectors currently receive little support, even though they are important: the link between education and employment, vocational and technical training, education for girls, and upgrading the teaching profession.

— There is also a need to consider the real, lasting impact of Structural Adjustment Support Programmes on national budgets.

— Where the cost of targeting is precise, given the real impact of targeting and supervision measures, the question of the fungibility of the funds will have to be studied.

— Institutional support and restructuring efforts are not firmly stated and are often 'timid', except in the case of Tanzania, with its programme for the reform of planning and budgeting in the education and health sectors.

— The support is short-term, whereas real sectoral support for education should be long-term.

— The potential adverse impacts of the macroeconomic component of structural

adjustment support programmes (the 'stop-go' aspect of structural support programmes, the problem of selling the foreign exchange leading to a delay in setting up and availability of the counterpart funds in the planned budgets).

— The sustainability of the level of expenditure (what happens when adjustment takes longer than expected? What will happen when the support stops?)

Strengths

— Financial support, especially when it goes to the functioning of the educational systems, secures expenditure which should normally raise the often very low standards.

— The determination to restructure budgets on a more permanent basis.

— The determination to support national institutional structures, both through the adoption of normal national budgetary procedures and through financial support to the education sector, which can give greater clout to the sector ministry during budget negotiations at national level.

— The consistent priorities in terms of level of supported and nature of expenditure and the trend towards 'sustainability', plus a curb on unconsidered investments.

C.D.

Can we swap debt for education?

by Christopher Shaw and Neil Saravanamuttoo*

The premise that education is a central pillar of development is widely accepted. Yet what hope is there for universal primary education when African treasuries are crippled by international debt repayments and facing pressure from all segments of their societies for scarce available resources?

One creative solution that deserves attention is the 'debt-for-social welfare improvement swap'. There has been a recent history of debt-for-environment swaps, in which commercial debts were bought on the secondary market and retired in exchange for preserving lands as conservation areas. In addition, there has been a handful of debt-for-development swaps in which debt relief prompted improvements in the health and education sectors. But how extensively can debt-for-education swaps be used?

The push for greater enrolment in African primary education is not a new concept. Between 1970 and 1980, primary enrolment increased from 40% to 79% of the age group although the figure has declined since then. As the graph shows, by 1990, only 72% of African children of the relevant age group were in primary school. It comes as no surprise that this decline has corresponded to falling real levels of spending on education. Between 1980 and 1985, sub-Saharan African spending on education, as a proportion of GNP, actually decreased from 4.5% to 3.5%. For many African countries, this spending was still hovering around 3.5% in 1990 — far short of the figure of 5% of GNP deemed necessary for a sustainable education system. These cutbacks occurred as the debt crisis was taking hold in Africa. In the

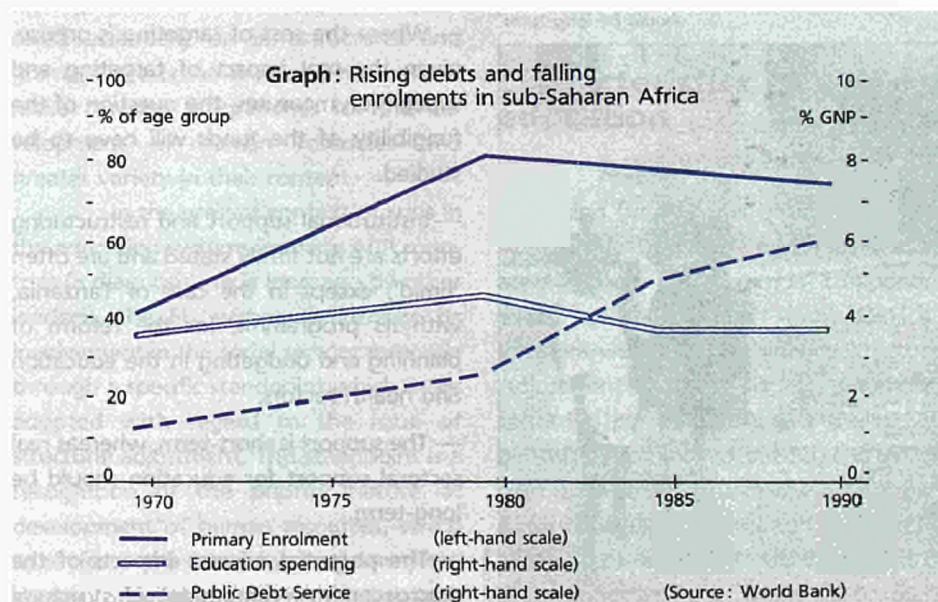
1980-90 period, debt service charges increased from 3% of GNP to over 6%. Clearly, as the debt-crisis continues to hit sub-Saharan Africa, education budgets suffer accordingly. And with continuing high levels of debt servicing expected in the 1990s, there appears little prospect that education budgets will be able to keep pace with demographic pressures, let alone increase enough to reach the goal of universal primary education.

Education spending seen as 'non-productive'

If high debt servicing is crippling African education, then would simply cancelling the debt be enough to get all children into school? Initial investigations suggest not. Cancelling debt will free resources for African governments but where these resources are spent is another matter. Sadly, education is not always given as high a priority as it deserves and any 'windfall gains' from debt relief are likely to be directed elsewhere. Part of the difficulty is the perception among macro-economic planners that education is a consumption good, rather than an essential investment in human capital. Because the education sector is considered 'non-

productive' in that it is non-tradeable, does not generate revenue and does not improve the balance of payments or the government budget deficit, it is viewed as costly social welfare spending. This ignores the fact that there is no example of significant economic growth occurring in an illiterate society. It also ignores the broader approach to development in which social improvements, poverty reduction and economic growth go hand in hand. Education and health lay the foundations for a productive economy. Although the logic of this argument is clear, it is still often overlooked. Thus, health and education are likely to be given a low priority for any funds freed up through debt relief. If increased primary enrolment is to be achieved, the funds made available through debt relief will have to be specially earmarked. A debt-for-social welfare improvement swap presents itself as one of the most effective means for channeling this gain into education.

Proposing a debt-for-education swap, however, opens up another debate. With debt relief, foreign exchange is freed up. Should the new funds then be spent on import-intensive segments of the education budget? In addition, will new available



* The authors are respectively Executive Secretary and Programme Officer of 'Donors to African Education Newsletter', 7-9, rue Eugène Delacroix, 75116 Paris. This is an abridged version of the first in a series of three articles published recently in the 'Donors to African Education Newsletter'.

funds be captured by politically powerful constituencies within the education sector, such as universities? In other words, will a debt-for-education swap actually be effective in helping to improve basic education?

Part of the answer lies in the actual mechanism of the swap. Drawing on the experience of previous debt-for-environment swaps, essentially, an interested foreign third party agrees to buy some proportion of a developing nation's debt — to date almost always commercial debt — on the secondary market at a discounted price. The debt is handed over to the recipient nation's central bank to be retired in exchange for providing local currency for new education spending on an agreed programme. Local institutions and non-governmental organisations then play a lead role in coordinating how this local currency will be spent, along the lines of the programme.

Problems

Of course, this process is not without its problems. First, once a portion of the debt has been retired, how do we guarantee that money will be allocated in present and future years for education? Will a debt-for-education swap hamper a more natural expansion of education budgets? This suggests that a firm agreement must be in place beforehand between donor and recipient to guarantee that the swap is carried out in good faith. Second, an arbitrary injection of cash into an economy will tend to fuel inflation. However, if the proceeds are distributed over many years then the risk of inflation is kept to a minimum. Third, debt-for-environment swaps have been accused of not making a significant impact on the size of the debt. By 1993, these swaps had resulted in the retirement of debt to the value of only \$750 million out of a total Third World debt of \$1400 billion (less than 0.05%). Nevertheless, specific projects can make significant improvements in the field of education while also making valuable reductions in certain African debts.

We must remember that although in absolute terms the African debt is not overwhelming, the relative size of



A new rural primary school in Ethiopia
nears completion
*Even capital investments in the
education sector usually have a low
foreign exchange content*

sub-Saharan African debt is enormous. It accounts for no less than 109% of sub-Saharan Africa's total GNP, compared to the Latin American figure of 38%. This means that retiring any portion of African debt will have considerable effect. However, it is also worth noting that only 11% of sub-Saharan Africa's foreign debt is owed to private banks. The comparable figure for Latin America is 35%. Since almost all of the debt swaps previously undertaken have involved retiring commercial debt this presents a problem of how much scope exists for African debt swaps. Alternately, it suggests a need for governmental and inter-governmental bodies to consider adopting debt swaps as official policy.

Despite these drawbacks, there is a very real appeal for debt-for-education swaps. First, we avoid the problem in educational aid of a mismatch between the type of funds available and the type of funds needed. At basic educational levels, most spending is in local currency — principally on salaries (which accounts for more than 80% of the basic education budgets of many African countries). Only small amounts are spent in foreign exchange. Many development and donor agencies have statutes that preclude the use of their foreign exchange funds for supporting local currency expenditures. Indeed, some agencies finance exclusively the foreign exchange costs of an education project, leaving all the local currency costs to be borne by the government. Furthermore, almost all agencies have limits on the use of such funds for supporting salaries of national civil servants. Given the low foreign exchange content of education sector expenditures, even for capital investments, and given also the substantial recurrent cost implications of such capital investments (principally requiring local currency), current development agency and donor financing restrictions run con-

trary to the needs of the education sector. Hence, aid donors find their budgets skewed towards providing technical assistance and overseas scholarships and away from supporting a sustainable education system. One of the real attractions of a debt-for-education swap is, therefore, that the problem of inappropriate funds is avoided, while at the same time, donors help to build the basis for universal primary schooling.

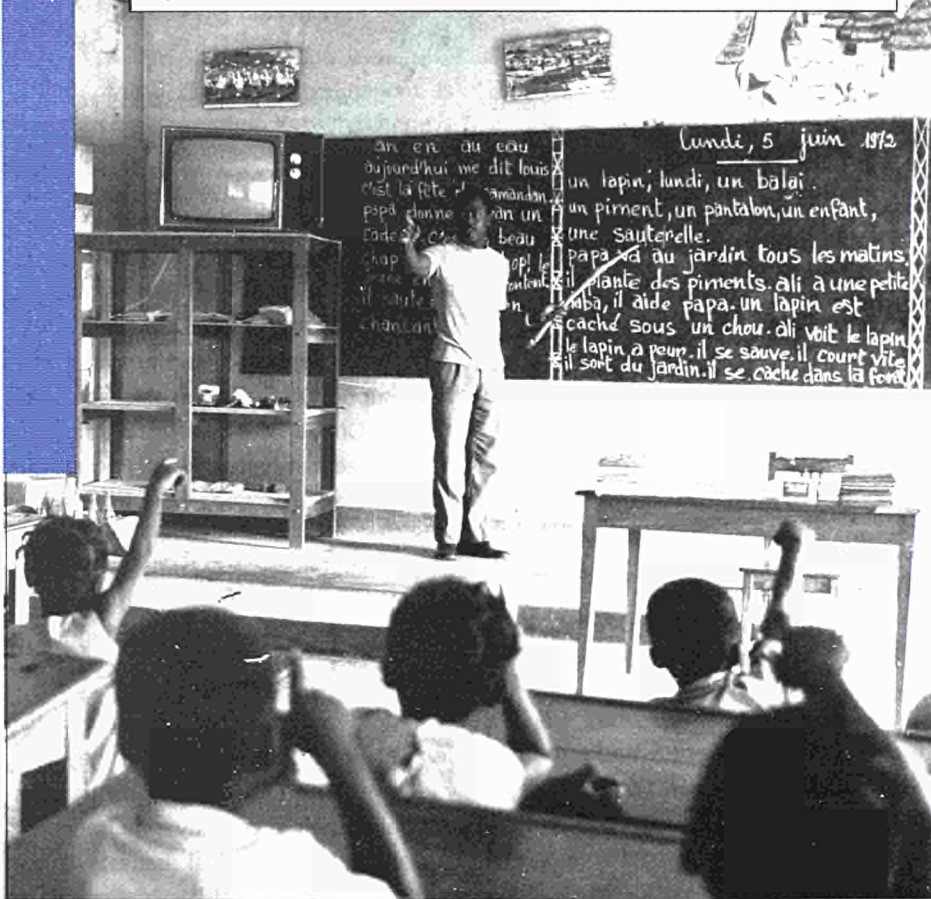
Potential gains

Finally, debt-for-education swaps have an appeal because they offer widespread potential gains. Donor agencies raise their profile by simultaneously addressing two critical issues, African politicians and central banks are able to retire their debts at a discount, education ministries gain command of greater resources and the general public gets an improved education system. This is not to say that everyone will be in favour of such sweeping changes, although debt-for-education swaps hold the potential for a genuine 'win-win' outcome.

The debate on debt-for-social welfare improvement swaps was opened a year after the first debt-for-environment transaction took place in 1987. While the number of swaps in the latter category has increased, there have been few concrete examples of similar arrangements in the health and education sectors. This is partly because the analytical debate on debt-for-social welfare improvement swaps has been largely undeveloped. Nevertheless, this is an original idea that deserves further attention and certainly represents one of the more innovative approaches to financing a comprehensive primary education system in sub-Saharan Africa. ■ C.S. & N.S.

Becoming a teacher: an ambiguous venture

by Anne Cambier*



UNESCO/Patrick Waehler

Anyone who has been to school is likely to recall the experience with some emotion: the encounters with a new world; the moments when, keen for knowledge, one was captivated by the words of the 'master'; the times when suffering and incomprehension would quell one's desire to go back into the classroom. And reminiscing about one's schooldays can prompt powerful images. These may be of the school itself but it just as likely to be of the 'personalities' who ran it — one's first class teacher at primary school perhaps, or the headmaster or headmistress, the head of geography, the music teacher, the language assistant or the school inspector. All of these people had their own distinct role but they also had something in common, namely their professional *métier* which centred on developing the individual.

Transmitting knowledge or educating children?

This is a commonplace observation which must make us stop and think about the ambiguity of the terms and the complexity of the educational function. Is it possible to define the basic characteristics of the teaching profession? What skills are needed by those who, through the educational institution, enable some of us to learn or not? These are two basic questions that arise prior to any training project. Such projects, incidentally, lie at the crossroads of political choice, constantly interact with the entire educational process, and deal with a reality experienced every day by children, parents and anyone interested in the development of human resources.

Let us therefore spend a few moments examining this problem and observing a teacher in a classroom. Where-

ver it is and whatever the level, we are struck by the variety of the teacher's activities and the versatility of his role: to transmit knowledge, a technique or know-how, to prohibit or promote certain relational behaviour by pupils, to teach children to behave in a group, to perform daily management tasks, to assess the skills of pupils, to select the best, and so on.

Researchers have shown that a teacher, during each lesson, has to carry out an enormous number of exchanges (the number is often in excess of a hundred) and to take dozens of micro-decisions. He must gain the attention of the pupils, eliminate the causes of distraction and remain calm and serene. He must act rapidly and effectively and may not stop to reflect, on pain of seeing a breakdown in the atmosphere of security of the class. The custodian of a large number of powers, such as those linked to his knowledge, or those linked to his assessment function, he forms a central, unifying and specific component of the group, frequently seen as one of the people primarily responsible for the progress of each child.

This finding, which must be adjusted to the context, highlights the many facets of the profession and the range of skills necessary. In particular, it shows the disadvantages of training focused primarily on mastering specialised subjects and reveals the significance of the science of education. It also focuses on the daily reality of practising the profession and the importance of the relational, and even emotional, context which is the principal factor in the education of the child. Indeed, in many cases, professional success will be dependent upon behavioural characteristics associated with the personality of the teacher and, in particular, his capacity to analyse his activities objectively and to redirect them as obstacles or problems are encountered (for example, problems of discipline in the class group or poor results). This ambiguity relating to the components of the profession necessarily has negative social consequences for both the teacher himself (stress, discouragement, disinterest, feeling discredited) and the education process (failures, reduction in efficiency and yield). To this should be added the fact that the teacher encounters few opportunities for promotion during his career and that his financial situation is

* Lecturer at the Université Libre de Bruxelles, Director, Psychology of Development Department.

often mediocre. This is not only the case in the developed countries, but also, and above all in the developing countries, where usually the problems of survival are such that the teacher finds himself forced to engage in other earning activities in parallel. Such situations can only be detrimental to the image of the school in society, to the motivation of teaching staff and to the quality of recruitment. They inevitably have a negative impact on the efficiency of education and repercussions which it is hard to assess on the costs of the education and development process.

At present, it seems obvious that socio-economic development at the end of this century calls for reflection on the forgotten dimensions of a profession whose traditional image is fundamentally oriented towards the transmission of knowledge and towards the democratic distribution of learning. Analysis of the situations and the difficulties encountered encourage us to consider the profession in an evolutive perspective. Indeed, until a little while ago, learning was the prerogative of a minority and this minority included the teachers. However, with learning to read and write becoming more general practice and, more recently, the expansion of the audiovisual markets, access by all to knowledge has changed, thereby limiting the privileged nature of the teaching function and the prestige of the 'master'. To this factor of sharing learning and its methods of transmission should be added the fact that modern man is literally bombarded with stimuli of various kinds. This makes it appropriate to introduce procedural thought and specific skills such as processing and classifying information, from childhood. For the teacher of today, it is no longer a matter solely of transmitting knowledge, but also of teaching the pupil to process information in an unstable socio-cultural context. This is a new function of crucial importance. The teacher of tomorrow will find it hard to define himself as a specialist competent in a subject. He must become a specialist who follows the development of the pupil. Herein lies the entire difference and the abyss between the usual dictionary definition of 'a person who teaches' and the definition used by UNESCO of 'a person responsible for the education of children'.

To sum up, at this point in our reflections, the fact that most academic



publications on the school fail to consider the professional development of the teacher should be stressed. They give an incomplete, inappropriate image of the profession. Although a large number of teachers are well prepared intellectually, few on the other hand have learnt how to manage the dynamics of human relations, which they therefore do not know how to analyse or organise. In terms of training, it is generally forgotten that the profession of teacher is one of relationships with others, very largely dependent upon the socio-cultural aspirations of the group and the way in which this same group sees and defines its incorporation into the system of production. In other words, the vocational training of teachers is very closely linked to the political tendencies of a nation and the preoccupations with development of its population.

Teaching as a 'profession'

The professionalisation of the function, a recent concept frequently brought out in a number of scientific publications, may seem commonplace in itself, but it is a relatively new way of considering the problem of training. It is defined as the capacity to think and act in an autonomous, effective manner on the basis of ethical principles specific to the local culture, in accordance with the objectives of education defined by the national authorities. It refers the practitioner to the definition of his identity. It calls into question the legitimacy of the function and the appropriateness of the training to cope with the difficulties of the profession. It calls for skills other than knowledge of specialised subjects.

In practice, two training models stand out: the so-called simultaneous or concomitant model and the consecutive

'It is generally forgotten that the teaching profession is one of relationships with other people'

model. The former generally concerns primary schoolteachers and is used in teacher training colleges or in vocational training institutions. This model often promotes the versatility of the teacher and practical use of skills acquired through periods of teaching practice. The latter model places vocational training at the end of training in a specialised subject, with instruction in educational science and human relations only taking place at the end of the course. In our view, each of the models seems incomplete, although complementary. In the former, the criticisms are mainly directed at inadequacies in terms of general knowledge and specialised subjects while in the latter, the gaps often manifest themselves in educational psychology and practical competence, which are little developed.

In practical terms, when teacher training is provided by the universities, it generally comprises two facets: one devoted to training in a specialised subject, the other to training in educational science, with the integration of these two facets into professional practice often remaining problematic. This method presents various hazards deriving principally from our systems of values and attitudes linked to the primacy of scientific knowledge and the academic orientation of our universities. In many cases, educational know-how seems to be grafted on in a secondary capacity, ill adapted to the professionalisation of the trade. It should be stressed in passing that these findings have a not inconsiderable impact on upgrading the career and the formation of the professional identity of the teacher, who usually defines himself in terms of an academic discipline. It should, however, be

noted that this criticism refers more specifically to secondary education and that many more pragmatic universities successfully provide training for primary school teachers. Alongside these disadvantages, mention must be made of one major advantage, namely that the development of the function of the teacher presupposes qualities of adaptation and professional flexibility. These correspond very precisely with the objectives of university training, especially as regards independent learning, the capacity to develop critical thought and the ability to perfect one's own knowledge.

In this context, it is worth referring to the new status of the *Instituts Universitaires de Formation des Maîtres (IUFM)* (University institutions for the training of schoolteachers) in France which provide training in educational science and psychology for two years beyond the three years of general university studies. Whatever the controversies and political standpoints which bring advocates of vocational training and defenders of specialised knowledge into conflict, the IUFMs represent a serious attempt to bring the two approaches together. Despite teething troubles, the principles underlying the establishment of these new, university-level institutions, are designed to reconcile the requirements of scientific training and professional qualifications. We would pinpoint, in particular, the principle of course units and that of periods of teaching practice from the first year of training. It is true that, in the field, integration of the various approaches requires many adjustments and calls for accompanying measures to be put into place. For many, the experiment proves hard, with the former instructors in teacher training colleges having the feeling of losing a monopoly while the universities fear a decline in academic training and the 'prioritisation' of the training of secondary school teachers.

This university concept of training and development of human resources seems to us to be directly linked to the characteristics of adolescents and young adults who, in our technological societies, emerge as a generation in waiting. In this respect, we recall the idea advanced by *E. Erikson* that when, for various reasons, the young person is 'deprived' of this waiting period and directed prematurely to a socio-

professional commitment, a personality usually results which is less flexible, less exuberant and in a way not completely developed. Whatever the point of view, the requirement of academic training or the role of the personality, it therefore seems extremely wise to delay the final moment of choice until after secondary studies have been completed, in accordance with paragraph 14 of the text published by UNESCO and the ILO (1984) relating to the conditions of teaching staff.

In terms of content, training should combine four main components: extensive general culture, training in a specialised subject, technical training and practical training. Our objective here is not to provide a list of subjects and courses which should be included in a training programme, but to draw the attention of the competent authorities to the presence or absence of these components and their interaction in existing projects. Firstly, there needs to be an extensive general culture, centred on information and critical reflection concerning the entire cultural environment (sciences, technology, literature, arts), in order to broaden the mind beyond strictly vocational training. Secondly, there should be training in a specialised subject corresponding to the subjects taught; the nature and length of this may vary considerably depending on the subject (mathematics, languages, sciences, etc.) and depending on the level of teaching. In certain cases, it may be devised in terms of a main subject (dominant or major) and subsidiary subjects (minors). This practice has the advantage of greater professional flexibility in relation to the employment market and the constraints of changes in school organisation. The fact should nevertheless be stressed that this training in a specialised subject calls for epistemological reflection on the content of the curricula imposed for the various levels of education (primary and secondary), which must allow the teacher to convey the content of the subjects according to the level of the pupils, their interests and their cultural environment. Thirdly, there is technical training, in which training in the application of experimental psychology to education covering the basic humanities (biology, psychology, sociology, science of education, methodology, teaching methods, school administration), on the one

hand, and initiation into social psychology, on the other, must reinforce one another, leading directly to the practice of human relations. Self-analysis is inevitably part of the training process of the teacher. Fourthly, there needs to be practical training, at the workplace, bringing together the theoretical and technical aspects, giving rise to permanent openness to critical reflection and mastery of communications between people. This component is intended to equip teachers with observation skills. It also aims to develop their capacity to analyse, and to distance themselves from, their experiences — which may have been painful or pleasurable.

Alongside these components, emphasis should be placed on perfect mastery of the language of teaching. All too often, the lack of accuracy in spoken language brings about incomprehension and many learning difficulties. On the other hand, during training, it is appropriate not to neglect the role of formative assessment and of self-assessment, which allows students to gain awareness of the remaining difficulties and to adjust the course of their training in consequence, whilst facilitating the practical introduction of a broader concept of assessment. Any assessment giving priority to the mastery of subjects would be inappropriate.

Organisation of the training in the form of course units would allow different courses to be devised whilst preserving similarities. This system, which is becoming more widespread, promotes flexibility of training and contact between students pursuing a common objective, namely to become a teacher. It is particularly well suited to training which focuses on the development of independence in young adults who are obliged, in the process, to respect a contractual approach and who benefit as a result from individual monitoring. If it is well designed, it contributes to broadening of the mind, to making curricula more flexible and can offer candidates the choice of time and place. This way of proceeding also seems to us to be liable to promote interaction between instruction in knowledge to be taught and the practice of knowledge to teach. It also has the advantage of facilitating subsequent changes in direc-

tion, for example in new sectors or sectors where shortages have arisen.

The length of studies may vary depending on various criteria and in particular the nature of the knowledge to be transmitted (content of the teaching). In view of the complexity of the training and the requirements of professionalisation, it is, however, unreasonable to think of a total of less than three years, which may be extended over a longer period. For example, to meet the requirements and multiple facets of the socio-economic conditions of certain regions, it could be advisable to consider a break in the training time and to alternate the curriculum training units with periods of teaching practice. A preliminary training period could allow the duties to be performed under general conditions to be defined. The training would furthermore be continued and supplemented during the first years of teaching practice, which are particularly important years with regard to the 'professional self-image' of the teacher. In cases where the political and economic conditions so require, this preliminary period could be very short.

A model of alternate training, which is more flexible in its practical implementation, would have the advantage of being part of a new recruitment policy and of limiting apparent waste by modifying the relationship between training and giving up at the start of the career. The research conducted by *Huberman* on the life cycle of teachers shows in fact that a very large number admit having a feeling of proceeding by trial and error at the start of their careers, leading either to discouragement and abandonment of the profession or subsequently to rigid, conservative attitudes. It is therefore quite possible that a training model examining the difficulties of the first years of the career would promote stability and professional quality.

Certificates should be awarded in close cooperation with all those responsible for training and cover all facets of the profession. An end-of-course certificate (preferably after a first period of classroom experience as a trainee teacher) could be all the more exacting as during this trial period many possibilities for supplementary training would exist (advantages associated with training in course units,

possibly combined with correspondence courses).

Ideally, this training should lead to competence in self-training, the teacher becoming capable of reflecting on his own activity and defining training objectives for himself. Nevertheless, the requirement of on-going training should be inherent in the practice of the profession. Apart from the fact that this requirement allows the



'Certificates should be awarded in close cooperation with all those responsible for training'

length of the initial training to be reduced, it also has the unquestionable advantage of strengthening the interactions between theory and practice. This training must allow observation and reflection on daily professional practice - planning of the work, research for up-to-date educational material, terms and conditions of assessment, relational problems with the class, attitudes towards colleagues, the management, and parents, and interpretation and adaptation of official curricula - to be promoted. Its existence is liable to stimulate the necessary exchanges between research and theory and to give rise to a dynamic current within the function and the educational institutions. It could also allow conversions or specialisations by preparing for special functions in the education system. A wide variety of training procedures can be considered, which would enable each teacher to adjust his professional practice and training requirements during his career. The entire system of on-going training, either face-to-face or by correspondence, should be coordinated and sanctioned by the competent ministerial authority. It unquestionably constitutes a possibility for upgrading the profession and without doubt is a response to the problem of the number of teachers leaving the profession after a few years of work.

Conclusions

In these few pages, we have tried to show that teacher training must derive from a project for incorporation into a versatile, moving profession. It must combine academic soundness with technical qualifications and give all teachers the possibility during their career of constructing and reconstructing the know-how which is essential for effective practice of the profession. Training can no longer be seen in a specific manner, limited in time. It is necessarily prolonged throughout the career in daily reflection promoted by the introduction of flexible structures.

Any study on teacher training implies a reform of the ultimate objectives of teaching. Depending on the way the profession is seen, the objectives of training and the professional profile will necessarily be different. However, quite obviously, any system giving pride of place, in both teacher training and pupil assessment, to the transmission of knowledge, is obsolete. This assertion is confirmed by the majority of educationalists and specialists in teaching methods. In view of the complexity of the profession, additional studies are a vital prerequisite. Indeed, the absence of basic training in education is liable to foster rigid, inappropriate attitudes with regard to know-how and the condition of future teachers. Care needs to be taken with specialisation as well, and it should not be undertaken prematurely. Specialisation by age group or subject should form part of a system of options and enable possible changes in direction mid-career. Without improving the training and status of teachers, recruitment will pose serious problems in the coming years and will lead to a gradual deterioration in the quality of education. ■

A.C.

Assessing whether an educational system is effective

The example of Djibouti

by Bernard Lebrun*

Up to now, assessment of education systems has focused primarily on measuring their significance in the economy of a country, taking into account the number of successful pupils at a specific stage in their education in relation to the investments made. The quality of the teaching, in particular the educational yield is rarely examined. For the study presented below, it was necessary to devise appropriate assessment material, to choose representative samples and to maintain a strict approach to the experiment. The results fully reflect the effort involved and enable politicians to adopt practical measures to remedy deficiencies and safeguard achievements.

An assessment of the yield of the Djibouti education system had been planned as part of the Education II project financed by the World Bank. The objective consisted of assessing the standard of and cognitive yield from primary education and the first stage of secondary education, in French and mathematics, in an across-the-board study on the one hand, one year before the end of the stage, and in an up-down study on the other, comparing the results of the pupils one year later.

In primary education, the study started in 1992 with assessment of the performance of pupils in their fifth year of primary school. The following year, the data concerning the school and the class were collected. The pupils tested the previous year were retested in the sixth and final year of primary school. The test results were then compared against the marks given by the teachers in school reports and the results achieved by the pupils in the examinations for entry into the first year of secondary education. For the first stage of secondary education, the study began with an assessment of the performance of pupils in their third year. The pupils tested the previous year were retested in their fourth and final year of junior secondary education. The test results were compared against the marks given by

the teachers in school reports and the results obtained by the pupils in the BEPC, the examination taken at the end of lower stage of secondary education. Information concerning the socio-economic characteristics of the pupils and their attitudes to the French language was collected from the pupils in the sample who took the tests in French.

The assessment was therefore conducted over two school years, in strict compliance with the scientific constraints. In the first stage of secondary education, different samples were taken for mathematics and French. A strict plan for the experiment was followed as regards both the procedures for devising the tests and the choice of samples. The precautions taken when taking tests, the evaluation of these and the recording of the results enabled high quality material to be obtained and properly used with the help of appropriate data processing techniques. The material gathered during these assessments could incidentally serve as a basis for future studies.

A summary dossier, setting out the entire experimental procedure and the most significant results for each of the two levels, was submitted to technical and decision-making committees, composed of educationalists and administrators, whose job was to examine them, extract the main findings from them and draw up reasoned

proposals. The findings and proposals were forwarded to the political authorities responsible for education, whose task it is to adopt measures to remedy the deficiencies observed.

Quality and yield of teaching

The term 'yield' in the education sector, and especially in terms of measuring the quality of teaching, consists in comparing the performance of the pupils against an expected result at the end of a period of learning, determined by a 'leaving profile' of the pupil or, in the absence of this, by the content of the curricula.

The assessment team devised tests on the basis of the existing curricula. Apart from cognitive operations (knowledge, comprehension, application, problem-solving), these tests aimed to measure the degree of integration and transfer. Integration refers to essential information and extraneous information, whilst bringing into play knowledge acquired previously. The transfer objectives include behaviour learnt in a specific context being applied in a different context. The knowledge or know-how must therefore be used in different situations from the one in which they were learnt.

Taking place at the end of the school year, and based as it is on the curricula taught during the year, the assessment therefore aims to take stock. It is part of a summational assessment.

In the case of Djibouti, the curricula used as a basis for the assessment are directly modelled on French curricula. There are no plans in the short and medium term to change this state of affairs. At most, minor adjustments may be devised to attenuate the strongly negative impact of teaching applied from the start in a language other than the mother tongue. The results expected at the end of the primary and secondary education must be in line with the French curricula. The baccalaureate (school leaving certificate) awarded in Djibouti is automatically equivalent to the French baccalaureate, which enables some of the 200 successful candidates each year to go on directly to French universities.

* Doctor of Educational Sciences, Institut Belge de Formation (IBF).

Findings in primary school

At the end of primary education, an estimated 35% of the total number of pupils fail totally, with a distribution which varies from one part of the country to another according to the socio-economic level of the pupils. One wonders whether they can even read and write.

There are several theories to account for this state of affairs:

- the curriculum is too ambitious and does not correspond to the socio-cultural situation of the population, whose mother tongue is not the language of education;

- repeating a year is only allowed for 10% of the total class, which means that pupils have to move up into the next class when they are not equipped to continue their education to any advantage: the gap widens from year to year and the backlog eventually becomes irrecoverable;

- teacher training leaves much to be desired; in particular, there are too many supply teachers, without qualifications, at key moments in the early stages of schooling;

- pupils develop at their own rate, and are expected to progress far too rapidly for many of them; it is nevertheless hard to imagine a school with different curricula or varying educational methods, as in developed countries, as these prove to be very costly.

Some existing principles are nevertheless worth respecting:

- no pupils should be turned away during primary schooling;

- pupils should not be allowed to exceed the age limit when they could move on to the next stage in their education;

- class numbers should be kept in balance, at between 40 and 50 pupils for classes in towns.

Any solutions considered for remedying the situation should neither disrupt the present teaching structure nor entail an increase in the financial burden, in any form whatsoever.

There seems to be a critical moment beyond which pupils at risk are no longer able to benefit from education. According to on-site observation, this time

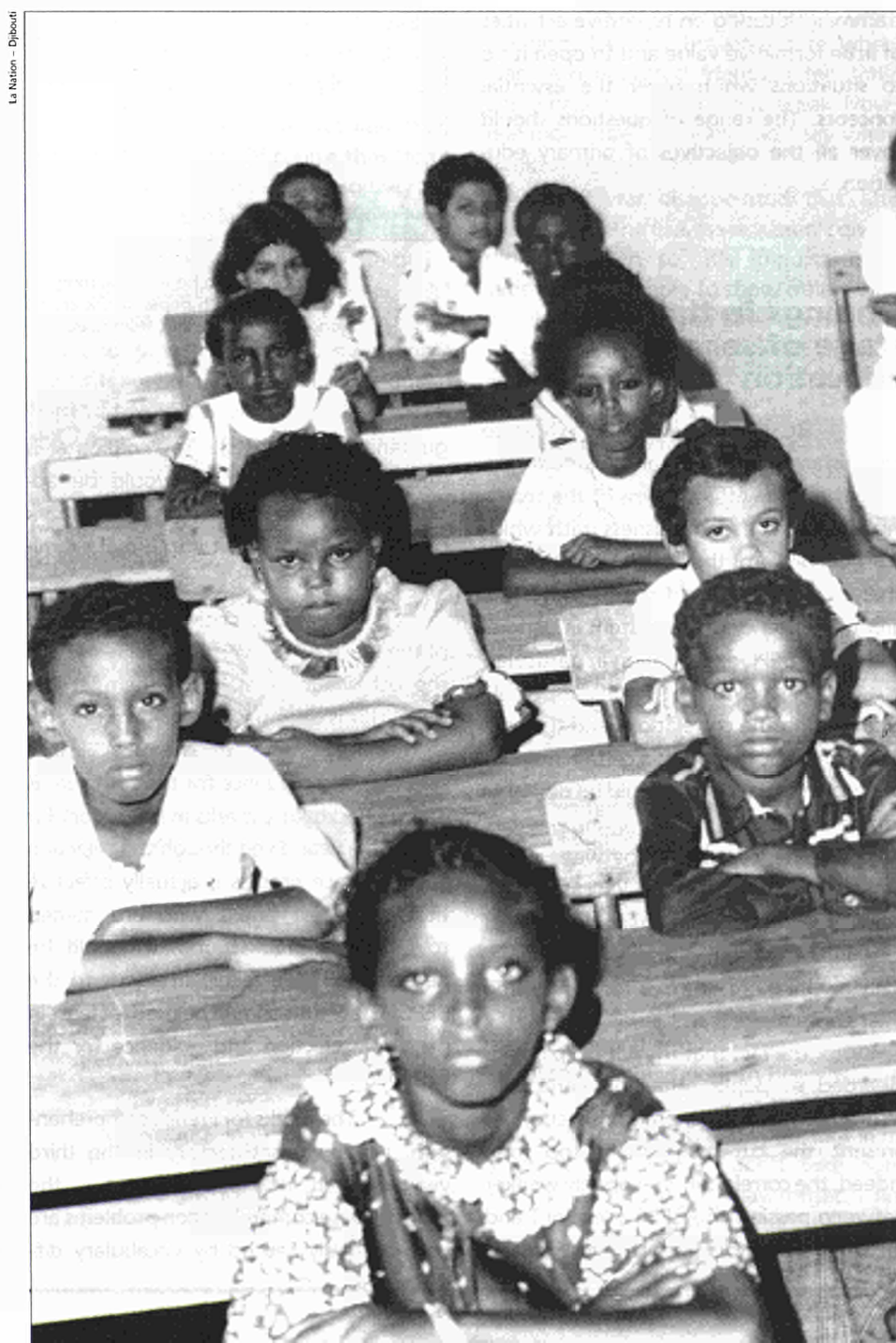
comes at the end of the third year of primary school, when pupils are generally considered to have acquired basic reading and writing skills, as is assumed in the curricula for subsequent years.

It would be possible to set up a structure to allow systematic catching up for one year between the third and fourth years of primary school. Pupils who are behind at the end of the third year to such an extent that they obviously cannot follow the lessons in the fourth year normally should be detected at that time, then assigned for one year to a teacher whose main task would be to make sure the pupils catch up linguistically. After a year catching up in a normal-sized class, the

pupils would rejoin the primary school at fourth-year level. This would be a kind of programmed repetition, with the intervention of appropriate teaching methods, the choice of specially trained teachers and special monitoring from the point of view of educational support.

The competitive examination for entry into secondary education has peculiar effects which produce appropriate responses from teachers of the last year of primary school. The question is whether the competitive examination is relevant

At the end of their primary schooling, 35% of pupils fail their examinations



La Nation - Djibouti

and especially whether it meets the objectives pursued by primary education.

The fact that the same types of questions appear as a matter of course each year encourages teachers to 'cram' the concepts which crop up regularly, to the detriment of studying the curricula. They also reserve all their attention to the pupils who seem to them from the start of the year to have a good chance of passing the examination. Training and improvement in original thinking are particularly neglected. Pupils fail the tests as soon as they are confronted with situations which cannot be reproduced.

To remedy this situation, the competitive examination needs to be reviewed to make it less amenable to cramming focusing on repetitive activities of little formative value and to open it up to situations which cover the essential concepts. The range of questions should cover all the objectives of primary education.

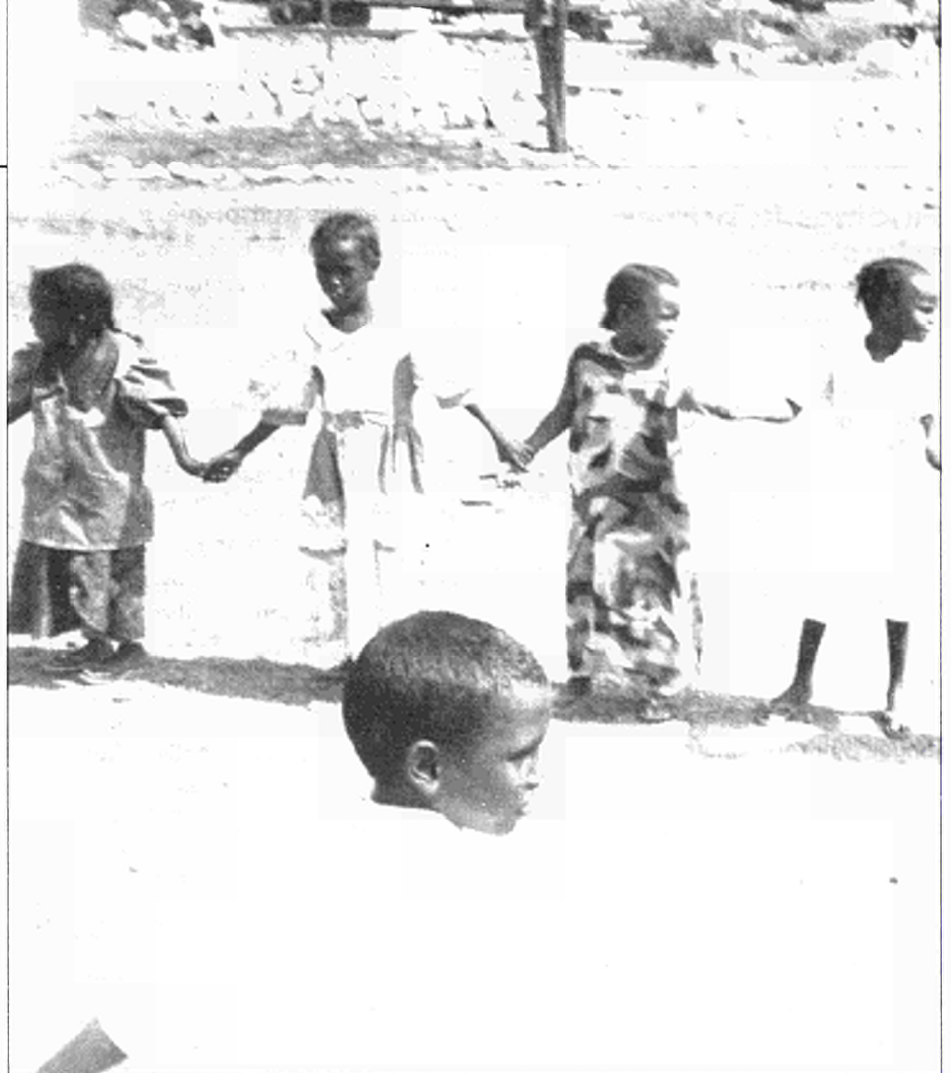
Findings in the first stage of secondary education

Results appear on the whole to be satisfactory in French and mathematics. They show the effectiveness of the teaching and the conscientiousness with which teachers perform their tasks. In particular, analysis of the different results shows the great consistency of the system in general and of the BEPC examination in particular.

A study of the results, especially by analysing the correlations and through factor analysis, highlights a certain number of problems to which it would be desirable to find solutions.

The correlation between BEPC oral examinations and the indicators as a whole is slight, which points to their lack of reliability. They should be abolished, especially as there are no rules for conducting their component tests.

The fact that the BEPC diploma is awarded to pupils obtaining very poor results reduces the general consistency. At present the cut-off point is too low. Indeed, the correlation is invariably weaker between passing the BEPC (decision) and the other indicators (report, selection and



There seems to be a critical moment beyond which pupils at risk are no longer able to benefit from education

guidance, and tests). The diploma is devalued as a result. It would be appropriate to raise the BEPC pass mark considerably to make it into a real examination.

Pupils lack motivation at the end of the fourth year, which can be seen from the behaviour of many of them at the tests. This is doubtless largely attributable to the low status of the BEPC, since selection and guidance for the fifth year is determined by the marks in the report for the whole year. Even though this selection and guidance process is actually effective (it is the best pupils who are guided towards grammar school), it would be necessary to give a certain status to the BEPC. The results should be used, at least in part, for selection and guidance for the fifth year.

The marks for French comprehension, already unsatisfactory in the third year, showed little improvement in the fourth. These comprehension problems are very probably caused by vocabulary dif-

ficulties, since French is not the pupils' mother tongue.

The shortcomings of the pupils in handling language as a tool mean that the teachers pay too much attention to technical questions (too much grammar), at the expense of comprehension and writing. Teachers adapt to the exercises on offer, in spite of this test forming part of the BEPC.

There is a break in French between primary and secondary school. For example, at the end of primary education, the pupils use the textbook for the fifth year for reading and grammar.

The assessment has made it possible to bring out the strengths and shortcomings of Djibouti's educational system. It is now up to the political authorities to shoulder their responsibilities and implement the proposals, which will make for improvements to the system, and to make sure that the existing achievements of education are safeguarded. ■

B.L.

Literacy: three stories

by Patrizia Carola*

In the context of a dossier on education, we thought we should tackle the subject of literacy. Rather than writing an article about it, we chose to listen to the stories of three literate adults: Maurice, a 39-year-old Senegalese, Anne-Marie, a 33-year-old Senegalese, and Ousmane, a 20-year-old from Mali.

Maurice is 39. An arable farmer in Sérér, a small Senegalese village near Thiès, he took his first course in reading and writing in 1982, when Sister Angèle took the initiative of providing training for illiterate young people in the village..

'I never went to school. Where I come from, parents' strategy is often to send only every other child to school (for example, in my family, three out of five boys went to school). Parents think that children who go to school will later leave the village to study and work. Those who don't go to school, on the other hand, will help their parents in the fields and in time take over and keep the village going.

'I don't know whether I'd have wanted to go to school: at the time I didn't think about it. Sister Angèle asked me and the other young people in the village to go to lessons instead of hanging around the streets with nothing to do. I immediately said yes because I liked the idea. Why? To start with I thought mainly about reading and writing my own letters. Also in church, I'd always see the others reading the books and I felt I wasn't able to take part fully.

'Now I'm one of the people in charge of an Economic Interest Group (EIG) working in the village. I was elected because I was able to write reports and minutes of meetings. Later I had the satisfaction myself of teaching people how to read and write.

'The first course we took in 1982 was in French. It was difficult and we found it hard to keep up. Sister Angèle realised this and the next year our lessons were in Wolof. It was easier and I was hooked. After two years, I took the exam and passed. I carried on studying and in turn

became a teacher. I taught for two years in four local villages. In the end, it was too much of a commitment, especially as it was unpaid, and I gave up.

'And the others? Everyone more or less goes into it for the same reasons: reading and writing personal letters without other people being involved, reading the signs and street names for drivers, keeping accounts, just managing!

'There are more women than men on the courses. Of course they don't generally leave for the season, so they are at home when the lessons are being given.

'I think age is one of the major obstacles to success. Once you are past 35, there is not much chance of learning to read and write. There are many reasons: students are not very dextrous, they find it hard to hold a pencil, they make holes in the paper, they often don't understand the meaning of things explained in the lesson and they have difficulties remembering. Also, it's hard to impose regular attendance at lessons and homework on them.'

Anne-Marie is a 33-year-old farmer, married and the mother of three children. She took courses in reading and writing run by the Fédération des Associations Féminines du Sénégal (Federation of Women's Associations of Senegal)

'When I was a child, I went to school for two years. I gave up school of my own free will, as my parents were in serious financial difficulties and I wanted to let my brother continue. I've forgotten everything I learnt then.

'I started taking courses in reading and writing in 1988. The Project encouraged us so that we could manage the loans we got for the activities of the group, the Health Centre and the Social Club. Before that, I wanted to learn: I'd

even considered signing up for a course in Dakar, but it was too expensive.

'My husband is a watchman in Dakar. I thought the course would help me cope better in town, read street names, remember telephone numbers and so on. Also, I could have written to my husband without people finding out my secrets.

'As soon as I started the lessons, everything I'd studied at school came back, even though I thought I had forgotten everything. This naturally made things easier. I took courses for four years altogether, I can read and write in Wolof and keep accounts (all kinds of transactions). I get on far better. Even here in the village it's useful. For example, I can send my children to the shop with a shopping list and check the bill when they come back. I can take notes during group meetings. I am also braver. Before, when I was with educated friends, I felt timid, unimportant, I didn't dare to speak. Now, I feel more sure of myself and I say what I think.

'I was disappointed that after we'd passed the exams we weren't given a diploma. Even so, it's important, it's satisfying to be able to show others what you've done, what you've achieved. I think I'll carry on studying: I want to learn French.'

Ousmane, a 20-year-old Dogon, emigrated to Bamako, the capital of Mali. He is taking evening classes in French.

'I spent my childhood in Bandiagara, where I was born. I never went to school because at home only the eldest went. The family needs children to work in the fields and look after the animals.

'In 1990, I came to Bamako to look for work. I went to live with my brother, who is a drama teacher at the Institut National des Arts. I worked for two years as a 'boy' then I joined my brother's company.

'I signed up for evening classes in French. In the theatre, everyone speaks French and I often feel out of things. I also miss out on lots of jobs. I'm obviously left out of all the performances in French and recently, during a tour in France, someone suggested I should go into business, but I had to give up because of the language. Being able to write is also important in my work, because if you don't take notes during rehearsals, you may forget. I find arithmetic far more difficult than writing.' ■

P.C.

* Sociologist, member of the non-governmental organisation Napoli: Europa-Africa.

Education for life

The ACP's smallest country makes education serve development

There is an old and familiar debate over whether education should be tailored to serve the practical needs of society or should resist cyclical influences and turn out generalists, qualified in a range of subjects but with no specific career or objective in view. Many developing countries, including ACP members, have inherited from the colonial period an educational system of the second type. In today's climate of enterprise and competition, however, non-specialists can find themselves at a disadvantage in the job market, and countries with little to sell but labour miss out on the commercial potential of a labour force with skills to match the available resources. The ACP group includes several such countries, the small-island states in the Pacific, and it has been left to the tiniest of these, Tuvalu, to lead the way in devising a form of education which will help its citizens make the most of their lives in an unpromising environment while, at the same time, serving the wider interests of the country's economic development.

Education for Life is a concept first floated by the Government of Tuvalu in a 1988 study as a country-specific programme whose object was to establish an appropriately educated population in order to implement, achieve and sustain the nation's overall development objectives. Manpower is the country's only dependable resource, and the provision of quality education was seen as fundamental if any other type of development was to occur in the areas of social, economic and private-sector growth. The starting point was not a promising one.

Tuvalu has fewer than 10 000 inhabitants, spread over a number of small atolls separated by huge expanses of open sea. The difficulties this creates in terms of providing enough teaching staff, buildings and equipment can be easily imagined. There was six years' compulsory primary education for all children at the country's

12 primary schools, nine of them government-owned and free to parents, the others church-run and charging nominal fees. Until 1991, however, there was only one state secondary school, a boarding establishment on centrally situated Vaitupu island, and only enough places in it for one in four primary school leavers from the whole country. To continue their schooling, the remaining three quarters either had to go abroad, if their families could afford it or if they won one of the few overseas scholarships available, or entered a Community Training Centre on their home islands. These Centres, however, were regarded as very much the second-best option. A second, church-run secondary school opened on the main atoll, Funafuti, in 1991, but as a day institution cannot cater for children living on outer islands which may be hundreds of kilometres away.

All post-secondary education was obtained overseas, in most cases through the University of the South Pacific in Fiji. The only official vocational training available consisted of courses in seamanship given at the country's one maritime training school for some 25 young men per year.

Mismatch

As to the content of Tuvaluan education, the largest single employer was the Government, through the public sector, and the main function of secondary schooling was seen as being to prepare students to take up civil-service-type posts, so that the curriculum was predominantly academic. Negligible attention was given to the development of technical and commercial knowledge. Nor was there a uniform system of assessment for monitoring either individual or national standards. This led, and still leads, to an acute mismatch between the 'outputs' of the educational system and the needs of

individuals and the country, both present and future.

To cut the public sector down, Tuvalu, like other countries, is now corporatising and trying to privatise some of its activities. However, the competitive but highly theoretical examinations which candidates for recruitment into and promotion within the civil service have to pass bear little relationship even to the work of administration, and certainly do not fit those who pass them for other kinds of work available in Tuvalu, especially anything productive. And even supposing redundant civil servants had received a more versatile form of training, the private sector is minute and the potential for developing it is limited.

At the same time, there is a demographic complication: the population of Tuvalu exceeds the carrying capacity of the domestic economic structure and is rising at a rate which will soon create competition for land and inshore marine resources, especially on and around the main island, Funafuti, where the 1991 census established that 45% of the population of Tuvalu live. If present trends continue, the Government can foresee a day where there will be no living space left in the capital to expand into.

Shortages of space, skills and opportunities, then, have made a rethink of policy priorities urgent. More people must be educated, what they learn must be appropriate to the country's resources and situation, and more Tuvaluans must be equipped to seek their living outside the country. As the Government puts it, the object of the Education for Life programme will now be no less than to raise the quality of life for all Tuvaluans by enhancing the country's human resources within the framework of local tradition and culture.

Reforms

As the Director of Education, Peneharo Hauma, explains, education reforms started in 1991 with some bold initiatives: the length of primary schooling (on children's home islands) has been extended from six to eight years, after which children go on to a compulsory two years of secondary schooling, without having to pass the selective entrance

examination. Senior secondary education is available for those with the aptitude and the wish to go further. The unpopular community training centres have been closed down, and the maritime training school now offers vocational, technical and commerce-related education as well as seamanship courses.

What is more, the curriculum has been overhauled completely to ensure that cultural values, especially the Tuvalu language, are supported and to strike a balance between academic and technical content. Primary schools, for example, as well as Tuvaluan now offer English, mathematics, basic sciences, environmental

high-frequency radio link-up, and there are local part-time tutors. At present only the Bachelor of Education degree can be taken by correspondence (which coincides neatly with the country's need for many more qualified teachers). Civil service jobs still exert a powerful attraction, though: the centre's director, Pafini Nouata, reports that the heaviest demand is for diploma courses in management, accountancy and economics which equip their holders to compete for public-sector posts or further promotion. Slightly more women than men are enrolled at the centre, and they tend to be more persistent with their studies, but Mr Nouata says the centre is

Natano, and only 19 teachers out of a full staffing requirement of 25. Teacher-pupil ratios like this are found in other countries too, of course; the special feature here is that only one child in four is native to Funafuti, the rest being the children of outer islanders who have come to the capital to work or to live with relatives who have work, generally in the civil service. On some outer islands the teacher-pupil ratio is an uneconomic one to nine. Also, Tuvalu still has only two secondary schools, in Funafuti and Vaitupu islands, so that a child from anywhere else in the country has to move away from home and board. These distortions eloquently testify to the effects of Tuvalu's employment, resources and population imbalances on the social structure.

At all educational levels there are still damaging shortages of the skills that could improve people's lives. Three Tuvaluans out of five live from subsistence fishing and tropical garden farming, on infertile land, and most of these lack any skills they could use to generate economic activities. Eighty per cent of the labour force have no formal tertiary qualifications of any sort; in late 1992 only 29 people in the whole country had received any recognised artisan-level training; and only 0.6% of the population aged 15 and over have university degrees. Tuvalu depends heavily on foreign donors for all development projects, but the lack of technical, administrative and managerial expertise and business acumen has seriously constrained its capacity to absorb and use development finance. Only 56% of the approved development budget for 1990-91, for example, was spent.

Small wonder, then, that the Government has decided to go all out for development of its people. And there is strong public support. 'Education in Tuvalu is like a religion now,' says the country's Director of Education, Mr Hauma, and, to continue the simile, parents will make huge pilgrimages, lasting years, and extended families will make great sacrifices, so that their children can worship at the shrine of learning. Where nature has been so tightfisted with other resources, training young brains is certainly one of the best investments the country can make in its own future. ■

Robert Rowe



Management, accountancy and economics are the most popular subjects at the University of the South Pacific extension centre in Tuvalu

studies, commercial studies and technical drawing in the upper forms, woodwork, home economics and physical education. As well as these subjects, the secondary schools offer social sciences leading to geography and history, clothing and textiles, and Tuvaluan culture, including skills required for day-to-day life. Extracurricular clubs teach further traditional skills, such as music. A progress report issued last year stresses that the new curriculum will avoid gender stereotyping through equal access for both sexes to all courses.

An extension centre of the University of the South Pacific offers continuing education courses by correspondence for adult students, who can study at home in Tuvalu instead of going to the main campus in Fiji. Some lectures are given by

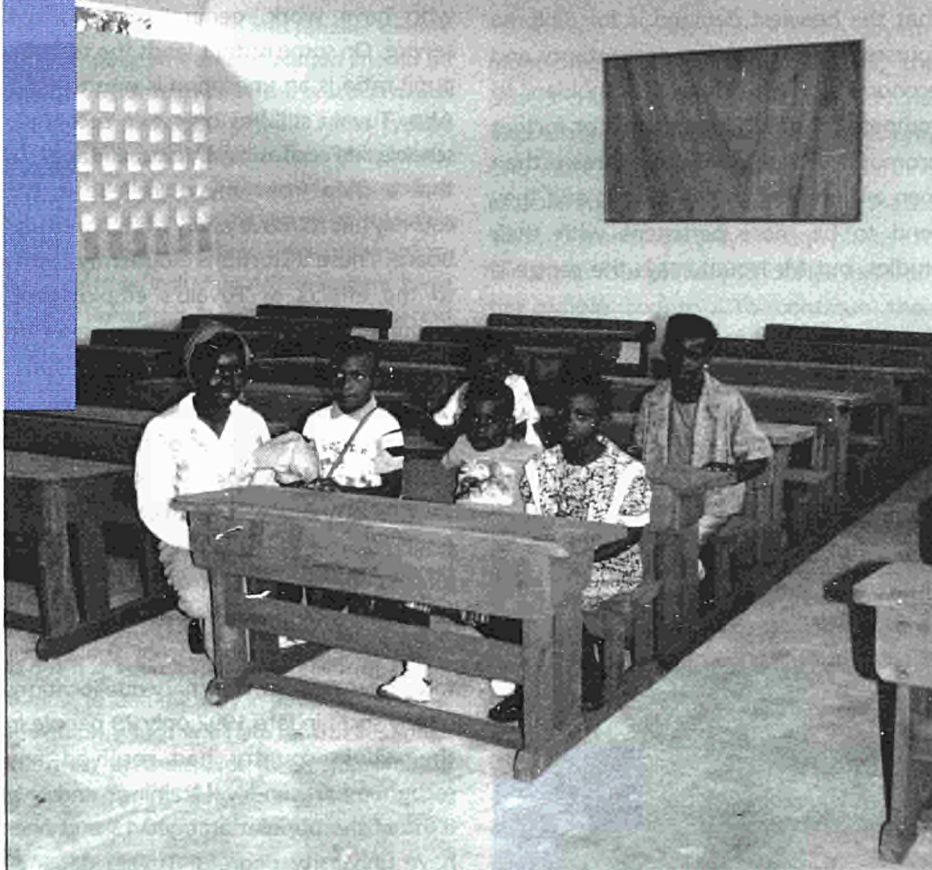
still not getting enough people from the outer islands. He therefore tries to break down barriers by putting out a weekly radio programme whose message is that the facility is there for all who want to learn. 'The development plans of the Government won't work without individual development,' he points out.

Distortions

Problems persist, however. Funafuti primary school, across the road from the University extension centre, is seriously overcrowded. There are 630 children at the school, says its head teacher, Vione

Education as an investment for the future

by Tony Crasner*



The Courier

The rains in the Piggs Peak region of Swaziland had been particularly severe that year. At Golobolo Primary School, Mrs Masuku, the headmistress, stood surveying the school's football field which appeared poised to slide into a 'donga'. The field had been created earlier the same year by the bulldozers of the Ministry of Education, which had piled up a great heap of the region's red soil and then flattened the top. The donga was evidence of the rapid pace of erosion of the unprotected base of the heap.

Through the gate in the school fence came a procession of children carrying plants and seedlings. Soon, the sloping side of the football field was dotted with small groups busy planting trees. 'Tomorrow,' said Mrs Masuku, 'we shall plant grass between the young trees. The trees are a kind that grows very quickly. By the next rainy season they should be strong enough to bind the soil and stop the field from sliding into the donga. Also the children have learnt an important lesson

about the use of trees to stop the land from being eroded. Some of them have talked to their parents and the community is now interested in discussing with the Ministry of Agriculture the planting of woodlots in areas that are particularly at risk.'

In the offices of the African Economic Research Consortium in Nairobi, a group of academics and administrators were discussing the conditions for successful macro-economic management. The Director of the Consortium, Professor Ndulu, underlined the importance of

having adequate numbers of trained personnel to occupy key posts in government, parastatal bodies and the private sector. 'The African continent must be able to mobilise sufficient qualified individuals able to undertake economic policy analysis if we are to respond positively to the challenge of steering our economies through the present stage of transition,' he stated. 'Furthermore, the institutional capacity to train such highly skilled personnel must be established here, in Africa itself, in our own universities, and in a fully sustainable fashion.'

The meeting went on to discuss the implementation of a project for the collaboration of 17 universities across 13 countries in English-speaking Africa. Under this project, the collaborating universities have developed a specialised master's programme in economic policy oriented towards African conditions and will train 300 postgraduate economists for posts in their national administrations. The project also aims to strengthen the training capability of economics departments in African universities and to improve the quality of economics teaching and research through an intensive programme of staff development.

Professor Ndulu pointed out that the shortage of an appropriate management capability within national administrations is the main obstacle hindering the success of structural adjustment programmes. He also stressed the need for forward planning if these manpower shortages are to be addressed in a systematic manner. 'There is no point in demanding an increase in economic planning cadres when you are in the depths of a crisis,' he commented. 'It takes two to three years to train a postgraduate economist even supposing that good quality undergraduates are available to be trained. The students embarking on our new master's programme this year will only enter the labour market in 24 months' time. You must always remember that the stock of skilled manpower is relatively inflexible in the short-term and that the creation of an indigenous training capacity at this level is a five-to-ten-year task.'

* Principal administrator, European Commission, DG VIII/7, 'Education and Training Division'.

Investing in people

Both these examples serve to highlight one of the most important features of the education and training sectors: activities undertaken now have their intended consequences at some time in the future. Indeed, in certain cases, these consequences may only come about some considerable time in the future. Embarking, therefore, on a programme of education or training is an *investment*.

Investing in people is perhaps the most significant investment for the future that the ACP countries can make. On the one hand, an educated and vocationally skilled population is an economic asset with important implications for the sustainability of economic growth. On the other, the general level of education is strongly correlated with changes in certain 'traditional' social attitudes. These attitudes tend to reflect 'traditional' economic and social structures and change in this area is an important precondition for a more 'modern' approach to questions of social organisation.

But, as well as giving rise to these social benefits, education and training have important advantages for individuals. Education opens up new opportunities for employment, increases the range of choices open to the educated person, and enriches the quality of daily life.

For these reasons, education, training, and all 'operations to enhance the value of human resources' are identified in the Fourth Lomé Convention as being an important target of ACP-EU cooperation (Part Two, Title XI, Chapter 3). For the same reasons, the *World Conference on Education for All*, which was held at Jomtien in March 1990, resolved that the question of access for all individuals to an adequate 'basic education' is not an optional matter but rather a fundamental human right.

But if the importance of enhancing the value of human resources is widely accepted at the theoretical level, at the practical level the question remains as to whether education and training receive sufficient attention under the development cooperation activities financed from the massive resources of the European Development Fund (EDF).

Actually compiling accurate statistical information on the commitment of the Fund's resources to education and training is not a simple task and it is one which has become harder with each new Convention. Under Lomé II, the bulk of support for both the education sector and advanced training was funded either via general 'multi-annual training programmes' or by means of projects targeted at specific educational activities. Both these funding vehicles are relatively easy to monitor and the statistical picture is, therefore, fairly complete. Under Lomé III, however, it was felt that a better strategy was to integrate training as closely as possible with other kinds of development cooperation. In practice, this resulted in new types of project design where training and human resources activities were included to complement other aspects of the project. These training activities, which also became known as 'training windows', varied greatly in their size and importance. But, owing to the methods used to compile statistics on the sectoral distribution of EDF resources, even very large training windows were often subsumed under the major sector addressed by the project and were not reflected in the figures for education and training.

The net result is that, whereas the figures for EDF resources committed to education and training under Lomé II are broadly complete, the corresponding statistics for Lomé III and Lomé IV are likely to give a significant underestimate of the extent of the European Union's actual support for this sector. Even so, the picture is rather a disappointing one, with the proportion of EDF allocated to human development remaining roughly constant from Convention to Convention.

Thus, under Lomé II, the total amount of programmable aid devoted to education and training was approximately ECU 268 million or 8% of the total programmable EDF. For Lomé III, the equivalent figures were ECU 317m and 6%. Under Lomé IV, up to the beginning of October 1994, the amount committed to education and training has reached roughly ECU 250m or 4% of the programmable EDF (see table). However, it should



The Courier

Children at a newly opened primary school in Gabon, funded by the EDF
'Access to basic education is not an optional matter but a fundamental human right'

be recognised that these figures do not present a complete picture. Not only will the funds committed to human development under Lomé IV increase considerably before the end of the Convention but, also, under Lomé IV, a considerable proportion of the funds made available by the Union for structural adjustment support programmes in ACP countries has been directed towards the education sector.

If structural adjustment funds are included in the Lomé IV figures for education and training commitments, the total committed rises to some ECU 487m, which represents nearly 7% of the total of programmable funds plus structural adjustment resources.

Relative emphasis

But, although in *absolute* terms, the actual amounts of funding committed to education and training are very substantial, there remains the question as to whether the emphasis placed on human development in the text of the Convention is being fully reflected in the *relative* importance of the sources flowing into this sector when compared to the other sectors supported from the funds of the EDF.

The Lomé Convention and education	Lomé II	Lomé III	Lomé IV
Total EDF (MECU)	4 542	7 400	10 800
Programmable resources available (MECU)	3 432	5 460	6 215
Resources devoted to 'Education & Training' (MECU)	268	317	250
Resources devoted to 'Education & Training' as a % of total programmable resources	8%	6%	4%

There may be a number of reasons for the fact that a relatively small proportion of EDF funds is committed to education and training. In the first place, it is certainly true that projects in these areas often require smaller allocations of funds than, for example, large infrastructure or rural development projects. As the EDF is heavily engaged in supporting both the creation of infrastructure and rural development, this may mean that a proportion of some 10% of programmable aid going to human development is about right. A second point worth mentioning is that the European Union is not the only international donor involved in supporting human development in the ACP countries. It may be, therefore, that the education and training sectors are receiving assistance from other donors and that EDF support is more focused on other areas.

However, the general state of the education and training sectors in many ACP countries is one of increasing under-resourcing with a consequent deterioration in both the quality and the quantity of the education provided. While the reasons for these resource constraints are related to the deteriorating overall economic situation of many ACP countries, it must be remembered that too little investment in education now means shortages of skilled and qualified people in the future. It will probably also mean shortages of the skilled manpower that is needed to manage and maintain development projects in other important areas.

Thus, in terms of the *need* to support human development in many ACP States, there is a very good case to argue that an insufficient proportion of EDF resources is being allocated to these areas.

The possibility that the objectives of the Convention relating to education and training may not be achieved is naturally a matter of considerable concern. In seeking to understand this situation, the Commission's Directorate-General for Development has taken a detailed look at the National Indicative Programmes which determine how EDF resources allocated to the ACP countries will actually be spent.

The programming exercise takes place at the start of each Convention in accordance with a procedure laid down in Articles 281-284. During this procedure, the ACP States propose a series of target sectors for EDF support. These sectors must be priorities for the country concerned in terms of its own national development strategy. They are divided into 'focal areas' where EDF support should be concentrated and 'non-focal areas' which are sectors of lesser priority.

The resulting document, known as the 'National Indicative Programme' (NIP), provides the general guidelines for all subsequent stages of project identification and design. Most importantly, sectors which are not accorded a high priority in the NIP are unlikely to receive a significant amount of EDF resources.

The analysis of the texts of the Indicative Programmes gives us a much clearer picture of the practical considerations that have determined the allocation of EDF funds under the Fourth Lomé Convention. Of the 69 Programmes studied, only 13 mention education and training in the context of a 'focal' area of cooperation. This represents 19% of the programmes where a significant proportion of the total available funds can be expected to be committed in the area of human development.

A further 45 NIPs contain a mention of education or training activities either in the 'non-focal' areas or as a training window in some other sector. Thus, in a further 65% of the NIPs, we can expect some resources to be committed to human development, but this will not be a major proportion of the total funds available. The 11 remaining countries, constituting 16% of the total, have Indicative Programmes which make no mention of any kind of education or training activities to be supported. Under these Programmes, no commitments to human development can be expected.

The theme of this article is that education and training are essential investments for the future of development in the ACP countries and that this point of view is fully in agreement with the position taken by the framers of the Lomé Convention. It follows from this that we would expect to find the education and training sectors assigned a high priority within the planning guidelines for each national programme under the EDF in order to ensure that adequate resources are committed to these areas. We would, therefore, expect to find that many Indicative Programmes would have one or other aspect of education and training identified as a 'focal' area for EDF support.

However, when we analyse the NIPs that have been signed, we find that fewer than one fifth include education and training within their focal areas while the majority mention these sectors only as a complement to some other aspect of the Programme. This situation is reflected in the actual levels of commitment of funds being allocated to this area under the last three Conventions.

An increase in the proportion of the EDF committed to human development requires a decision at the stage of programme formulation that human development should become a central feature of more Indicative Programmes. This will shortly become one of the major issues to be discussed as the new Financial Protocol of the Fourth Convention enters its programming phase in 1995-96. ■ T.C.

National parks and local involvement in Grenada

An object lesson from the Caribbean

by Keith Bensen*

The Levera area coastline on the Caribbean island of Grenada has been described as one of the most scenic anywhere in the West Indies. Considering the quality of the competition, that may be a bold statement but it is one that many Grenadians would happily defend. Long stretches of undeveloped white sand beaches, large and healthy mangrove swamps and dry tropical forests, exotic wildlife and the dozens of small islets stretching to the horizon that make up the Grenadine archipelago create an idyllic tropical scene. These types of places tend to attract large tourism developers in the Caribbean, not internationally funded conservation projects. But Grenadians have long had a sentimental attachment to the Levera area. Many locals will tell you of fond childhood memories that were created during school trips to the beaches there.

The idea of creating a national park in the Levera area was first considered in the early 1980s when Grenada had a left-wing regime. Subsequent political upheavals temporarily put the idea on hold but in the latter part of the decade, it was revived and, in 1988, a project proposal was submitted to the European Commission. The scheme seemed to have all the right components. The north-eastern corner of Grenada, where Levera is located, had long been neglected because of its isolation and distance from the capital, St Georges. The area had a high emigration rate and a depressed economy. The park was seen as a sustainable form of development which would fit nicely into the Grenada Government's 'eco-tourism' de-

velopment policy. Endangered sea turtles nested on the Levera beaches and endangered endemic wildlife used the zone as a refuge. Many local people also depended on the natural resources of the area for their livelihood, engaging in activities such as fishing, crab hunting, charcoal production and animal grazing. In 1990, funding was secured under Lomé III and project implementation began.

By most development project standards, the Levera National Park scheme was small — ECU 979 000 to be spent over a period of three to four years. Three quarters of the money was to be used for infrastructure improvements, mainly roads and the building of the Park's headquarters. But it was also originally designed to have a large amount of local community input and thus was seen as being different from a traditional capital development project.

Ideal situation

Throughout the world, significant local participation in the creation of national parks is seen as the ideal situation. Previous attempts to conserve areas without local involvement have almost always failed.

Unfortunately, the initial plan of action fell by the wayside in the drive to facilitate implementation. This often happens with development projects, as managers and governments become frustrated at the delays, additional work and constant compromising that are necessary when local communities are genuinely involved. Thus it was that the first three years of the Levera project passed with almost no local consultation. The net effect of this was that local people saw the park's creation as a threat to their livelihood — something that belonged not to them but to the foreign tourists and the 'powers that be'.

Entering the final year, the project managers realised that things had gone wrong. Somehow, the project had to bring in the surrounding communities and to make up the lost ground as quickly as possible. A new management team was appointed and the technical assistance mission was finally started.

Island countries have certain advantages. Their small size and tight sense of community can be used to a project's advantage when rapid communication is necessary. Village leaders and community

*Artisanal fishing in Grenada
'Many local people depend on the
natural resources of the area'*



* The author worked for the Grenada National Parks and Protected Areas department as a Peace Corps volunteer from 1991 to 1994, the final year of which he spent as a co-manager on the Levera National Park Development Project. This project is funded by a Lomé II NIP contribution of ECU 979 000 which was made possible only after a redistribution of 6th EDF reserves in late 1988.



The headquarters of the Levera National Park

groups were targeted in an effort to recruit people who were interested in becoming involved. A long series of community meetings, workshops and training seminars started to turn things around. Both the Government and local villagers realised that it was in their best interests to cooperate in developing the park because the real benefits could only come when the needs of both sides were met.

A community co-management committee was set up in order to better facilitate the passage of ideas between the local communities and the project management. Its membership was drawn from a broad spectrum — from fishermen and crab hunters to vendors, local businesspeople and farmers. All were seen as community leaders and stakeholders in the Levera National Park.

Local consultation leads to changes

The committee discussed a wide variety of issues and the nature of the developments was often radically changed as a result. The park headquarters became

a visitor orientation centre highlighting local cultural themes as well as nature conservation. Community members were brought in to help in the design and manufacture of the educational displays. An amphitheatre was added to the visitor centre complex that would be used by local cultural groups to display their talents to visitors and other Grenadians as well as provide a place to help preserve rapidly disappearing arts and crafts. Vending issues were discussed and plans agreed for the more effective management of the sale of local items to visitors in a controlled and quality manner. And the committee took on the task of organising and managing the opening day ceremonies and activities. These were a huge success.

Today, Levera has again become the most popular local recreation centre on the island. The National Park is also quickly becoming a major tourist attraction for people who want to experience the 'real Caribbean'. The committee is the conduit for communication between the park managers and the local villagers. Initially, many people viewed the park and its conservation as anathema to develop-

ment. That opinion has been turned around and the park's obvious popularity is making it much easier for the management staff to tackle the controversial issues of controlled charcoal production, sea turtle protection and the elimination of beach sand mining. Locals now feel that the park belongs to them.

Of course, no one can ever be sure of what the future holds. The beauty of the area and its many natural and historic landmarks are rapidly attracting developments on the boundary of the park. But a good sign of the participatory feelings of local people was recently demonstrated by a man who owns land adjacent to the park and wants to build an inn on his plot. Without being approached first, and under no legal mandate to do so, he has asked the National Parks department for their input and approval for his small development. That bodes well for the future. ■

K.B.

World Conference on Population and Development

World population: the risks and the prejudices

They tend to be muted, but there is no shortage of criticism of the results of the World Conference on Population and Development, organised in Cairo by the United Nations Fund for Population Activities (UNFPA) from 5 to 13 September. The Conference had the aim of drawing up a twenty-year programme (up to 2015) to combat overpopulation in the world and has been described variously as 'the faded rose of Cairo', 'a flavour of the incomplete', 'a return to morality', 'the illusion of unanimity' and 'light and shade'. It is the perpetual parabola of the half-empty or half-full bottle. The nuances of the criticisms, on the other hand, emphasise the progress made by a world forum seen by many as a talking shop and announced prematurely as a failure.

In fact, the deadlock on the question of abortion, which hung over the Conference, seemed insurmountable. And all the ingeniousness of the European Union delegation was needed to find a formula which was more or less acceptable to everyone.

The German representation, speaking on behalf of the EU at the Cairo Conference, undertook a veritable bomb disposal operation. On the decriminalisation of abortion, rejected by the religious authorities of both the Catholic Church and Islam, the text adopted made it a question of public health stating that, 'abortion can only be practised when the mother is in a state of distress' and 'in the countries where it is authorised, it may not under any circumstances be seen as a means of family planning'. The Conference was accused by religious leaders of 'sexual unbridling' or of 'promoting a hedonist, permissive culture'. On the dissociation between sex and procreation, seen as an invitation to licentiousness, and above all on the right of adolescents to contrac-



tion, the subtlety of the final proposal allowed a certain amount to be salvaged from the wreck. 'Health and the rights of procreation' imply 'that people can have a satisfactory sex life without risks'. The text nevertheless recognises: 'the right, duty and responsibility of parents to guide adolescents in matters pertaining to sex and procreation' and the 'right of adolescents to confidentiality'.

The Vatican signed the resolution, although the consensus was only partial, as it made reservations on a number of disputed points (abortion, extra-marital sex, medical contraceptives). Some of the Moslem countries, which were very critical at the outset, decided that the overall package was broadly acceptable, agreeing to the modifications proposed by the Europeans.

A second initiative which contributed to saving the Conference, after a week of searching in vain for consensus, was to leave the question of abortion pending and to proceed to discuss other chapters of the programme. Nevertheless, it was not all plain sailing. Unexpected deadlocks emerged on questions such as immigration and the reuniting of families. Here, the developed countries (Europeans, Americans, Canadians, Australians, countries implementing an immigration quota), supported by those whose wealth derives from oil, and Iran, which is exposed to immigration by large numbers of Afghans, Iraqis and Kurds, expressed reservations about accepting the reuniting of families as

a right. This was demanded by many developing countries, especially in French-speaking Africa. The compromise reached was that 'the reuniting of families is no longer seen as a right, but fair as a principle' and governments were called upon to 'recognise the vital importance of reuniting families and to cater for it in national legislation'.

Non-governmental organisations emphasised in vain the fact that women were the most vulnerable victims of the political and economic causes of migrations, that trafficking in prostitution and marriage by correspondence had become a plague, that the immigration regulations in most countries did not readily grant women the status of independent refugee and that the forms of oppression particular to women, such as rape, sexual mutilation and sexist laws, generally did not confer upon them the right to political asylum.

A conference on women

The objective of the Cairo Conference was to set out ways of limiting an explosion in the world population, currently estimated at 5.6 billion inhabitants. Some forecasters fear that the number will double in the next 50 years, leading to serious pressure on the Earth's resources, impoverishment of all peoples and widespread ecological damage. But the meeting soon emerged as a forum on the place of women in preparing for tomorrow's

world. The preparatory document for the Conference, presented in 16 chapters, also reflected this. The first chapter stipulates that it is impossible to manage the Earth's population by relegating women to the background and that all the international studies on health and education prove this: improvement in the standard of living or education of women has a positive impact on the rest of their environment, far greater than that of men.

Women recur directly or indirectly in every chapter of this document, whether in the third on combatting poverty which brings out their role, or the eleventh, which calls for equity between men and women with regard to education and requires everyone to have access at least to primary education before the year 2015. Women also feature, obviously, in the passages dealing in greater depth with 'morals', such as those condemning all forms of violence against women and children. The genital mutilation of women carried out in many countries practising various religions, the prostitution of young girls, infanticide and the selection of foetuses to the detriment of girls are expressly abhorred. The right to family planning, implying sex education for adolescent girls, who suffer most from the damage caused by unwanted pregnancies, provoked the wrath of the Vatican and a group of Catholic countries (Malta, Argentina, Dominican Republic, Ecuador, Honduras, Nicaragua, Peru, Venezuela) and Islamic countries (Algeria, Egypt, Iran, Kuwait, Libya, Yemen). On the subject of the right of individuals to decide freely about the number of children they want and the time they are conceived, these same countries objected to varying degrees. Although considering that this right encourages extra-marital relations and homosexuality, the Moslem countries finally accepted it, whereas the Vatican rejected the whole of Chapter Seven on family planning.

The biggest stumbling block was Chapter Eight on abortion. This was despite the precautions taken in drawing up the working document, which stressed that abortion should not be seen as a means of birth control but characterised rather, as a serious public health problem which it would be hypocritical to ignore. At present, it is alleged that 50 million abortions are carried out every year in the world (50 for every thousand women of child-bearing age), of which 20 million are said to be 'backstreet' operations.



The Courier

Burying one's head in the sand

Many countries including some of the most liberal in sexual matters in regions such as the Caribbean or Latin America still outlaw abortion although the practice is widespread in their territories. The sole consequence of this is to increase the risk of backstreet abortions. The Caribbean is a striking example of burying one's head in the sand as far as this problem is concerned. In Haiti, abortion has become the most commonly-used method of family planning. One third of adolescent girls there become pregnant and half of them go on to have abortions, often up to three or four times, despite the fact that abortion is illegal, except in cases of incest. By contrast only 10% of women practise contraception. The infant mortality rate is 457 for every hundred thousand births but in the capital the figure is 1210, according to the Haitian Institute of Infant Health. And 16% of women in the city are HIV positive compared with a national average of about 7%.

In the countries of the English-speaking Caribbean, abortion is illegal or subject to very severe restrictions (danger to the mother in Trinidad and Tobago, authorisation of the husband in St Vincent), apart from in Barbados. A liberal draft law is being studied in Guyana.

Still in the Caribbean basin, there are 17 000 abortions a year in Puerto Rico, with one woman in five pregnant at any time. But the religious leaders (Catholic) urge people not to vote for candidates defending women's freedom in matters of reproduction.

The final resolution considers high-risk abortion as a crucial public health problem, as are sexually transmissible diseases, with AIDS first and foremost, and infant mortality, which are all problems deriving from a lack of education and information, especially of young girls. One pleasant surprise was that the strictest Moslem countries did not reject family planning and signed Chapter Eight, expressing a few reservations concerning 'extra-marital sexual relations' which are mentioned therein. The attitude of a group of Latin American countries was less conciliatory, while the Vatican was completely hostile, denouncing the entire chapter and expressing reservations on the chapter concerning the financing of family planning programmes, to indicate its condemnation of condoms. In any case, the rich countries did not wish to commit themselves to providing the \$17 billion necessary for this programme. The final text is confined to calling for efforts to be made towards this.

Women were also at the centre of the discussion on subjects which may be

presumed to be the most consensual, such as chapter 11 on access to education. The term 'equal', which appeared in the original text in respect of opportunities for girls and boys was watered down to 'fair', at the behest of certain Moslem countries who based their arguments on sacred writings rejecting such equality.

Taboo subjects

The major difficulty of the Cairo Conference is that it was dealing with a highly sensitive subject hedged about with mental reservations, age-old prejudices and taboos; cultures in other words, with all their hidden reducing effects. The authors of the proposed text nevertheless took the precaution of devoting an entire chapter to respect for cultures. Chapter Two set the new human rights (essentially, rights for women) with regard to birth control in the context of the laws of each nation and the religious, cultural and ethical values of each people. But that was not enough. It emerged from the debates on moral subjects, especially extra-marital sex, that there was an age-old reluctance to admit the free right of women to take decisions concerning their own bodies. The real debate, which never came to the surface was, in a way, about women's bodies. And the fault line did not necessarily take the expected course. Do not forget that barely 20 years ago, in most countries in Europe and North America, which had already reached high standards of living and education, women were demonstrating for the right to contraception, women and doctors were being imprisoned for abortion, and writers, artists and intellectuals went on marches to show their solidarity.

Many representatives of the Third World would have preferred the Conference to focus more on questions of development, on the basis that success in this area would lead to a decline in fertility. The reply to this was that there are means of achieving a decrease more speedily and the examples of Colombia, Zimbabwe, Thailand and China were mentioned.

These cases are worth dwelling on. The average number of children per woman in Zimbabwe fell from eight in 1960 to seven in 1981 and now stands at only 5.4. Uneducated women are still at the high figure of seven children, those with primary education average six while the figure for those with a higher diploma is four. 43% of women use a modern means

of contraception. Success is attributed to the participation by women in political decision-making, but above all to the promotion of education. This has more than doubled at primary level in fifteen years, with a six-fold increase in the numbers obtaining secondary or higher education over the same period. In Thailand, the number of children per woman has fallen from six at the end of the 1960s to 2.1 in 1991 and in Colombia from seven to 2.9 in 25 years. In China, coercive political measures practically forced families to have only one child. In all these cases, progress in women's education preceded the fall in the birth rate, which is in line with the analyses of the organisers



Nafis Sadik,
Director of the United Nations Fund
for Population Activities

of the Cairo Conference. But, with the exception of Zimbabwe, the countries mentioned had all been in a period of economic upswing for some time. And even in Zimbabwe, the national economy was far from being as feeble as that of the majority of developing countries in Africa. Thailand benefited from the boom which saw the emergence of the new 'dragons' of South-East Asia, Colombia from a flourishing parallel economy and China from a form of free enterprise hiding behind political control, protectionism and social dumping.

In addition, the question arises as to whether the top-down methods used by China and others to limit births are

compatible with the aspirations of the people and the requirements of freedom of the individual, in particular with the inalienable right to one's person. There is also the possibility that such methods might provoke a backlash. The strict sterilisation programme introduced by Indira Ghandi made family planning very unpopular in India. Women received 145 rupees (just over three ECU) after having undergone the operation. The percentage of female sterilisation rose from 10.4% in 1968 in relation to that of men, to 95.7% in 1992.

The question also arises of how easy it is to transfer the success of the countries mentioned as examples without mobilisation of international aid. One of the real questions of the Cairo Conference, as stressed in the excellent intervention by Mrs Brundtland, Prime Minister of Norway, is the sharing of the world's wealth. But this was not the question of the day. UN Secretary-General Boutros Boutros Ghali tackled it in his opening speech, hitting out at the present injustice whereby 15% of the planet owns 75% of its resources. Some of the other interventions mentioned it superficially. Non-governmental organisations showed greater insistence, but they are often considered to be harping on. The developing countries wanted amounts to be specified for the programmes envisaged for controlling the world population. They estimated an outlay by the international community of \$4.4 billion per year. However, the figures given in the final document, (4% of development aid and 20% of the aid received by the developing countries for the social sector to be devoted to population programmes), do not fix the amount of these resources. The \$17 billion for the next 20 years mentioned in the preparatory document was not taken up in the list of commitments.

Is the population explosion myth or reality?

The basic assumption of the Cairo Conference is that there is a demographic threat. The Conference delegates accepted it almost unanimously. But not the media. The opinions of the demographers were set out there in defence of both points of view. The link between economic growth and limitation of the population was said to be hypothetical. It suffices to take the example of the Asian countries which did

not wait to limit their births before entering into a period of spiralling economic growth. Furthermore, an encouraging finding made in Cairo was that a large number of specialists have toned down the sombre forecasts of an explosive increase in the world population. Fewer and fewer experts believe in the hypothesis of 10 to 11 billion inhabitants of the planet Earth in 2050. Nafis Sadik, Director of the United Nations Fund for Population Activities and Conference organiser, set the objective of stabilisation at seven or eight billion. She is relying on the economic and political progress under way throughout the world. Already, the most highly populated country in the world, China (1.2 billion inhabitants) has carried out a successful 'demographic transition', just like the countries of Latin America and Asia (this covers 2.7 billion people altogether). Another group with nearly 2.5 billion inhabitants has entered into this transition. There are only the 700 million inhabitants of Africa who continue to record high fertility rates. In the developing countries, through different forms of contraception, the number of births per woman has fallen from 6.1 to 3.9 in the past twenty years. If there had not been this progress, the present world population would have been 400 million higher with an additional increase of 4.6 billion by 2010. Many experts think that once the trend in the birth rate has started to fall, there are no cases where it has risen again.

Hervé Le Bras, a well-known French demographer, wonders whether overpopulation is a myth or reality. He comments that the teeming crowds of the Third World make an impression, whereas Africans arriving in Paris are surprised to find so many beggars and homeless people. For him, it is only possible to speak of the demographic problem in relation to world resources. The major squanderers of these resources are the countries with low birth rates. A very small percentage of the Earth's inhabitants is capable of wasting the bulk of its wealth. And this is what happens. In addition, there is no correlation between high population and poverty: some rich countries are highly populated, others not and the same is true of poor countries.

The fear of overpopulation in most cases is only that of having to share and to restrict, not even essentials, but surpluses. The other fear, according to Le Bras, is that of seeing economic growth surge in a large number of countries and

therefore the emergence of new competitors. The fear of poor people was already terrifying in the days of Malthus (1798) when Britain only had 10 million inhabitants, he states ironically. To this would be added the magic fear of a new millennium.



(Les limites de la planète, Mythes de la nature et de la population, Hervé Le Bras, Flammarion, Paris, 349 pages)

For this researcher, there are still many possibilities for development in agriculture to meet the needs of the people to be born in the next quarter of a century. Beyond 25 years, projections are meaningless and have as much relevance as science fiction. And demography is not the only variable in question. Necessity is the mother of invention. Take, for example, the discovery of oil when energy was needed.

One consideration of an ethological nature is the potential result of a cocktail of machismo, birth control and scientific progress in the field of procreation. Man is now able to choose the sex of children. What happens in a country where female offspring are undervalued, when medical means allow the selection of the sex. It is simply a game of the sorcerer's apprentice. This is what seems to be happening in China. Families almost forced to have only one child choose to bring males into the world. Recent figures show a birth ratio there of 118 to 100 in favour of men. Historically the ratio in China, which always practised selection empirically (including infanticide), was about 107 to 100. Specialists in ethology (the study of animal behaviour, including man) have every

reason to be concerned. Such an imbalance between the sexes in an animal society, if it does not correct itself, could lead to an increase in male aggressiveness (see inter alia the studies by Desmond Morris: 'The Naked Ape' (1967), 'The Human Zoo'

(1969), and 'Intimate Behaviour' (1971), published by Jonathan Cape, London).

From 4 to 15 September 1995, another important UN Conference is to be held in Beijing, the 'World Conference on Women'.

The Cairo meeting may be considered as a pre-Beijing Conference. The debate on the role of women in controlling the world population put the experts in the shade.

Mrs Benazir Bhutto, whose contribution was among those attracting the most attention, despite her delicate position as Prime Minister of an Islamic State, put everyone in their place: 'It is not States which bring children into the world, it is mothers'. The Cairo Conference should be congratulated, if only for the recognition of this 'unrecognised continent', the woman. ■

Hégel Goutier

Communication and family planning in sub-Saharan Africa

by Maria Rosa De Paolis*

In the wake of the Cairo Conference, much ink has been spilt about the issue of population and development. The subject has certainly not been exhausted, but the aim of this article is not to outdo others in this field, which is not within the competence of the author, but more to dwell on and explore the particular area of family planning and to analyse the particular medium of posters as one of the means of conveying its message.

The developing countries are the most affected by the problem of population growth. In sub-Saharan Africa, in particular, the population growth rate and the fertility rate are the highest in the world and it is also in this region that family planning is practised the least. Rapid population growth and underdevelopment interact closely and are both the cause and the effect of one another. Under the present conditions, the forecasts for the coming years look disastrous: these countries, whose economic situation is already precarious, will find it hard to meet the basic needs of their increasingly large populations. A strategy must therefore be sought to ensure a satisfactory standard of living for these people, in a process of viable development, but also to avoid other consequences, such as damage to the environment, accentuating the phenomenon of desertification.

Among the various factors involved in maintaining and even increasing the high level of fertility of these countries, the socio-cultural factor plays a crucial role. In African society, especially in rural environments, the behaviour of the population in the field of procreation is strongly influenced by a series of values, traditions, principles and beliefs which are passed from generation to generation. In view of

these values and the pressure of tradition, family planning is seldom favourably received. The planner, when tackling such delicate subjects as having children or sex, will meet with a great deal of reticence. Other economic and political factors contribute to keeping the population growth rates high.

Among the solutions to be applied to slow down the growth in the African population, communication is an essential instrument in family planning programmes. Indeed the first line of attack probably should be to devise effective communication strategies which take proper account of the economic, cultural and social factors.

Indeed, the 'Information, Education and Communication' (IEC) aspect is increasingly integrated into the implementation of these programmes. Respecting the right to choose freely and responsibly the number and timing of the births of one's children is one of the basic principles of demographic policies. This right also entails everyone having the information and the means to make use of it.

In sub-Saharan Africa, a large percentage of the population is illiterate and it is essential that the messages are devised to take account of this.

Among the different media for transmitting messages on family planning, the poster is one of the first approaches to awareness and information in this field. This means of communication by images is especially appropriate for a public which has received little or no school education, its visual nature allowing attention to be drawn and the message transmitted at a glance. Combining image and text, the poster can be categorised as a socio-educational message aiming to bring about a change in behaviour by the person for whom it is intended. The image generates participation and identification

of the observer with the subject or object shown. The text, while consolidating the message and reinforcing the idea developed in the picture, has a distancing effect.

An analysis¹ of 46 posters from 27 countries of this region has allowed the values conveyed by this medium to be defined, the status of the announcer and the recipient to be clarified, and their relationship and the attendant social consequences to be brought out. It is in this way that two lines of force inherent in any message emerge: the content concerning the descriptive meaning and the relationship covering the pragmatic meaning. Two

¹ Communication et surpopulation en Afrique subsaharienne. Analyse d'affiches sur la planification familiale. Catholic University of Louvain (Belgium), Faculty of Economic, Social and Political Science, Communications Department, 1994. Thesis for a degree in communications presented by the author.

Poster from Chad
*'Better health for you and your family.
For the good of your home life, keep
pregnancies well apart'*



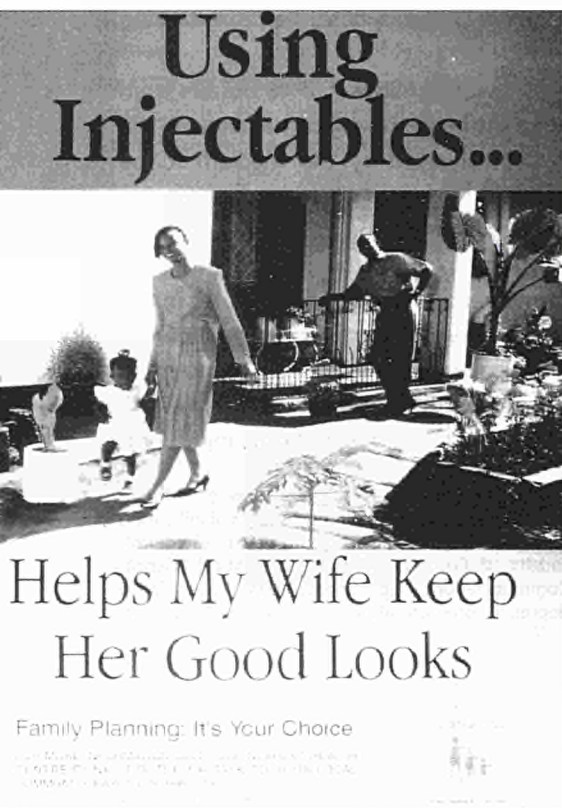
* DG VIII (Development), European Commission.

categories have been established in this way: one groups together the topics represented most frequently by the picture and conveyed by the text, the other classifies the posters by strategies most used to present the message in order to discover the relationship between the talking partners and their status.

Each message is composed of different elements which contribute to producing certain effects on the recipient. Pragmatic analysis allows the possible

ing to note that some drawings are reproduced in a perspective and in proportions which differ from those to which we are accustomed in the West, their colours recall the natural landscape of these countries and they are largely devoid of objects considered to be superfluous to the meaning of the message.

Photo posters systematically represent a westernised image of the family and the landscape. The procedure, which is as modern as family planning, is based on

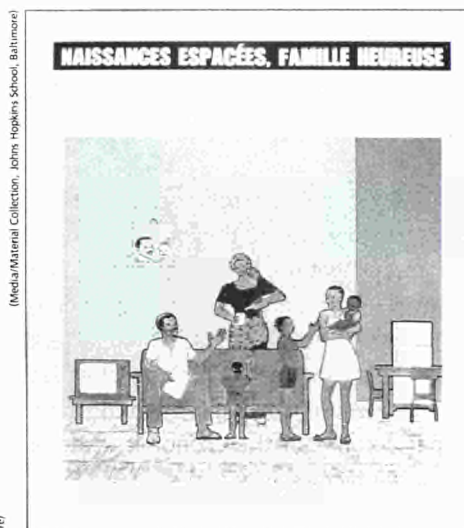


Poster from Zimbabwe

effects to be defined deriving from the relationship between the announcer, the body expressing the message and the recipient or person for whom the message is intended.

One of the primary characteristics of this sample is that the vast majority of the posters contain drawings and only a limited number use photos. The limited use of the photo could lead to various hypotheses: are drawings considered to be a more significant mechanism for identification than photos? Is the iconic culture of the African peoples based more on drawings? Or should this choice be seen simply as an economic constraint?² It is interest-

² Technical resources are limited and more costly in Africa.



Poster from Côte d'Ivoire
'Well spaced out pregnancies: happy families'

modern publicity techniques. Family planning is an invented concept, imported from industrialised countries, which has made its way in Africa through other institutions, notably those of the health sector. However, its origin goes back a long way if one considers, for example, the traditional practices of post-partum abstinence.

The family is the theme most commonly represented by the image and the text: information on family planning necessarily involves the family, the synonym of fertility. A place of union, the start of life, it is in the family that tradition, morals and religious precepts are anchored: a man and a woman unite to have children. The family implies happiness, joy and harmony. The messages of the posters try to provide the key to preserving or rediscovering this joy.

The majority of posters represent the traditional, nuclear family of the western world, comprising the father, mother and children. It is interesting to observe that this image does not neces-



Poster from Zaïre
'If I had followed the family planning advice, my family wouldn't have suffered so much'
Planning when to have a baby is something that concerns men as well'

sarily reflect reality in Africa, where traditionally the extended family, including other members, such as the grandparents, uncles and aunts, is more widespread.

The image of the family shows the distinction between the 'ideal' family with a limited number of children serving as a model and the family 'to be outlawed' with a large number of children.

Given the message that is being put over, it is not surprising that it is the image of the nuclear family that is most commonly employed. The number of children shown varies from 1 to 4, with an average of 2. The message advocating the ideal family places family planning among the solutions to achieving happiness and success. Is it not possible that the allusion to this idealistic image, borrowed strongly from publicity techniques, could have the consequence of aggravating existing social inequalities and competition between individuals?

The few images of large families, on the other hand, show them in conditions of obvious distress and the association of the two elements must, in principle, encourage recipients to change their attitude.

The progressive assimilation of the model of the nuclear family could result in a veritable cultural shift. Although it is

PLAN YOUR FAMILY



FP
A PROGRAMME
OF THE NATIONAL
COUNCIL FOR
POPULATION AND
DEVELOPMENT

FAMILY PLANNING
PRIVATE SECTOR
A PROGRAMME
JOHN SNOW
INCORPORATED

have the **NUMBER** of **CHILDREN**
you can **FEED**, **CLOTHE** and **EDUCATE**

Media Material Collection, Johns Hopkins School, Baltimore

true that the nuclear family, once free of influence and even pressure from the other members of the extended family, especially grandparents, contributes to reducing the number of births through better acceptance of family planning, there is a risk, on the other hand, of this image toppling family values based on strong solidarity between all the members, in favour of an individualist society such as we have in industrialised countries.

The most widely used message strategies in this sample of posters involve three types of announcer: authoritarian, non-authoritarian and the character announcer.

The messages belonging to the authoritarian type are characterised by the absence of any visible announcer (voice 'off'). The announcer is therefore an abstract, transcendent authority, imbued with power and knowledge. The titles, in

Poster from Kenya

large letters, placed in the upper part of the poster, stress this authority. Since the verbal messages are often in the imperative form, they are warnings or orders.

Poster from Liberia



Media Material Collection, Johns Hopkins School, Baltimore

Depending on the argument used in the message, the bodies conveying it represent different authorities which may be the government, medical science, the teacher or even religion. The governmental and medical type authority is the most widespread and this is partly explained by the fact that in the field of family planning, the bodies representing these entities are at the basis of policies and the implementation of programmes. In certain cases they are even the authors of the messages. The teaching authority is characteristic of the posters intended for an adolescent student public with warnings of the risks of early, unwanted pregnancies.

For this type of message, the relationship between the announcer and the recipient is distant, sometimes intangible. In this case, the message is explicit and the recipient is not invited to reflect upon it.



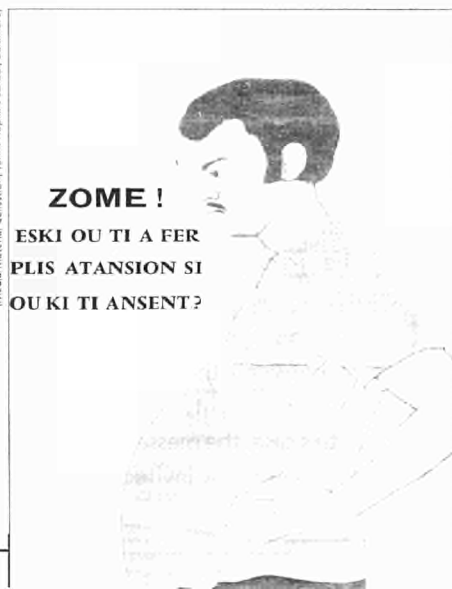
Poster from Burkina Faso
'A man who is prudent plans his family'

Poster from Sierra Leone



A second category of message strategy groups together announcers of the non-authoritarian type. Despite the voice 'off', the message contains no orders or threats. The announcer could be a counsellor or a mediator. The relationship between the announcer and the recipient is one-to-one, friendly and reassuring. The arguments are based on a more intimate repertoire, closer to the recipient than that used by the authoritarian announcer. The observer is induced to complete the interpretation of the message. This type of

Poster from Seychelles
'Men! Wouldn't you be more careful if you too could become pregnant'



strategy is important in so far as the figure of the counsellor embodied in the announcer appears as a friendly talking partner in inter-personal communication, following the African oral tradition where what is 'said' is important. The many questions addressed to the recipient establish dialogue in a friendly relationship.

A third and final category concerns the announcer who is shown as one or more of the characters portrayed in the picture. The character represented speaks in the first person, sometimes addressing the observer directly; the comic strip bubble is used for this purpose.

The most remarkable aspect of this category is the fact that men are the announcers in the majority of cases. Shown as fathers of the family, they are the means of providing arguments for the responsibility which lies with men in the field of family planning. Identification is facilitated by the egalitarian, friendly relationship which they pursue with the observer. In this category, the woman is decidedly deprived of any possibility to speak for herself.

A first explanation could be that the decision to adopt family planning is primarily that of men, or that men are a target group to be made aware and convinced, or simply that the producers of messages themselves being male, they give pride of place to men among their announcers.

This category was represented in the largest number of posters allowing reflection on the meaning of the message. This confirms the relationship existing between the status of the protagonists and the cognitive operations.

The posing of numerous questions suggests that the observer is considered to be a genuine partner in the dialogue and a greater call is made on his or her ability to draw inferences. This type of strategy, involving the public, may be considered among the approaches which take account of the participation of the people themselves and this participation becomes essential for the success of communication programmes.



Poster from Kenya
'I stopped using contraceptives because my friends told me it was bad for my health'
'You were wrong to do so. There are no dangers in the methods that we recommended'

Poster from Nigeria



Dealing with the demographic challenge and achieving a balance between economic growth and population size is probably the main issue for developing countries as we approach the end of this millenium. It is clear that, in addition to being an important factor in family planning programmes, methods of communication are a vital element in global development more generally — with the poster having its own particular role. Given the changes that are currently taking place, a verdict on the success or failure of present family planning communication strategies will obviously depend on an analysis of what actually happens in the coming years. ■

Cinema and the audiovisual sector: a special area for cooperation?

by Pape Mbaye Sene*

Pictures are gaining ground throughout the ACP States. One after the other, the poorest countries, as well as the shrewdest ones, are setting up television networks, with a copious supply of equipment 'generously' provided by the countries of the North. Cinemas — which are viable — are opening here, there and everywhere and are always full. In most of these countries, where illiteracy predominates, pictures are becoming the prime means of communication — or contamination.

The threat of cultural assimilation

80% of these pictures offered to the fascinated gaze of the crowds come from abroad. One may be tempted to say that the figure is even higher for cinema and slightly lower for television, but with the advent of satellites and the invasion of American series, especially in the Caribbean, almost all the ACP States have been all but 'colonised' by pictures. There is nothing comparable in either Latin America or Asia.

Is there any need to go into what these imported pictures are? Indian melodramas, films featuring karate and violence, American series, third-rate European films, with the added bonus of a grandstand view of the rich countries, their

luxury, the easy life to be lived there — and their degeneracy.

Faced with this phenomenon of cultural assimilation, the first question which immediately springs to mind is to wonder what the Lomé Convention can possibly mean when it talks about 'more autonomous, self-supporting development based on social and cultural values'?

The populations of the ACP States are in the process of losing their own image: the process is inherently explosive. What is more, the far more powerful impact of the audiovisual media on the urban masses is liable to make the gulf which already separates them from the rural population still wider: a breakdown of communication and, very probably, risks

Richard Bohringer and Saïd Diarra in 'Cri du Coeur' by Idrissa Ouedraogo, a film entered in the official competition at the Venice Festival 1994

of further collaps and disruption will be the final outcome.

The mediating role of the ACP film directors

For ACP particularly African, films to exist and secure wider distribution, is an end in itself. The vast majority of ACP films — regardless of their artistic value — are far from mediocre. They take a critical, questioning look at African, Caribbean and Pacific societies. The difficult task of reconciling tradition and the modern world, the position of women, relations between town and countryside, oppression, religious extremism, racism and corruption are the subjects which come up most often. In societies where the democratic process is in its infancy, film makers are almost the only people with freedom of expression.

This creates an almost incongruous loophole for freedom to slip through but it is one which could close up for lack of resources. Should this happen, it would mean the loss of one of the opportunities the ACP peoples have to become more aware of their problems and possibly, through their own speech and their own images, to find a way to their own solutions.

What it amounts to is safeguarding the mediating role of the ACP's film-makers.

Towards a policy for the ACP film industry

There are ACP film directors, but there is no African, Caribbean or Pacific cinema, still less an ACP film industry. Talent and film-makers are there, but there are deficiencies in every link of the chain from training to production to distribution.

This observation is proof of the lack of a policy for the film industry in the ACP States, a failing which is reflected in the ticket system. In not one of these countries is there a ticket system organised to generate funds for the national film industry — on the contrary films from the ACP countries are taxed at the same rates as American, Japanese, Chinese, Indian and European films. Bearing in mind the fact that the film industry lives on distribution,



* African cinema expert.

Commission of the European Communities and the ACP film industry
Overview of the financing of film production (1986-1994)

Year	Film title	Amount of Community Contribution	Beneficiary Country
1986	Film on fuel wood (documentary)	ECU 25 000	Kenya
1988	Documentary film on the River Niger	ECU 164 000	Nigeria, Niger, Mali, Guinea
1988	Production of a film against desertification (documentary)	ECU 45 800	Burkina Faso, Mali, Niger
1988	Documentary film on reforestation in Cape Verde	ECU 100 000	Cape Verde
1989	Co-production of the film 'Tinpis Run' (fiction)	ECU 105 000	Papua New Guinea
1989	Co-production of the series 'Mille Univers, une langue' (fiction)	ECU 170 000	Senegal, Mali, Côte d'Ivoire, Togo, Central African Republic
1989	Film 'Ta Donna' (fiction)	ECU 85 000	Mali
1989	Production of two short films 'Wemba' and 'Baore' (fiction)	ECU 117 000	Burkina Faso
1989	Film on ceremonial dances	ECU 60 000	Papua New Guinea
1989	Documentary on traditional architecture in Cameroon	ECU 58 000	Cameroon
1990	Documentary film on the Mésaï (Foundation)	ECU 23 500	Kenya
1990	Film 'Kasarmun C' (fiction)	ECU 66 600	Nigeria
1991	Documentary film 'Djembefola'	ECU 70 000	Guinea
1991	Support for making the film 'Harafi' (fiction)	ECU 45 000	Burkina Faso
1992	Financing of the film 'Une mère des sables' (fiction)	ECU 160 000	Mali
1992	Film 'La fille de Tiéfiing' (fiction)	ECU 200 000	Mali
1992	Film '20 Millions pour un mariage forcé' (fiction)	ECU 47 000	Burkina Faso
1992	Film 'We, the Nigerians' (fiction)	ECU 214 458	Nigeria
1992	Film 'Samba Traoré' (fiction)	ECU 351 272	Burkina Faso
1992	Film 'L'enfant terrible' (fiction)	ECU 50 000	Mali
1993	Film 'Yelega' (fiction)	ECU 45 113	Mali
1993	Film 'Waati' (fiction)	ECU 300 000	Mali
1993	Series of documentaries 'L'Afrique de toutes façons'	ECU 350 000	Regional cooperation
1993	Film 'L'enfant noir' (fiction)	ECU 400 000	Guinea
1993	Film 'Objectif Aouzou'	ECU 22 380	Chad
1993	Film 'Maral Tanié' (fiction)	ECU 52 225	Chad
1993	Film 'Combat' (fiction)	ECU 253 465	SADCC (Southern Africa)
1993	Film 'Yelega II — La mutation' (fiction)	ECU 44 805	Mali
1993	Film 'Ville de Djenne'	ECU 8 500	Mali
1994	Film 'Les vertus de ma brousse'	ECU 7 000	Mali
1994	Film 'Le Royaume du Passage'	ECU 298 730	Regional cooperation
1994	Film 'Le Cri du cœur'	ECU 448 055	Regional cooperation
1994	Film documentaire 'Aime Césaire'	ECU 150 000	Regional cooperation
		ECU 4 138 303	

we are entitled to ask what purpose the national film distribution companies are supposed to serve. What strategy do they implement to conquer the ACP market with ACP productions? It is a market which can be viable, provided that certain curbs to its development — mentioned above — can be lifted.

The point is not to lay down a policy for the film industry which covers all the ACP States, but to promote a consistent, meaningful policy at regional level, based on private structures. The failure of the CIDC¹ (Consortium Interafricain de Distribution Cinématographique) amply demonstrated the limits of governmental efforts in this area. ACP films are of a profoundly social nature and they do have an audience when by chance they are projected on ACP screens. This is an issue which Gaston Kaboré, Secretary General of

FEPACI² feels strongly about. 'Instead of some people posing as critics, saying that our people do not like our films because they do not stir their imagination, the real issue is surely about offering the public the opportunity to make a choice, by allowing our films to be shown on our screens. If the people do not like them, we shall stop making them and do something else. But for the time being, let them make their choice.'

The EU and the ACP film industry

Pending the introduction of a real policy for the film industry in their countries, the ACP film-makers continue their work. And in the words of Férid Boughedir³: 'It is still quite a rarity, since

² FEPACI (Fédération Panafricaine des Cinéastes), which has its headquarters in Ouagadougou, Burkina Faso.

³ The Tunisian director and critic who produced 'Caméras d'Afrique' and 'Caméras Arabes'. His greatest film success was 'Halfaouine, l'enfant des terrasses'.

ACP film-makers work without a real distribution system for the cultural product they put together, but also without a normal environment for the production of this cultural asset, which requires technology and a great deal of money.' As we have already said, in practice the ACP film industry is deprived of cinemas, screens and a distribution system. This creates rather a paradoxical situation for the ACP film maker. How does he manage to carry out his task or, more simply, to perform the miracle? For this is what it is.

An enthusiast, the ACP film maker — from writing his script to production — is aware that he will spend a major part of his life in completing his work. He is in every sense the author of his film, since in turn he will be script-writer, producer and director, even if it entails running into debt. He also acts as distributor, press agent and, in some cases, exhibitor.

He is therefore totally dependent upon outside aid. The traditional sources include the French Ministry of Cooperation (for film makers in French and Portuguese-speaking countries) the Ministry of Foreign Affairs (for English-speaking film makers), the Agence de Coopération Culturelle et Technique (for French and Portuguese-speaking film makers only), Channel Four, the British Film Institute in London, and the Centro Orientamento d'Educativo in Italy. One can add to this list the contribution from the European Commission, made possible through the 'cultural cooperation' chapter of the Lomé Convention.

Because of the conditions on which it has been granted, this outside aid has enabled the film-making industries of the ACP States, or more precisely ACP film makers, to be more professional. The kinds of support provided include such things as assistance from professional script-writers in rewriting scenarios and help for experimental production companies.

What advantage does Community aid offer over the already tried and tested mechanisms of the other public lenders? Firstly, it is intended for the ACP States or regions that apply for it and, in a roundabout way, for the ACP film makers. This is an essential element in drawing up a co-production contract between the ACP producer or his production company which is usually a European production company responsible for making the films. The Community contribution will be considered as the ACP State or the film maker's share in the financing arrangement. If the film is a commercial success, the percentage of the revenue equivalent to this share goes to the ACP State concerned.

Another specific aspect of the Community approach, reflecting the spirit of the Lomé Convention, is that it does not impose a European production company as a condition for the contribution to be granted. On the contrary, it allows film directors, through their production companies, to strengthen their structures. Above all, it gives them financial advantages in their contacts with any co-producers.

The most decisive point about the Community's contribution is the fact that it is so substantial. Between 1986 and mid-1994, a total of ECU 4 138 303 was

provided for the production of films (see table). From 1992 to 1994, support amounted to ECU 3 403 083, which certainly makes the EC the largest contributor to the sub-Saharan African film industry, if not to the ACP film industry as a whole. Apart from this finance intended for film production, Community support also extends to financing events linked to the cinema in the ACP States, in particular film festivals. From 1986 to 1993, these received a total subsidy of ECU 1 384 114.

Who, a few years ago, could have imagined the Commission playing such a decisive role in the development of the audiovisual sector, and of the film industry in particular, in the ACP States?

While the Community's role is clearly important, it is not enough simply to quote figures. We need to ask whether the procedures are well adapted to the objective, which is to make films. In the words of Mr Amat Armengol Bartholomé⁴: 'We should view what is happening in a historical perspective. Our cooperation with the ACP States began 34 years ago in 1960. Since then, we have provided roads, dams, dispensaries, hospitals, and agricultural schemes. But we have only been financing films for the last eight years. So while we have been struggling for three decades to get cooperation working in what is essentially the economic sphere, including major infrastructures, we are only at the start of cultural cooperation. Our procedures are obviously not well adapted to the needs of film-making. This causes us problems every day'.

With this in mind, should discussions focus on the extent to which procedures might be adapted to suit the films? Some take the view that initiating the financing of films should not come within the remit of Ministers of Finance or Planning (who are often the National Authorising Officers for the EDF) and advocate instead the creation of a support fund for audiovisual and film production in the ACP States, to which film makers could submit their projects directly. Provided that the fund can operate on budgets drawn up for three years, this formula could offer several advantages, including, first and foremost, the fact that the

⁴ Head of Unit, Training and cultural cooperation, Directorate-General for Development of the EC.

financial dossiers would be examined by professionals. On account of its status and operation, this fund would not grant subsidies but would establish co-production contracts by taking a close interest in the profits generated by the film from television screenings, royalties and so on. Any income could be used to cover the running costs of the fund and to finance training courses in the art of film-making. We have not yet reached this point in this area of cooperation between the European Community and the ACP States under the Lomé Convention. It is however, worth making the precautionary point that it is not necessarily healthy to adopt a cooperation model — in any sphere — which relies solely on a process of subsidy.

The stakes are at this level, especially if both sides accept that pictures can play a significant role in the dynamics of autonomous development.

But let us leave the last word to the Burkinabe film director, Idrissa Ouedraogo: 'Let us try to persuade our partners — particularly the EC — and our governments to set up a Pan-African or ACP Cinema Production Fund. It is true that each of our countries, taken in isolation, needs to build roads and wells. It is true that 80% of the population live in dreadful conditions. It is true that for these people, cinema may seem a luxury, even if it is not. This means that we have to look at new approaches, by setting up other types of professional institutions, financed by the public bodies, which are capable of responding to the aspirations of ACP film professionals, based on the scenario and on expertise in the art of making films. Thereafter, I believe that even if there are just five or 10 films made each year, people will be proud and happy. Our people identify with those who make things which give them the impression of existing; those who are seen to be responding to the long-standing criticisms that they lack culture and know-how. They see themselves in these people. So let us go ahead, let us enrich ourselves with the experiences of Europe — the Media Plan for example — and we shall discover that things can be better. Every case will cease to be a one-off and film makers will be able to thrive. ■

African dilemma

Few options, little time

by Michael Pickstock*

Africa's 30-year flirtation with industrialisation and urban growth has ended in tears. The continent is poorer, less stable, less well-fed and less healthy than at independence. And it is in a worse condition than any other region of the world. Many factors have contributed to this unhappy situation but, had priority been given to the development of the rural economy, a dynamic rural sector, including agriculture, agro-processing and agro-serving industries, would by now be offering a springboard for urban development and industrialisation.

Africa was, and remains today, primarily a rural, agriculture-based society and economy. Agriculture is still the major producer of national income even in a country such as oil-rich Nigeria. At independence, Africa largely fed itself and was a leading world producer of palm oil, cotton and coffee. Its supremacy in palm products has passed to Malaysia, which now produces more than the whole of West Africa and controls 75% of the world trade in oil palm. Meanwhile Indonesia, which produced little coffee 20 years ago, now exports more than either of the two

principal African producers, Côte d'Ivoire and Uganda. In contrast to its food production record, Africa's 'performance' in terms of population growth has been spectacular. Additional mouths, together with drought and war-induced famines and declining soil fertility, have reduced the continent to a chronic dependence on food aid and on the purchase of food imports with borrowed money.

The competition from low-priced food produced overseas can be overwhelming. In many African countries, rice from Asia is sold at 30-40 % of the cost of locally produced rice, thus forcing African farmers out of rice production. In Burkina Faso, wheat is imported from the EU and sold at \$60 a tonne, a price approximately one-third lower than the cost of producing and marketing local food staples such as millet and sorghum. The reason for the EU's competitive advantage is the export subsidy of \$100 a tonne provided under its Common Agricultural Policy. Unable to compete with these subsidised foreign imports, local agriculture has inevitably suffered, as have efforts to improve self-reliance.

It has been said with justification that Africa specialises in growing what it does not consume and increasingly consumes what it fails to produce. Furthermore, many opportunities for adding value to its agricultural production are neglected. Others undertake the processing that provides both employment and a worthwhile profit margin.

In order to review and assess rural development programmes in Africa, an international workshop was held in Arusha, Tanzania on 17-21 January. The workshop was organised by the Centre for Integrated Rural Development in Africa (CIRDAFRICA), the Technical Centre for Agricultural and Rural Cooperation (CTA), the UN Food and Agriculture Organisation



Rice cultivation in Mauritania
Cheap imports from Asia undercut local production

(FAO) and the German Technical Agency (GTZ). Leading African scientists and economists were forthright in their description of the current situation in much of sub-Saharan Africa. They were speaking to a largely African audience from across the continent and the discussion was unusually frank. It is clear that the scientists, economists and planners of African countries recognise what needs to be done, but are the policy makers in government equally conscious that a change in attitude to their rural population is long overdue?

Subsidised beef imports

Presenting one of the keynote papers, Professor Samuel Nana Sinkam, a respected African economist, quoted some uncomfortable statistics. In 1991, the EC exported 54 000 tonnes of beef to West Africa on heavily subsidised terms. While this is only a tiny proportion of the Community's beef mountain (about 3%), it has wreaked havoc in local markets. Pastoral farmers, grazing their herds on environmentally fragile lands, have been thrown into direct competition with Europe's heavily subsidised meat industry, with inevitable results. Already impoverished communities have been forced out of markets and regional trade in cattle has



Technical centre for Agriculture and Rural cooperation (CTA),
"De Rietkampen",
Galvanistraat 9,
6716 AE Ede

Postal address

P.O.B. 380,
6700 AJ Wageningen,
The Netherlands

Tel. (0) 8380 60400 – Telex 30169

fallen by a third. EC development officials have complained about the damaging effects of beef dumping on the Community-funded projects designed to enhance the productive capacity of pastoral farmers. This is 'a classic example of the almost schizophrenic discrepancy between aid and trade policies', says Professor Sinkam. He adds, however, that 'a great failure of development aid in sub-Saharan Africa is its irrelevance to the poor. Aid supply has not reached the really needy and aid has been made ineffective because of a lack of serious government commitment to the reduction of poverty.'

For years, governments, with the acquiescence of donor countries, have adopted a 'we know best' approach to their rural people, implementing policies and projects without consultation and imposing state monopolies that paid too little and too late for farmers' crops and were unreliable in their supply of fertilisers and other inputs. Cheap food favours urban populations and provides no encouragement to rural farmers to produce more for this growing market. Many rural development programmes have underestimated the need for adequate marketing arrangements to take care of such additional production that farmers might have been encouraged to grow. Inad-

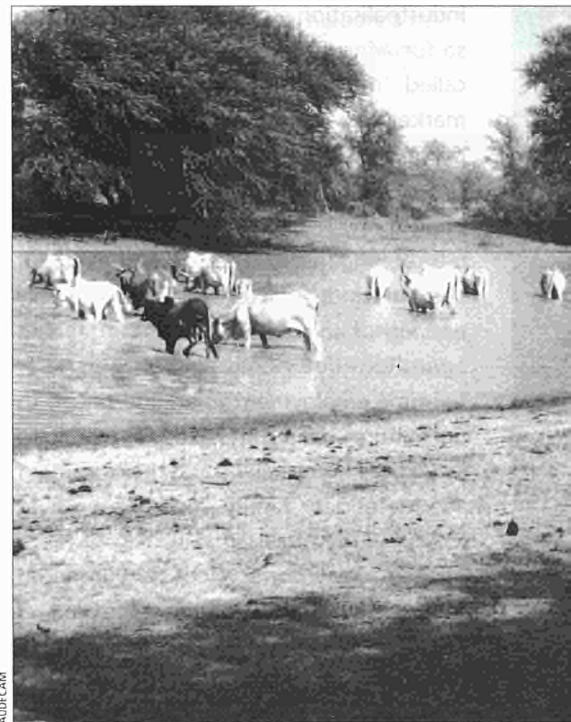
equate roads and high transport costs are a further disincentive to farmers who might be more inclined to grow more for the urban market if they could be sure that their produce would arrive in a saleable condition. Furthermore, it is the farmers who have been the most affected by low export crop prices. Others may have been able to maintain their margins but farmers have suffered greatly. They have had no incentive to invest for the future and the consequences on production have been predictable. Realistic prices, especially for food crops, would be a clear signal of policies promoting agriculture but higher food prices are an explosive issue in cities so this will not be an easy or painless policy to implement.

Women have always been the main food producers in Africa. They undertake the bulk of agricultural labour and produce an estimated 70% of domestic food supplies. They are also responsible for a multiplicity of other roles such as child-rearing, fetching water and firewood, and marketing food staples. Yet they are systematically denied access to resources. Even in the many countries which have

Harvesting cotton in Burkina Faso
Women undertake the bulk of
agricultural labour in Africa



FAO - J. VAN ACKER



AUDICAM

Cattle in Senegal
African herders also have to contend
with cheap imports — which are
subsidised by Northern taxpayers

legally affirmed women's basic right to land ownership, cultural and economic constraints often combine to deny them effective ownership and control. Lacking legal title to land, having few savings and typically producing staple foods on a small scale, women have limited access to institutional credit. They have neither the means nor the incentive to implement soil conservation measures or to plant trees, whether perennial crops (cocoa, coffee, palm, citrus), or forage or fuel trees in agro-forestry systems. If African women were given secure access to land and to credit, their already considerable contribution to the food supply of Africa would be greatly multiplied. Furthermore, women usually consider the wellbeing of their children as their highest priority. If customary male chauvinism were relaxed, women would be able to adopt working practices which make better use of the land. The long-term beneficial effect on the environment could be tremendous.

Focus on agro-processing

Agro-processing, such as milling, crushing oil seeds, abattoirs, tanneries and creameries, has provided the basis for rural

industrialisation elsewhere and it could do so for Africa as well. The villages and so-called 'market towns' of Europe were market centres and a focal point for processing agricultural products and for services such as transport and engineering: blacksmiths were the progenitors of agricultural engineers. The development of such rural industrial centres would not only provide the services for a burgeoning agriculture but would also offer part- or full-time employment as an alternative to agriculture without the need for people to leave their home village and the security of the extended family. People working locally, within walking or cycling distance of their family home, place no burden on the services of a metropolitan centre, and family and cultural links are maintained.

New projects for rural development should include agriculture, agro-industries, health centres, schools, water supply and electrification. In future, all such projects must involve the local people from planning to implementation and management. Local people must decide their needs and priorities and they must be encouraged from the start to help develop, invest in and manage these projects as a group, cooperative or community. Several such community-based projects have proved the long-term sustainability of such an approach. In contrast, the 'graft-on' projects, which donor countries, international organisations and African governments have favoured in the past, have usually failed. At the end of financial assistance, the graft or implant proves to be incompatible and the local community rejects it. One way by which food donors could achieve major beneficial effects on local agricultural production is by financing local purchase of food, however small in volume, from within high-producing regions and making these purchases available to the food-deficit parts of the same country. Such localised food surpluses often remain undistributed for lack of cost-effective transport and weak purchasing power, especially on the part of the central government. Food donors could play an important role by purchasing this surplus and making it available to the hungry in the same country. This process is known as triangular food transactions (TFTs) and such schemes have been successfully im-



The Courier

plemented in some SADC countries. TFT schemes never disrupt local production. On the contrary, they strengthen it and generate extra resources for development purposes. Even more important, however, they help to avoid the pathetic spectacle of food 'handouts' with all the psychological effects that these engender.

National governments could play an important role in facilitating an effective marketing system through public investment in critical areas such as road infrastructure. Traders could be encouraged to reach out to remote rural areas by being given access to credit for equipment and working capital. Policies could be put in place which would stimulate the emergence of farmers' organisations for input supply or output marketing. A safeguard rule could be established to prevent, for instance, competitive food commodity imports at dumping prices. This would help to protect domestic production.

Africa has many problems. The statistics of rocketing population, plunging food self-sufficiency, high maternal and child mortality and widespread malnutrition leave a depressing impression. African women are 50 times more likely to die in childbirth than American or European women. Six million Africans die before their fifth birthday and 50 million are

A rural road in Uganda
*Better roads lead to more effective
marketing of produce*

severely malnourished. Yet Africa has enormous human and natural resources and its people can be very resourceful. They have a stoical ability to survive adversity and, when given incentives, they are capable of increasing productivity.

It was apparent from the meeting in Arusha that African scientists, economists, agronomists and planners recognise the critical plight of their continent and accept the hard decisions that must be taken. A healthy economy fuels itself through reinvestment and the development of more entrepreneurs. A dynamic rural sector provides the firm foundation for urban development. Africa has little time and no choice. Rural development is essential but new attitudes and policies are necessary if it is to deliver its promised benefits. It is to be hoped that Africa's policy makers will also recognise that hard decisions must be taken. Failure to do so will, almost certainly, be catastrophic for their people. In the words of Tanzania's Minister of Agriculture, in his closing address to the International Workshop, 'either we do it now, or we leave our people to perish.' ■

M.P.

THE CONVENTION AT WORK

EUROPEAN DEVELOPMENT FUND

Following, where required, favourable opinions from the EDF Committee, the Commission has decided to provide grants and special loans from the 5th, 6th and 7th EDFs to finance the following operations (grants unless otherwise stated). Major projects and programmes are highlighted:

Economic and social infrastructure

Benin: ECU 17 million for the rehabilitation of the Cotonou-Hillakondji road.

Ethiopia: ECU 6.868 million towards a programme for the social reintegration of vulnerable groups in society including displaced people, demobilised soldiers and the war-wounded.

Nigeria: ECU 15.5 million for a programme to combat poverty in the Bornou region by improving rural production (better management of water supplies, help for farmers' associations etc.) among the farming communities on the shores of Lake Chad.

Uganda: ECU 22 million towards a road-maintenance programme in the south west of the country.

East Africa (Tanzania, Kenya, Uganda, Rwanda, Zambia, Burundi, Ethiopia, Eritrea, Djibouti): ECU 8.5 million for the installation and development of an advance cargo information system.

Dominican Republic: ECU 1.4 million for a development programme in Puerto Plata province.

Trade promotion/ structural adjustment

Congo: ECU 14.25 million for a general import programme in support of structural adjustment.

Zambia: ECU 11.8 million for a general import programme in support of phase two of the structural adjustment programme.

PALOP countries (Angola, Cape Verde, Guinea Bissau, Mozambique, São Tomé & Príncipe): ECU 2.6 million to help create the conditions for external trade and internal investments within the five countries.

All ACPs: ECU 7.7 million to support ACP-EU professional organisations involved in improving the production and commercialisation of goods on external markets.

All ACPs and OCTs: ECU 7.484 million, under the heading of regional cooperation, to finance participation by ACP countries and OCTs in trade and service development activities during 1995.

Agriculture

Senegal: ECU 1 million to support the horticultural export system.

Kiribati: ECU 1.1 million for a marine algae development programme.

Enterprise

Trinidad & Tobago: ECU 2 million to support a development programme for small enterprises.

Health

Mauritania: ECU 350 000 to support the strengthening of control and prevention measures relating to sexually transmittable diseases and AIDS.

Mauritius: ECU 423 000 to support a programme against AIDS.

Seychelles: ECU 139 000 to support a programme against AIDS.

All ACPs: ECU 1.85 million for technical support to health systems reform.

Education

Angola: ECU 2.7 million to strengthen the operational capacity of an industrial institute in Luanda.

Djibouti: ECU 336 000 for the rehabilitation of primary schools in the Ali Sabieh district.

Tanzania: ECU 1.95 million to support Tanzanian students in the Commonwealth of Independent States and other countries of the former Eastern Bloc.

PALOP countries (Angola, Cape Verde, Guinea Bissau, Mozambique, São Tomé & Príncipe): ECU 1 million for training and upgrading of human resources.

All ACPs: ECU 2 million to support a regional university training programme (in the economic sciences).

Environment

Côte d'Ivoire: ECU 1.99 million for forestry management in coastal areas (intermediate phase covering 1994-95).

Côte d'Ivoire: ECU 1.75 million for preparatory management work in the Orumbo-Boka forests.

Institutional support

Guinea Bissau: ECU 1.25 million to support the exploitation of land resources.

Mozambique: ECU 1.95 million to support the socio-economic and cultural reintegration of young people.

Tanzania: ECU 1.7 million to support the electoral process during 1994-95.

Miscellaneous

All ACPs: ECU 2 million to support ACP cultural events in the EU countries during 1994-95.

EUROPEAN INVESTMENT BANK

Loans

Cape Verde: ECU 2 million to help finance the construction of an anchovy processing and packing plant at Mindelo.

Eritrea: ECU 8 million to help finance the rehabilitation and extension of the internal telecommunications network as well as the country's connections with international networks.

Mali: ECU 5 million towards modernising and extending a cotton seed oil refinery.

VISITS

President Jagan of Guyana

President Cheddi Jagan of Guyana discussed relations between his country and the EU in a meeting with President Delors and Vice-President Marin in Brussels on 14 September. During the talks, the President

emphasised the serious difficulties facing Guyana, and in particular, the high level of debt and the need for a massive reconstruction effort to tackle the complete delapidation of the country's economic and social infrastructure. He went on to say that since the 1992 elections, Guyana had played the 'full democratic game' and that it was committed to the principles of human rights, good governance and the rule of law. Encouraging progress was reported in the implementation of Lomé Convention programmes, reflecting the good capacity of the country to absorb external assistance.

Prime Minister Twagiramungu of Rwanda

Faustin Twagiramundu, the Prime Minister of Rwanda, had a meeting with Vice-President Marin in Brussels on 10 October.

The two men had an exchange of views about the current situation in Rwanda and the wider region.

At the peak of the Rwanda crisis, the United Nations High Commission for Refugees estimated the Rwandan refugee population at 2.5 million out of a total estimated population, based on the 1991 census, of 7.7 million.

The European Union is of the view that priority must be given to the return of these refugees to their homes. Reconciliation, and the creation of the necessary conditions for their repatriation are, accordingly, vital and cooperation at an international level has an important role to play in the process.

The Commission Vice-President stressed that he favoured increasing, as soon as possible, the number of human rights observers in the country and he went on to underline the need for a full and rapid deployment of the United Nations forces in order to provide protection for people against acts of vengeance and pursuit.

The objectives and priorities of the Commission, he said, were to continue providing humanitarian aid to the refugees and to take coordinated measures aimed at restoring the situation in the short term in Rwanda, notably as regards water and electricity supplies.

Mr Marin drew attention to the continuing commitment of the Commission and the EU Member States to the humanitarian effort in Rwanda: more than ECU 300 million had been allocated for this purpose in the last 11 months. He also announced further aid of ECU 18 million which will be used for the implementation of a food aid programme. This will provide 22 000 tonnes of

cereals and 9500 tonnes of seed, as well as agricultural tools, with the next harvest in mind.

In addition, the Commission expects to approve soon a short-term rehabilitation programme which should allow for the re-establishment of water and electricity supplies in Kigali and for a livestock vaccination campaign.

In the longer term, however, rehabilitation and the progressive restoration of development cooperation can only take place if tangible results are achieved in respect of national reconciliation, the return of refugees and human rights. The European Union is ready to help the Rwandan Government in its efforts, in particular as regards providing guarantees to returning refugees through the presence of an adequate number of observers.

Prime Minister Kengo of Zaire

Vice-President Marin met with the Prime Minister of Zaire, Kengo Wa Dondo, on 14 October. The Prime Minister was visiting the Commission as part of a tour of his country's main partners, with a view to re-launching international cooperation with Zaire.

The talks focused on the political and economic situation in Zaire and the region as a whole. Mr Kengo described the alarming state of his country, where the official economy has collapsed, inflation has exploded and the population is poverty-stricken. He thanked the European Union for its substantial humanitarian contributions, and asked it to step up its assistance in this field. Mr Kengo also explained that, with the help of the international community, his government intended to draw up and implement an economic and financial recovery programme.

Mr Marin stressed the importance of proceeding rapidly with the implementation of such a programme, which would form the basis of the gradual resumption of cooperation with Zaire. In particular, he called on Mr Kengo's government to take urgent steps to:

- address the security situation in the country;

- implement a sound, independent and transparent monetary policy through the Zaire Central Bank;

- prepare an emergency economic adjustment programme allowing for the resumption of dialogue with the Bretton Woods institutions;

- respect human rights and freedom of expression;

- establish a timetable for the holding of free and transparent elections.

In this context, Mr Marin indicated that, in the interests of the people of Zaire, the Commission was looking at the possibility of resuming cooperation with the country on a limited basis while maintaining the highly important humanitarian aid effort.

EUROPEAN UNION

Finland votes for EU membership

In a consultative referendum held on 16 October, the Finnish electorate voted in favour of joining the European Union. The result was 57% in favour and 43% against on a 74% turnout. The final decision on ratification will be made by the Finnish Parliament.

European postgraduate degree on international humanitarian assistance

The importance of the development of international humanitarian aid in the world today has prompted new questions concerning certain fundamental areas of international law and the evolution of international affairs.

As it appears that Europe has no nationally-recognised degree in international humanitarian aid, the Commission, on a proposal from Vice-President Marin and Commissioner Ruberti, has taken the initiative of creating a European University Post-Graduate Degree on International Humanitarian Assistance. Beginning in the current academic year (1994-95), it will be offered in five EU universities — Aix Marseille III (France), Bochum (Germany), Deusto-Bilbao (Spain), the Catholic University of Louvain (Belgium) and Oxford (United Kingdom). The College of Europe (Bruges, Belgium) will participate in the programme as of September 1995.

The one-year course is divided into four phases:

- a two-week intensive programme in one of the network universities where students will have the opportunity to meet their counterparts from other EU Member States;

— a general course, in the university of origin, from 1 October until the end of January;

— a specialised course in one of the relevant universities from 1 February until the end of April;

— a professional traineeship in a specialised international organisation, NGO or relevant administration, from 1 May until the end of June.

The specialisations offered by each university are as follows: Law (Aix-Marseille, Deusto-Bilbao, Bochum), Management/Logistics (Deusto-Bilbao), Medicine (Bochum, UCL), Geopolitics (UCL), Anthropology (Oxford).

PARLIAMENT

Demand for confidence building measures in Rwanda

Rwanda has suffered 'genocide of the most horrendous and unspeakable proportions'. This was how Lord Plumb (EPP-UK) prefaced his remarks to the EP's Development Committee, on 30 August, when he set out the findings of the parliamentary delegation that had visited the crisis-torn country the previous month.

The newly appointed co-President of the Joint Assembly went on to recount, in vivid detail, some of his experiences during the trip: being held up by a gun-toting 15-year old 'soldier'; visiting a medical compound staffed by two Irish nuns who had just four bags of rice to feed 60 000 people; the ghost-city of Kigali where the new Prime Minister lives on the fifth floor of a bombed-out hotel.

Lord Plumb reported on the delegation's talks with the Prime Minister, during which the latter had emphasised his government's commitment to the rule of law. The discussion had focused on the problems of repatriation and internal security, and on the possible establishment of an international tribunal to bring those who were responsible for the massacres to justice. The key issue, Lord Plumb insisted, was confidence building. In this context, he urged that the EU should be ready to contribute to a team of civilian observers who would operate in Rwanda under UN auspices. He also argued that relay stations should be set up to provide support for people returning from Zaire and elsewhere.

The debate which followed featured some sharp criticisms of the EU's Common Foreign and Security Policy. The main concern was over the absence of a common approach, although there was praise for the efforts of the (now withdrawn) French peace-keeping soldiers in south-west Rwanda. As one member declared passionately, 'we have got to show our outrage over the Council's incapacity to act'.

The view that confidence building is crucial found general support among members although there was some disagreement over whether recognition should immediately be afforded to the new RPF-led administration. A representative of the Rwanda Patriotic Front, who had been invited to address the Committee, argued that recognition was what the government most needed before going on to plead for help in reconstruction.

Committee chair, Bernard Kouchner (PES-F), spoke at the outset of the possibility of establishing a 'strategic humanitarian observatory' as part of a scheme of preventive diplomacy. Early intervention was essential, he said, to prevent Rwanda-style tragedies occurring elsewhere. He indicated that an own-initiative report on this subject would be presented to the Committee in the near future.

Two weeks later, Rwanda was again discussed at the Parliament, this time in the plenary part-session held in Brussels. The members adopted a resolution submitted by the Development Committee which called, among other things, for the EU to recognise the new Government of Rwanda and for the establishment of a human rights observer team. Such a team, it was envisaged, would focus on confidence building among the Rwandan population, working closely with the UN and the OAU.

The Parliament also agreed to follow up on Bernard Kouchner's suggestion for a 'humanitarian observatory', instructing its Development Committee to formulate more detailed proposals on the subject. The aim of such an observatory would be to monitor the situation in the world's sensitive regions and to prepare the ground for preventive political action.

Speaking during the debate, Commission Vice-President Manuel Marín expressed the view that more active intervention was needed where humanitarian crises threatened. He also emphasised the scale of the commitment made by the EU and its Member States in the face of the cur-

rent tragedy in Rwanda. The EU alone had provided ECU 350 million-worth of aid during 1994. This compares with a figure of ECU 158 million allocated to the former Yugoslavia. ■ S.H.

COMMISSION

Pinheiro gets ACP portfolio

Subject to Parliamentary approval of the new European Commission, João de Deus Pinheiro, the Portuguese Commissioner, will assume responsibility for relations with the ACP countries and South Africa in January 1995. Mr Pinheiro (49), a former foreign minister of Portugal, is currently the Commission member in charge of communication and culture policy, and relations with the European Parliament. He will take over from Spaniard, Manuel Marín, who retains an external relations brief in the new Commission, with responsibility for relations with developing countries in other parts of the world (North Africa, the Middle East, Asia and Latin America).

The new Commission, which will serve a five-year term, will have between 19 and 21 members depending on the outcome of the referendums on EU accession still pending in Sweden and Norway. Jobs have been provisionally allocated on the assumption that these two countries will vote in favour of joining the Union and a 'No' vote in one or both will obviously entail some reallocation of tasks.

The full list of Commission members, with their portfolios, is as follows (asterisk denotes new member):

Jacques Santer* (from Luxembourg), President

- Secretariat General
- Legal Service
- Security Office
- Forward Studies Unit
- Inspectorate-General
- Joint Interpreting and Conference Service (SCIC)
- Spokesman's Service
- Monetary matters (with Mr de Silguy)
- Common foreign and security policy (with Mr van den Broek)
- Institutional questions and intergovernmental conference (with Mr Oreja)

Martin Bangemann (German)

- Industrial affairs
- Information technologies and telecommunications

Ritt Bjerregaard* (Danish)

- Environment
- Nuclear safety

Emma Bonino* (Italian)

- Consumer policy
- European Community Humanitarian Office

Sir Leon Brittan (British)

- External relations with North America, Australia, New Zealand, Japan, China, South Korea, Hong Kong, Macao, Taiwan, ex-Yugoslavia
- Common commercial policy
- Relations with OECD and WTO

Edith Cresson* (French)

- Science, research and development
- Joint Research Centre
- Human resources, education, training and youth

Yves-Thibault de Silguy* (French)

- Economic and financial affairs
- Monetary matters (in agreement with the President)
- Credit and investments
- Statistical office

João de Deus Pinheiro (Portuguese)

- External relations with the countries of Africa, the Caribbean and the Pacific, South Africa, Lomé Convention

Franz Fischler* (Austrian)

- Agriculture and rural development

Padraig Flynn (Irish)

- Employment and social affairs
- Relations with the Economic and Social Committee

Anita Gradin* (Swedish)

- Questions linked to immigration and home and judicial affairs
- Relations with the Ombudsman
- Financial control
- Anti-fraud measures

Neil Kinnock* (British)

- Transport (including trans-European networks)

Erkki Liikanen* (Finnish)

- Budget
- Personnel and administration
- Translation and information technology

Manuel Marín (Spanish)

- External relations with the Mediterranean (South), Middle and Near East, Latin America and Asia (except Japan, China, South Korea, Hong Kong, Macao and Taiwan)

Mario Monti* (Italian)

- Internal market
- Financial services
- Customs and indirect taxation
- Direct taxation

Marcelino Oreja (Spanish)

- Relations with the European Parliament
- Relations with the Member States on openness, communication and information
- Culture and audiovisual policy
- Publications office
- Institutional questions and preparation

of the intergovernmental conference of 1996 (in agreement with the Presidency)

Christos Papoutsis* (Greek)

- Energy and Euratom Supply Agency
- Small and medium-sized enterprises (SMEs)
- Tourism

Thorvald Stoltenberg* (Norwegian)

- Fisheries

Hans van den Broek (Dutch)

- External relations with the countries of Central and Eastern Europe (PECO) and countries of the former Soviet Union, Turkey, Cyprus, Malta and other European countries

- Common foreign and security policy (CFSP) (in agreement with the President)

- External service

Karel van Miert (Belgian)

- Competition

Monika Wulf-Mathies* (German)

- Regional policies
- Relations with the Committee of the Regions
- Cohesion Fund (in agreement with Mr Kinnock and Mrs Bjerregard)

COUNCIL**Racism and xenophobia: consultative commission holds first meeting**

We reported in issue 147 (News Round-up, page 111) on the establishment by the European Council in Corfu of a consultative commission whose task would be to look at ways of stepping up the fight against racism and xenophobia.

The first meeting of the commission was held on 19 September with Jean Kahn of France, who is President of the European Jewish Congress, in the chair. The twelve EU Member States, the four applicant countries and the European Commission are each represented on the commission by an independent 'personality'. The members come from a variety of backgrounds and include parliamentarians, academics and people involved in international human rights and anti-racist organisations.

The commission was due to meet again on 19 October with a view to presenting concrete proposals to the Heads of State and Government. These will be set out in an interim report to the European Council which is scheduled to meet in Essen from 9-10 December and a final report to be presented at a summit meeting held under the French Presidency during the first half of 1995. In drawing these up, the commission

decided to hold 'round-table' meetings with interested parties in each of the 16 countries concerned, as well as to obtain the relevant statistical information about racist and xenophobic acts. Three sub-commissions have also been set up to look respectively at the issues of information and communication, education and training, and the police and justice systems.

COURT OF JUSTICE**New President and other personnel changes**

Spaniard, Gil Carlos Rodriguez Iglesias has recently been appointed as President of the European Court of Justice. He takes over from Ole Due of Denmark who has retired. Born in 1946 in Gijon (Asturias), Mr Rodriguez Iglesias held professorial posts at a number of universities (Oviedo, Fribourg, Madrid and Granada) before becoming a judge at the Court of Justice in 1986. Alongside this nomination, there have also been a number of other personnel changes at the Court of Justice. The full complement of judges and advocates-general is listed below:

Judges: José Carlos de Carvalho Moitinho de Almeida (P); David Alexander Ogily Edward (UK); Claus Christian Gulmann (Dk); Günter Hirsch (G); René Joliet (B); Constantinos Kakouris (Gr); Paul J.G. Kapteyn (NL); Antonio La Pergola (I); Federico Mancini (I); John Loyola Murray (Ir); Jean-Pierre Puissochet (F); Fernand Schockweiler (L);

Advocates-General: Georgios Cosmas (Gr); Michael Bendik Elmer (Dk); Francis Jacobs (UK); Phillippe Léger (F); Carl Otto Lenz (G); Giuseppe Tesaurò (I);

COMMON FOREIGN AND SECURITY POLICY

Within the framework of its Common Foreign and Security Policy (CFSP), the European Union has recently issued a number of statements, details of which are set out below:

Criticism turns to praise as Lesotho crisis is resolved**Statement of 24 August 1994**

The European Union condemns the purported suspension of the Lesotho constitution and the dissolution of the Lesotho Parliament and Government by King Letsie III,

and calls upon the King and the armed forces to abide by the provisions of the constitution and to respect the democratically elected government of Lesotho. The EU also condemns the shooting of demonstrators at the Royal Palace on 17 August 1994 and hopes that there will be no repetition of such acts of violence against the population.

The EU is also concerned that the long-standing political crisis that triggered the current events might lead to further confrontation with potentially devastating consequences. It appeals to all political forces in the country to seek a lawful solution through negotiation and mediation. Unless the constitutional process is immediately restored and the purported removal of the democratically elected government reversed, the EU will proceed to a review of the relations between the EU and Lesotho, including the programme for development cooperation.

The acceding country Sweden associates itself with this communiqué.

Statement of 16 September 1994

The European Union welcomes the resolution of the constitutional crisis in Lesotho. It applauds the efforts of the three mediation countries, Botswana, South Africa and Zimbabwe in achieving a peaceful solution to the problem through dialogue. The EU hopes that the restoration of the democratically elected government will lead to continued peace and stability in Lesotho and welcomes the commitment made in the memorandum of understanding signed by His Majesty King Letsie III and the Prime Minister of the Government of Lesotho, Dr N. Mokhele, as well as by the Presidents of Botswana, South Africa and Zimbabwe, to consult with all interested parties in order to broaden the democratic process in Lesotho. The acceding countries Finland and Sweden associate themselves with this statement.

Concern about arrests in Nigeria

Statement of 26 August 1994

The European Union is greatly concerned at the latest news coming from Nigeria. Last year, the EU deplored the annulment of the 12 June elections and, in November, condemned the decision of the Nigerian armed forces to reverse the democratic process. On 30 June, the EU condemned the arrest of Chief Abiola and appealed forcibly to the Nigerian Government to respect the fundamental human rights of all its citizens. Now the EU learns with great

concern that, against a background of political turmoil and rapid economic decline, the Nigerian authorities have closed several newspapers, and have dissolved the executives of two trade unions and of the Nigerian Labour Congress. This has been followed by the arrest of several well-respected political figures and of trade union leaders, in addition to the continuing detention without bail of Chief Abiola. As a long-standing friend and partner of Nigeria, the EU deeply regrets these developments, which can only damage further the already fragile political and economic situation. The EU accordingly calls on the Nigerian military authorities to reverse these trends and to move rapidly to restore Nigeria to a civil democracy to which all Nigerians, including the present regime, have pledged their support. The acceding country Austria associates itself with this communiqué.'

Welcome for first steps back to democracy in Haiti

Statement of 19 September 1994

The European Union welcomes the fact that the illegal military rulers in Haiti, after stubbornly refusing for a long time to comply with their obligations under the Governor's Island agreement, have finally been induced to declare their readiness to step down by 15 October at the latest, and that military confrontation and bloodshed may thus be avoided at the last moment.

The EU expects the illegal military rulers this time to keep strictly to their word so that military enforcement can also be avoided in the future.

The EU hopes that constitutional government under freely elected President Aristide will be able to resume its lawful functions in the country without delay. It supports the multinational force in its policy of creating secure and stable conditions that will permit the UN mission (UNMIH) to begin its programme of assistance immediately. The EU is ready to support the new government of concord to be appointed by President Aristide in its struggle for national reconciliation, and in particular in the organisation of the next parliamentary elections, which will allow the Haitian people to express their free will.

The EU hopes that these actions will promote an environment of stability, respect for law and reconciliation, as well as help to solve the problem of Haitian migrants which is currently affecting the region.

The EU reiterates its willingness to participate in the reconstruction of Haiti and to do everything in its power to support

emergency aid programmes for the suffering population.

Some Member States have already announced their participation in the international police monitoring team and in humanitarian efforts intended further to normalise democracy and the rule of law and to alleviate the situation of the Haitian people.

Norway, Austria and Finland, as acceding states, associate themselves with this statement.

New Burundi President takes office

Statement of 5 October, 1994

The European Union warmly welcomes the installation of the President of Burundi. The investiture of President Sylvestre Ntibantunganya is the culmination of a long and difficult process in which political parties, the civilian population and moral forces in Burundi worked together to establish institutions and mechanisms capable of tackling the country's problems and in particular the grave crisis which began in Burundi nearly one year ago.

The EU has noted the spirit of reconciliation in which the political consultations took place and pays tribute to the efforts made to that end.

The EU expresses the hope that the dialogue thereby established will strengthen the democratic principles on which Burundi must be able to build its future. It is convinced that the commitments made by the various political partners will be honoured, and that the new Head of State, and the government which will shortly be called to lead the country with him, will be able to rely on the support of all.

The EU trusts that the people of Burundi, having reached this turning point in their political life, will see their legitimate aspirations to peace and security borne out by the measures which their new leaders will surely take.

The country's economic and social recovery will undoubtedly call for the mobilisation of all available energies. In this connection, the European Union reaffirms its willingness to provide appropriate and diversified aid to support the effort which will be made in close consultation with other bilateral or multilateral partners to ensure, in the requisite climate of stability, the development of the entire nation and to improve the well-being of the people of Burundi.

The EU is also ready to lend its support to measures which will be taken to foster tolerance and the protection of human rights.

Gambia rebuked

Statement of 13 October 1994

The EU regrets that in spite of the Gambian Government's pledges there has been no movement towards the restoration of democratic government. It recalls Gambia's long-standing reputation for democracy and human rights and that free and fair elections were last held there in April 1992. The EU therefore considers that there should be no obstacle to an early return to constitutional rule.

The EU has been concerned by repeated arrests of former ministers and by the trial of journalists for the expression of political views. It has also noted that some 30 army and police officers remain in prison uncharged, and denied proper access by the International Committee of the Red Cross.

In response to these developments, the EU is suspending all military cooperation and balance of payments support to Gambia, and will review new aid projects on a case by case basis. Projects designed to help those most in need in Gambia will continue as before.

The EU hopes that the armed forces provisional ruling council will take concrete steps towards the restoration of democracy, to enable such cooperation to be resumed.

GENERAL INFORMATION

South Africa joins SADC

South Africa has become the 11th member of the Southern African Development Community. The signing ceremony, at which the Republic was represented by Deputy President *Thabo Mbeki*, was held in Gaborone on 29 August during the most recent SADC Summit. Mr Mbeki delivered a speech in which he acknowledged at the outset the role played by SADC members in supporting the creation of a democratic South Africa. He went on to talk about the redefinition of relations between the countries of the region. 'We are trying to reconstruct the entire social and economic framework within which our region can develop and prosper its people economic well-being, social stability and lasting peace.' Among other things, he said, this would entail addressing the current imbalances in trade patterns within the region and facilitating more equitable two-way flows of capital goods and services.

Mr Mbeki insisted on the importance of raising the international profile of SADC, and of engaging in 'strategies aimed at se-

curing our rightful place within a just international economic order.' He also emphasised the need for regional stability and peace if the objectives of SADC were to be attained.

The Deputy President concluded by arguing that development in the SADC region would be judged not only by 'economic quantities and technological progress' but also by 'the improvement in the quality of life of our peoples, by their cultural and spiritual fulfilment, by the attainment of race, ethnic and gender equality, by the extra care we give to our environment and by our ability to be at peace with ourselves and the world.'

HUMANITARIAN AID

Prolongation and extension of 'ECHO' flights

As we reported on page XI of the News Round-Up in issue no 146 (July-August 1994), the European Community Humanitarian Office (ECHO) began operating humanitarian aid flights to eastern Africa in May of this year.

In view of the positive results of this operation in integrated regional transport, the Commission has decided to prolong it until the end of this year, as well as to extend it to central Africa to take account of the crisis in Rwanda.

It has accordingly allocated a further ECU 4.5 million to the operation which involves a system of regular, inter-connected flights providing aid for refugees and displaced people in Somalia and Southern Sudan.

In less than three months, the four aircraft in the fleet, based in Nairobi, Djibouti and Mogadishu, have transported 5300 people and 273 tonnes of humanitarian aid, notwithstanding the hostile environment and difficulties of access.

The new decision will allow this service to be maintained and provide for regular flights to Kigali using two additional aircraft. It will also pay for the continued operation of the Belgian Air Force's regular humanitarian flights to Southern Sudan up until the end of the year.

Aid decisions

The Commission has recently taken the following decisions to provide humanitarian aid (including emergency and food aid):

ACP countries

Chad: ECU 160 000 for cholera victims in the capital, N'Djamena.

Kenya: ECU 400 000 in emergency medical aid for people in western Kenya displaced as a result of the violent two-year long dispute between different groups over the control of cultivable lands.

Non-ACP countries

Albania: ECU 300 000 for medical assistance and the provision of medical supplies for the hospital at Lushnie to the south-west of Tirana. This is the only public health facility of this nature in the area.

Albania: ECU 200 000 to help combat the cholera epidemic in the district of Kucova.

Croatia: ECU 1.8 million for food aid for displaced people.

Croatia/Bosnia-Herzegovina: ECU 1.58 million to prolong, for the month of October, logistical support for the distribution of food aid to refugees and displaced people.

Moldova: ECU 500 000 in the form of basic assistance for flood victims.

Russia: ECU 100 000 to purchase sterilisation and disinfection materials for the only paediatric hospital in Moscow specialising in the treatment of children with serious burns.

Algeria: ECU 400 000 for the victims of the earthquake at Mascara in the west of the country.

Iraq: ECU 2 million in food and sanitary aid for the poorest sections of the population in the central and southern areas of the country.

Palestine: ECU 10 million for a rehabilitation programme for some 12 000 former detainees in the West Bank and Gaza.

India: ECU 200 000 for the purchase of antibiotics to help combat the epidemic of pneumonic plague.

Pakistan: ECU 200 000 for the purchase and distribution of basic essentials for the victims of flooding caused by torrential rain in the provinces of Sind and Punjab.

Tadjikistan: ECU 5 million to provide food aid for displaced people and the most vulnerable sections of the population in regions affected by the civil war.

Tadjikistan: ECU 350 000 to provide emergency medical aid for the people of the autonomous region of Gorno-Badakhshan (Pamir), who have been cut off because of the armed conflict.

PARTNERSHIP

Information Bulletin from the Centre



for the Development of Industry

Mid-term review: results so far and future prospects for the CDI



Paul Frix,
Director of the CDI

The 19th session of the ACP-EU Joint Assembly, held in Libreville (Gabon) from October 3rd to 7th 1994, placed the accent on the need to adapt the means of ACP-EU industrial cooperation to meet the growing needs of the private sector, which is recognised as being the "essential priority of the moment". The CDI welcomes the recommendations made in this connection in the field of industrial cooperation (see box on page 3) and considers that this adaptation of means to meet requirements is crucial so that it can accomplish its mission more effectively as a factor in the development of the private sector in ACP countries. The way in which the Centre has developed between 1990 and 1994 shows quite clearly that whilst substantial results have been achieved, from both the quantitative and the qualitative point of view, the outlook up to the year 2000 makes it essential to have new resources in keeping with the real extent of the challenges encountered.

A. Trends

1. From the quantitative point of view

1.1. The number of requests, which was 313 in 1991, rose to 334 at the end of 1992 and 612 in 1993. And already, for the first eight months of 1994, the number of admissible requests for assistance stands at 400.

1.2. The Centre's potential in terms of human resources has increased from 40 in 1990 to 62 in 1994, i.e. an increase of over 50%.

1.3. The total budget has risen from 9,272,000 ECU in 1990 to around 18,000,000 ECU in 1995 ⁽¹⁾, i.e. an increase of +/- 100%.

1.4. The operational activities budget. This comprises the cost of the CDI staff in charge of interventions in favour of specific projects, the amount of the interventions financed from EDF resources and the sums financed by the EU cooperation agencies with which the CDI has a cooperation agreement. This budget has risen from 6,630,000 ECU in 1990 to 11,128,000 ECU in 1994 ⁽²⁾.

If the CDI meets its forecasts for 1995 (operational budget of 13,800,000 ECU), the increase in 5 years will have been over 100%.

1.5. The CDI is financed from the regional funds of the EDF. It is obliged to adapt its activities to the limited resources allocated to it and to seek out additional resources. Consequently, **voluntary contributions from EU cooperation institutions** with a view to cofinancing interventions with the CDI in favour of ACP companies increased from 812,960 ECU in 1990 to 1,438,000 ECU in 1993 (1,500,000 in September 1994), i.e. an increase of some 75% in three years.

By the end of 1994, the volume of cofinancing will have more than doubled compared to 1990.

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⁽¹⁾ Budget proposed to the Committee on Industrial Cooperation, including an exceptional budget financed from the remainder of Lomé III.
⁽²⁾ Not including an additional 1,000,000 ECU proposed to the Committee on Industrial Cooperation in July 1994.

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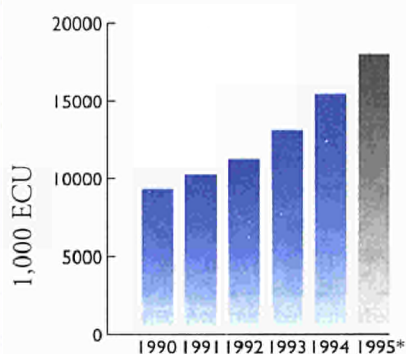
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Increase in total budget⁽¹⁾

Actual for 1990-1993 and forecast for 1995



1995* : forecast

(1) Total budget = operating budget plus budget for operational activities

1.6. The number of direct interventions⁽³⁾ in favour of ACP companies has risen from 139 in 1990 to 190 in 1993 and 259 for the first nine months of 1994.

1.7. Along with direct interventions for companies, the CDI has considerably stepped up its **activities in the preparation and promotion of industrial development.** These other activities, which have increased almost threefold between 1990 and 1994, particularly concern in-depth studies of industrial opportunities, assistance for company heads wishing to attend forums or professional meetings, organization or participation in the organization of forums and professional meetings, and preparation and publication of technical or thematic documents for ACP or European entrepreneurs.

2. From the qualitative point of view

It is at this level that the CDI has no doubt made the most marked progress in recent years.

In accordance with the Lomé Convention and the new general policy guidelines approved by its Joint Executive Board, since 1990 the CDI has been following a policy of concentrating its hu-

man and financial resources on three key areas:

- I.** countries pursuing a coherent policy of aid for SMEs and prepared to devote a significant proportion of their national indicative programme from EDF funds to this policy;
- II.** the most promising industrial sectors;
- III.** support over a longer period for selected projects.

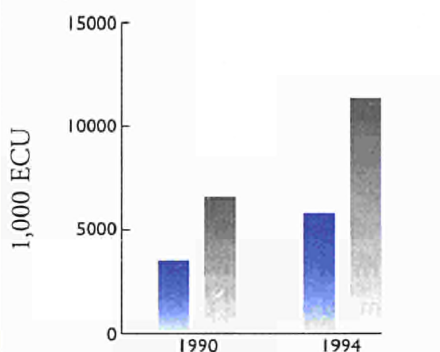
Furthermore, the CDI has also begun a policy of decentralizing its activities both in the EU and in the ACP States.

This policy has allowed various improvements to be made, especially:

2.1. Increase in the CDI's expertise capacity and the provision of direct advice and services to companies.

Increase in budget for operational activities

Period 1990-August 1994

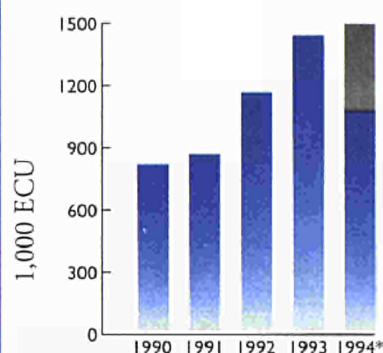


- Subsidies on own resources
- Total of all operational activities including activities undertaken directly by CDI staff together with voluntary contributions from European Institutions cooperating with CDI

Thanks to the strengthening of its own expertise capacity, the CDI is now able to provide ACP companies with a wide range of services whose nature and suitability are examined by a Steering Committee analysing the requests for assistance made to the CDI in the technical, financial and legal fields and as regards the quality of promoters; this procedure allows the beneficiaries to be guided through the different stages of the development of their project and ensures all the necessary precautions as to allocation of the CDI's operational budget.

Mobilization of cofinancing⁽¹⁾

Between 1990 and 1994



(1) Co-financing for interventions carried out on behalf of ACP companies.

1994* ■ January - August 1994

■ September - December 1994: forecast

The number of dossiers evaluated by the Steering Committee rose from 184 in 1992 (the year when it became operational) to 259 during the first 8 months of 1994.

2.2. Increase in the financing of technical assistance actions (interventions).

I. The CDI's average financial contribution per operation has risen from some 6,000 ECU in 1990 to around 20,000 ECU in 1994 (first 6 months).

II. The average total cost of each intervention (excluding the cost of operational staff) has increased from approximately 7,000 ECU before 1990 to 10,000 ECU in 1990, to 39,000 ECU in 1993 and to 45,000 ECU in 1994.

III. The average mobilization of external funds per intervention (recipient companies and voluntary contributions from European institutions cooperating with the CDI) has therefore increased from 4,000 ECU in 1990 to about 25,000 ECU in 1994 (on the basis of the first 6 months of 1994).

IV. The average number of interventions per company has risen from 1.2 to 2 in four years, which illustrates the longer duration of support that companies now receive.

(3) All types of support for ACP enterprises before and after the decision to invest.

2.3. Increase in evaluation of the impact of CDI interventions on ACP companies.

Since 1990, the CDI has been evaluating the impact of its interventions with the recipient companies. A list of companies for which a positive impact has been recorded is published every year in the CDI's annual report.

An ex post evaluation unit responsible for providing the management with the necessary feedback for improved policies, procedures and quality of operations is being set up at present.

support to existing or incipient SMIs in the ACP countries. They will gradually become the backbone of the network of CDI antennae.

II. At European level:

- reinforcement of the institutional and sectoral network and creation in certain Member States of a Steering Committee bringing together all the private and public structures involved in industrial cooperation. Furthermore, a full-time CDI liaison agent in the countries in question has the task of supporting and organizing the CDI network, with the cost being mainly covered by a voluntary

contribution from the States concerned;

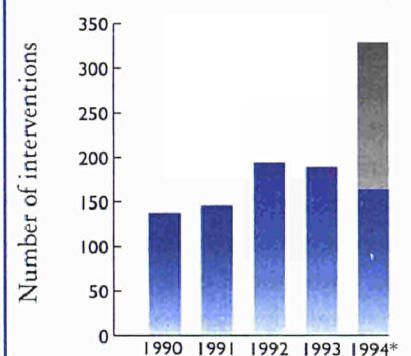
- strengthening of exchanges with the finance institutions (DFIs) of the EU, particularly the EIB.

2.5. Improvement of the administrative tool and data processing has been implemented, which now allows quick and effective monitoring of the development of projects and operations per country, region and desk officer.

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Increase of the number of interventions⁽¹⁾

Between 1990 and 1994 (May)



1994* ■ January - May 1994

■ June - December 1994: Forecast

⁽¹⁾ All types of support for ACP enterprises before, during and after the decision to invest.

2.4. Increase in the decentralization of CDI activities by means of the following actions:

I. In the ACP States :

- selective reinforcement of existing antennae;
- use of European agencies and institutions present on the spot (CFD, CDC, ICEP, etc.);
- study, establishment and strengthening of local company support structures with the financial backing of private groups and local, regional and international financial or financing institutions. These structures, set up in the form of service companies managed by the CDI, will make wide use of local skills (consultants, etc.) to provide close

ACP-EU Joint Assembly in favour of increased support for the private sector in the ACP countries

Libreville, October 7th 1994

At the 19th session of the ACP-EU Joint Assembly, held in Libreville (Gabon) from October 3rd to 7th 1994, the CDI was represented by Mr Kaninda MBAYI, External Relations and Communications Officer, and Mr Patrick KEENE, Deputy Head of Division responsible for partnership agreements. In conclusion to its work, the Joint Assembly adopted some important resolutions in which it placed the accent on the need to adapt the means of ACP-EU industrial cooperation to meet the growing needs of the private sector in the ACP States.

In its resolution on the mid-term review of Lomé IV, the Assembly made the following suggestions with a view to supporting industrial cooperation under the Convention :

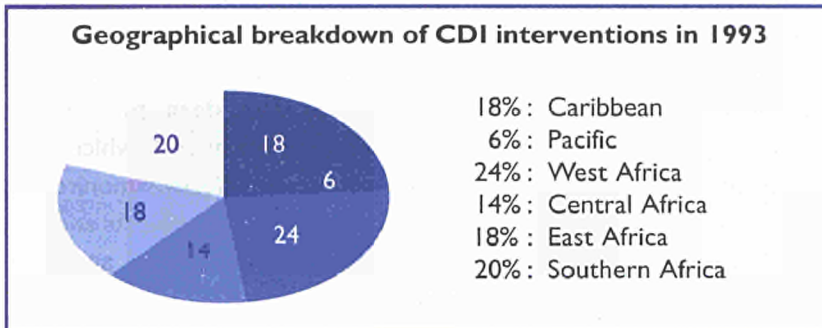
- pursuing a policy of decentralisation by setting up service companies at national, subregional and regional level;

- increasing the resources to be provided under the second financial protocol;
- promoting South-South cooperation by supporting the creation of Southern CDI antennae in each region (Africa, Caribbean and Pacific).

In its resolution on Central Africa, the Joint Assembly,

- aware of the need to promote the emergence of an entrepreneurial class at regional level;
- called upon the Commission to adapt resources to meet the present and future development needs of the ACP private sector, the essential priority of the moment;
- urged the Commission to do everything possible in the negotiations on the second financial protocol of Lomé IV to provide for a significant increase in the financial resources of the CDI and to facilitate access for entrepreneurs in Central Africa to all the EU's financial and training mechanisms.

B. Resources Required for the 2nd Financial Protocol



More than ever, the next five years will see the accent placed on the development of a competent and dynamic ACP private sector, without which the structural adjustment processes already under way for over 10 years will never succeed. In so far as the main vocation of the CDI is to strengthen local entrepreneurial capacity, its role over the years to come will logically be to occupy a much more important place than in the past.

With this in mind, the new concentration and decentralization policies that the CDI has opted for will require a coherent long-term effort and substantial additional resources. Similarly, it is essential to draw lessons from the CDI's 17 years of experience in order to modernize and simplify its status and its supervisory structures.

Over the period 1990 to 1994, the CDI has demonstrated that it is capable of using all its operational budget and mobilizing a substantial volume of additional resources in favour of ACP companies from cooperating agencies and the remainder of previous Conventions. For 1994, an additional budget of 1 million ECU from the remainder of Lomé III has been requested, before the end of the year, to enable the Centre to continue to respond to the growing number of requests

received from the private sector.

For 1995, a budget of some 18 million ECU has been proposed to the Committee on Industrial Cooperation (CIC). If accepted by the Centre's supervisory structures, this will mean that the CDI will have a minimum budgetary requirement during the second financial protocol of 5 x 18 million ECU, i.e. 90 million ECU. If we take inflation and the loss of value of the ECU over 5 years into account, a further 30 million ECU will be needed simply to maintain the real operating level achieved by the Centre in 1995. To this it should be possible to add supplementary resources for the development of a first Southern CDI, on a regional basis, if this option is finally adopted by the policy-makers. The integration of South Africa into the regional SADC ⁽⁴⁾ will open up new prospects for the region and for the African continent. South Africa thus appears to be a potential reservoir of the additional technological resources, partnerships and cofinancing which the CDI should be able to mobilize in favour of ACP countries.

*Paul Frix,
Director of the CDI*

⁽⁴⁾ SADC: Southern Africa Development Community. See also our article on page 8.

Close-up

With its privileged geographical basis for its industrial developments. But there is still a lot to do

Everything remains to be done and there is a great potential!" It is in these few words that Mr Orlando Perez Díaz, the CDI's Geographical Officer for the Dominican Republic, sums up the challenge facing this Caribbean country. And the task is indeed substantial: the volume of exports must be stepped up and the value added of commodities increased, whilst also ensuring diversification onto new external markets.

Traditionally, given its geographical position, the Dominican Republic has tended to turn to the United States. However, the economic climate in that country and the recent entry of the Dominican Republic into the Lomé Convention have opened up other alternatives. Which is why it is in the country's interest to increase its sales to Europe. Conversely, the island could constitute a bridgehead to the United States for European companies setting up there.

Undeniable assets

Compared to some of its close neighbours, the Dominican Republic has certain advantages, Mr Díaz explains. With its seven million inhabitants, it has a real domestic market of its own: "for investors, it is a guarantee of stability". Furthermore, the country already has some relatively large companies: some thirty industrial estates with around 430 companies, together with one of the biggest free zones in the world...

With this impressive development potential, the aid that the CDI can provide is of strategic importance. But in the field of assistance too, everything remains to be done. And it was not until

on the Dominican Republic

tion and favourable climatic conditions, the Dominican Republic has outstanding natural assets as well as, backed up by a relatively broad and dynamic fabric of existing companies and commodity resource-rich fields of exports, particularly to the EU.

In January 1994 that the CDI really launched its interventions in the Dominican Republic, following the appointment of an efficient new local correspondent. This correspondent is the DOMINEX firm of private consultants. One of its executives, Mr José Alejandro Ayuso, recently visited Brussels on a fact-finding mission. Its purpose: to prepare for the professional meeting on the ornamental stone industry in the Caribbean, organized in Santo Domingo by the CDI at the beginning of July (there will be an article on this shortly in Partnership), but also to review projects which could receive assistance from the Centre.

Diversified supply

Various projects are being studied in this connection: a fruit and vegetable processing company, two companies specializing in the manufacture of furniture, a shrimp farm, and also requests from the non-metal minerals sector, more precisely calcium carbonate, a field which offers many possibilities for the Dominican Republic.

Calcium carbonate is a by-product of limestone, used in paint, toothpaste, etc. Local calcium carbonate is of superior quality due to its high level of purity and its whiteness. There are some substantial deposits which could be worked more extensively. The CDI, underlines José Alejandro Ayuso, is considering providing aid to two concessions extracting calcium carbonate, to enable them to acquire better basic equipment. Generally, he explains, local companies in the Dominican Republic want technical and marketing assistance, financial as-

sistance for expansion or rehabilitation projects, or feasibility studies.

The potentials are great, comments Mr Ayuso. But the country must establish a legal and fiscal framework which will attract European investors. Whilst Dominican products can easily enter the

European market, the opposite does not apply. European products are subject to heavy import duties. In time, this situation will have to be rectified. ■

Processing fruit for European markets

Mr Paul Vlamincq, a marketing expert with the Belgian company Squeeze, recently carried out a three-week mission to the Dominican Republic with the support of the CDI.

There he visited several companies specializing in fruit and vegetable processing: a growth industry in the region. Paul Vlamincq draws some positive conclusions from his visit. "This country", he says, "has a wider variety of products than the other islands in the region. It has original climatic conditions, with some mountains reaching an altitude of 3,000 metres, and they grow strawberries, grapes, peaches and pears, which is very rare for the Caribbean."

An exploitable export potential

And the Belgian expert is ideally placed to assess the export possibilities as far as the needs of the European market are concerned. Squeeze operates as a



Fruit being prepared in the Latin Trading workshops.

middleman, its function being the marketing of fruit and vegetable products. "What we are looking for is new products. In the Dominican Republic, I found tropical products of outstand-

ing quality with a delightful taste." So there is a great export potential for several types of products: fruit casings containing ice cream and fruit purees mixed with local flavourings.

What remains to be done - not the least demanding of tasks - is to comply with the very strict rules that exist on hygiene and quality control, rules which must be observed to meet the requirements of the European market. But Paul Vlamincq has chosen to go ahead without further delay. Along with four Dominican companies, he has decided to create Esquiz Dominica, to take up the export challenge... With the help of the CDI, these companies recently participated in the SIAL Fair in Paris.

Positive results from the professional meeting in Saly

Some thirty ACP entrepreneurs from five Sahel countries and fifteen representatives of companies in the poultry-farming sector in Europe got together in November 1993 to examine cooperation and partnership possibilities at a professional meeting in Saly (near to Dakar, Senegal). A year later, the results look very positive indeed.*

Organised by the CDI, the professional meeting in Saly has led to agreements on numerous cooperation projects. In twenty-two of these projects, requests for assistance have been received for the ACP partners which are being studied at the moment. Aid from the Centre has already been agreed for three of them. It is interesting to note that the projects that have developed following the meeting, which was focused initially on animal and poultry feed, have expanded beyond this sector and now cover all the stages in stock-farming, essentially poultry. This ranges from the creation of an industrial butcher's to projects for slaughterhouses, hatcheries, the rearing of breeding animals and the manufacture of feedingstuffs proper.

Regional dynamics

The dynamics generated by the Saly meeting have therefore been diversified and extended to countries other than those of the Sahel, with one project in the Côte d'Ivoire and another in the Congo. It has also given rise to new synergies between ACP operators themselves, with trade and technical exchanges developing between companies in different countries in the region.



Ten months ago, the participants in the Saly meeting visited a modern poultry-farming complex in Senegal. The meeting has set in motion a dynamic process of development in the region.

Devaluation shock

In the follow-up to the meeting, the CDI gave a Senegalese agro-industry expert the task of carrying out a mission to evaluate the problems encountered by the industries in this sector and their expectations. A new and important factor that has emerged since the Saly meeting must be taken into account: the devaluation of the CFA Franc in January 1994. This devaluation has had an unfavourable effect on imports of chicks, eggs for hatching, raw materials and equipment, the prices of which have risen substantially on average (30% to 80% depending on the country and the product). But this cruel blow has nevertheless had a positive effect on the development of the poultry-farming industry by encouraging the creation of breeding facilities for the local production of eggs

for hatching. As proof of this, two projects are currently being finalized in Senegal.

In this respect, the local production of meat and poultry is acquiring a growing part of the market compared to imports from outside the zone, a situation which is obviously favourable to the development of the sector as a whole.

Of course, the effects of this devaluation are still

negative in other fields: the prices of imported capital goods have almost doubled and the purchasing power of the populations has been severely affected. But since the demand for poultry products, a source of proteins of prime necessity, is inelastic, the local markets are holding up. Viewed as a whole, this recent devaluation is in fact offering new opportunities.

To make practical use of the experience and know-how that the CDI is accumulating in this growth sector, a "Guide to poultry-farming in the Sahel area" is currently being prepared, with the help of French and Dutch professionals already involved in industrial cooperation with ACP companies. ■

* See Partnership N° 11.

Chairman of the CDI Executive Board

Elected Chairman of the CDI Joint Executive Board last June, Mr Yves Salmon takes stock of the activities carried out by the CDI and looks at the prospects for the second stage of Lomé IV. His analysis, which he finds very encouraging, is focused on the scope of the new CDI guidelines and the possibilities of closer cooperation with the Community bodies.

Partnership: In its introduction to the CDI's 1993 Annual Report, the Executive Board said that it was concerned about the deteriorating economic situation, particularly in Africa...

Mr Yves Salmon: In my view, we should not talk about a continuous deterioration. I believe it is more of a temporary phenomenon. So it is necessary to think in the long term. And hope could come from Southern Africa, whose evolution could lead to the cards being dealt in the economic field, which will make its effects felt as far as Central Africa. We must therefore hope for an economic revival in the region. As Shakespeare said, there is no night so long that dawn never comes.

New guidelines

■ **Getting down to the CDI itself, what is your view of the Centre's achievements to date?**

■ The CDI has always been in the limelight - a small institution in Brussels, close to the large institutions of the European Union and the Lomé Convention - everything that goes on there is echoed outside. It is a situation that is not always easy to control. I think that if the CDI were situated anywhere other than in Brussels it would enjoy more serenity in its daily work. The guidelines adopted for the Centre under Lomé IV were a move in the right direction, even if some compromises have engendered a complex superstructure,



Mr Yves Salmon, Chairman of the CDI Joint Executive Board.

particularly with the excessive superimposition of control bodies. There is the Executive Board, to which one wanted to give responsibility, a Directorate appointed by the Committee on Industrial Cooperation, and relations with the Commission and the EIB materialising in the presence of observers at each meeting of the Executive Board. The latter has the task of giving an impetus to CDI action, a role which, I believe, it has performed correctly although without having real control over the management of the Centre, since the Directorate is not accountable to it.

Improved cooperation

Over the last few years, and compared to Lomé III, the Centre has made encouraging progress. The results, as they stand half way through Lomé IV, show that the CDI has appreciably stepped up its utilisation of its financial means. The number of staff has increased from around forty to sixty and its interventions have been better targeted on a certain number of oper-

ations and sectors. Cooperation with various national bodies has acquired a fresh momentum. The Centre has also cooperated very effectively with the EIB and collaborated on several forums organised by the Commission. It can therefore be said that the Commission - EIB - CDI triangle has developed its relations appropriately in recent years, but they should certainly be strengthened even more.

All in all, observers now recognise the vitality and dynamism of the CDI.

■ **What are the wishes of the Executive Board for the CDI within the context of the current negotiations for the second stage of the Lomé IV Convention?**

■ The Executive Board has prepared a document in which it expresses the wish for its role to be strengthened, with responsibility as to the choice of and control over the management of the Centre, and for some powers held by the Committee on Industrial Cooperation to be transferred to it. The Executive Board could also be reshaped a little: for example, observers from the EIB and the Commission would become Board members just like the others, so as to reinforce the synergy between the three bodies, although with a status which would take into consideration the special position of these two partners. The Board also wants greater amounts to be allocated to projects and recommends an acceleration of the policy of concentration of interventions developed by the Centre in recent years. ■

How to promote regional integration ?

The advent of a pluralist democracy in South Africa has opened up new prospects for the economic development of Southern Africa as a whole. In effect, the industrial, technical and financial capacities of South Africa are valuable assets not only for that country but also for its neighbours in the SADC. It was against this promising background that a seminar was held on June 3rd and 4th last in Athens on the prospects for industrial cooperation in Southern Africa.

Organised on the initiative of the Greek Presidency of the European Union, in collaboration with the Club de Bruxelles and the CDI, the Athens seminar sought to identify the role and contribution of European financial and technical instruments in this process. In effect, it is expected that assistance initiatives and investments from the industrialized

countries will be focused on the new South Africa: its ability quickly to lay the foundations for a stable and expanding economy is therefore vital for its own future and for the future of its neighbours in Southern Africa. It will also probably have a considerable impact on all sub-Saharan Africa. With this in mind, the EU has already opened a financial facility for South Africa and is preparing to negotiate a provisional commercial and cooperation agreement with that country.

Participation on a large scale

Athens provided a meeting place for delegates from the countries in the region, ministers and representatives of private business circles and finance and technical assistance institutions involved in development cooperation: the European Commission, the EIB, World Bank, the ACP Secretariat and



The seminar made a significant contribution to the debate on the regional integration of Southern Africa and industrial cooperation with the EU.

the CDI. The objective of the meeting was to help those concerned to come up with an action plan likely to favour more constructive regional integration and to make the best possible use of existing Community instruments: the EIB, the ECIP, the CDI and the departments and programmes of different Directorates-General of the European Commission, namely DG I, DG VIII and DG XXIII.

For a Southern CDI

The seminar highlighted the key role to be played by the private sector in the development of a processing industry in South Africa. Priority must be given to developing a base of small and medium-sized companies, since this sector, so far under-represented in the country, is the most dynamic provider of jobs. Measures to promote vocational training must therefore be given particular attention and will

receive the support of the specialized instruments of the EU. One of the proposals in the conclusions of the seminar was enlargement of the CDI's mandate, to enable it to look upon South Africa as an additional source of technologies, partnerships and cofinancing in favour of the ACP countries. This could lead to the creation of a service company in the region, in the form of a decentralized CDI antenna, in partnership with the institutional investors concerned. This "Southern CDI" would constitute a first innovation to promote South-South cooperation and could be subsidized through the second financial protocol of Lomé IV. Its activities would also complement the other assistance programmes of the EU. ■

Note to readers

The CDI Management would inform readers of Partnership that issue No. 15 was not circulated for technical reasons, for which we apologize.

Partnership is a publication of the Centre for the Development of Industry (CDI), created under the ACP-EEC Lomé Convention.

• **Responsible Editor:** Mr. Paul Frix, Director of the CDI, Avenue Herrmann Debroux 52, B-1160 Brussels, Belgium. Tel.: + 32 2 679 18 11 • Fax: + 32 2 675 26 03

• **Coordination:** Mr. K. Mbay, CDI Communication and External Relations Officer

• **Editing and production:** European Service Network - Brussels Tel.: + 32 2 646 40 20

Operational Summary

No. 83 — November 1994



(position as at 6 November 1994)

EC-financed development schemes

The following information is aimed at showing the state of progress of EC 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), Lomé III (8 December 1984) and Lomé IV (15 December 1989), plus the OCT (overseas countries and territories) of certain member states of the EC, which get the same type of aid as the ACP countries;

— the Mediterranean countries (Maghreb and Mashraq), which signed cooperation agreements with the EC since 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 EC 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 Union
G 12 4-14
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, accountability, business, finance and investment	A8H	Land settlement
A4F	Non-agricultural storage and warehousing	A8I	Cultural activities
A4G	Research in industrial technology		
A5	Trade, banking, tourism and other services	A9	Multisector
A5A	Agricultural development banks	A9A	River development
		A9B	Regional development projects
		A10	Unspecified

Notes

As the information provided is subject to modification in line with the development plans and priorities of the beneficiary country, or with the conditions laid down by the authorities empowered to take financial decisions, the EC is in no way bound by this summary which is for information only.

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

Rehabilitation national roads in the South-West region: Namibe-Serra da Leba section. Resp. Auth.: Ministry of Construction. 18.5 mECU. Road rehabilitation by int. tender (conditional). Supply of equipment and T.A. Project on appraisal. 6th and 7th EDF. EDF ANG A2d

Health project «Post-emergency». 15 mECU. T.A. to the Ministry of Health, supply of medicines, health projects in Luanda, fight against AIDS. Works, supplies, T.A. and training. Project in execution. 7th EDF. EDF ANG 7007 A7

Secondary industrial institute in Luanda. I.M.I.L. Resp. Auth.: Ministry of Education. 2.700 mECU. Supply of equipment and T.A. Int. tender for supplies launched. Date financing September 94. 7th EDF. EDF ANG 6016(7) A6d

Artisanal fisheries in Namibe. Resp. Auth.: Ministry for Fisheries. Estimate 10.400 mECU. Works, supply of equipment and boats, T.A., training, line of credit. Project on appraisal. 7th EDF. EDF ANG 6032(7) A3d

ANTIGUA AND BARBUDA

Livestock development. Phase II. Resp. Auth.: Ministry of Agriculture. 0.130 mECU. Supply of equipment. Project on appraisal. 7th EDF. EDF AB 5003 (7001) A3a

BELIZE

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

Fish breeding. Applied research and popularization actions. Resp. Auth.: MDRAC. Estimated cost 2 mECU. Project on appraisal. 6th EDF. EDF BEN 6009 A3d

Rehabilitation of the Cotonou-Hilacondji Road. Resp. Auth.: Ministère des Travaux Publics et des Transports. Estimated cost 17 mECU. Rehabilitation works over 93 km. Works by int. tender. Supervision, geotechnical control, follow-up, evaluation. **★ Date financing September 94.** 7th EDF. EDF BEN 6017 A2d

BOTSWANA

Wildlife conservation and utilization in Central and Southern Botswana. Resp. Auth.: DWNP. Estimated cost 6.4 mECU. Construction of buildings and staff houses, supply of equipments, T.A. and training. Project in execution. 7th EDF. EDF BT 6001/7001 A3e,A5i

Support for HIV/AIDS Programme. Resp. Auth.: Ministry of Health. 0.800 mECU. Training, works and supplies. Project on appraisal. 7th EDF. EDF BT 7005 A7b,c

BURKINA FASO

Tougan — Ouahigouya — Mali border road. Resp. Auth.: Ministère des Travaux Publics. Modern earth-road. Supervision: short-list to be done. Estimated cost 13.5 m ECU. Project on appraisal. Date foreseen for financing July 94. 6th and 7th EDF. EDF BK 7004 A2d

Support for the Structural Adjustment Programme. General Import Programme. 94-95. Hard currency allowance to import ACP and EC goods, with negative list. 10.65 mECU. T.A. for starting and follow-up. Project on appraisal. **Date foreseen for financing November 94.** 7th EDF. EDF BK 7200/002 A1c

Sectoral Adjustment Programme — Agricultural — Livestock. 9.6 mECU. Works for production, supply of equipment, T.A., training. Project in execution. 7th EDF. EDF BK 7008 A3a

Sectoral Adjustment Programme — Agricultural — Cereals. 6.100 mECU. Support for institutional reform, works, supply of equipment, T.A., lines of credit. Project on appraisal. **Date foreseen for financing October 94.** 7th EDF. EDF BK 7009 A3a

Sectoral Adjustment Programme — Agricultural — Environment. Estimated cost 1.950 mECU. Soil map and inventory, soil management and T.A. Project on appraisal. 7th EDF. EDF BK 7010 A3a

Support project for fight against AIDS and STD's. Resp. Auth.: Ministère de la Santé. 1.350mECU. Rehabilitation works, supply of equipment, training. Project in execution. 7th EDF. EDF BK 7013 A7b,c

BURUNDI

Ruvubu Game Development. Resp. Auth.: Ministère de l'Aménagement, du Tourisme et de l'Environnement. 4 mECU. Supervision and management. Works, supplies, T.A., training and awareness-raising. Project on appraisal. 7th EDF. EDF BU 6029 A5i

Support project for micro-enterprises. 10 m ECU. Support to prepare technical dossiers, management follow-up. T.A., training. Project on appraisal. 7th EDF. EDF BU 7004 A4, A5

Support programme for the National Authorising Officer. Resp. Auth.: Ordonnateur National. Estimated cost 1.570 mECU. Supply of equipment. T.A., training, evaluation, support mission. Project on appraisal. 7th EDF. EDF BU 7014 A1c

CAMEROON

Integrated rural development programme in the North-East and North-West Benoué regions. Resp. Auth.: Ministère du Plan et de l'Aménagement du Territoire. Estimated cost 13.350 mECU. Works, equipment, T.A., training. Project on appraisal. 7th EDF. EDF CM 6002/7001 A3a

Development of the Mandara Mounts region. Resp. Auth.: Mission de Développement Intégré des Monts Mandara (MIDIMA). 9 mECU. Works, supply of equipment, T.A. evaluation, studies. Project in execution. 7th EDF. EDF CM 6026 A3a

General Import Programme. Hard currency allowance to import ACP and EC goods with negative list. 20.200 mECU. Project on appraisal. 7th EDF. EDF CM 7200/001 A1c

CAPE VERDE

Rural electrification — Praia. Resp. Auth.: Municipalité de Praia. Estimated cost 1.457 mECU. Works and supply of equipment for the electrification of 3 centres in 'rural Praia'. (Diesel power station and LT/MT distribution network). Project on appraisal. 7th EDF. EDF CV 7005 A2ai

Solar Regional Programme. 3rd part. Resp. Auth.: Cellule nationale de réalisation du P.R.S. Estimated cost 0.507 mECU. Construction, rehabilitation, equipment, support mission, awareness-raising. Project on appraisal. 7th EDF. EDF CV 7006 A2b, A3e

Improvement of living conditions in the centre of Praia. Resp. Auth.: Praia Municipality. 3.240 mECU. Rehabilitation works in block 16 by direct labour. Renovation of the Ponta Belem area. Work, by acc. tender. T.A. for Ponta Belem and for the Municipality. Project on appraisal. **Date foreseen for financing November 94.** 7th EDF. EDF CV 7007 A8a

CENTRAL AFRICAN REPUBLIC

Support for the Structural Adjustment. General Import Programme. Hard currency allowance to import ACP and EC goods with negative list. 10 mECU. T.A. foreseen. Project on appraisal. 7th EDF. CA 7200 A1c

COMOROS

Micro-projects. Estimated total cost 3.4 mECU, EDF 2.5 mECU, local 0.4 mECU, local communities 0.5 mECU. Warehouses, rural hydraulic and electrification, health, education, works, supplies, T.A. **Project in execution.** 7th EDF. EDF COM 7102 A3a

Support for the Structural Adjustment Programme. General Import Programme. 93-95. Hard currency allowance to import ACP and EC goods, with negative

list. 6.600 mECU. T.A. for starting and follow-up. **Project in execution.** 7th EDF. EDF COM 7200 A1c

Sea-access to Moheli island. Resp. Auth.: Ministère de l'Équipement — Direction Générale des Travaux Publics. 3.250 mECU. Works, by int. tender. T.A. for further investigations, tender dossier and works supervision. Project on appraisal. 7th EDF. EDF COM 6006/7003 A2d

Development of cultivation for export. Resp. Auth.: Ministère du Dev. Rural. 1.900 mECU. Vanilla and improvement of quality (laboratory, management, marketing). Supply of non-wood ovens. Crop diversification. Equipment, T.A. and training. Project on appraisal. 7th EDF. EDF COM 7004 A3a

CHAD

Cotton rural roads maintenance. Resp. Auth.: Ministère des Travaux Publics. 7 mECU. Rehabilitation works and supervision. Project in execution. 7th EDF. EDF CD 7004 A2d

Support for the Structural Adjustment. General Import Programme. Hard currency allowance to import ACP and EC goods with negative list. T.A. foreseen. 15.200 mECU. Project in execution. 7th EDF. EDF CD 7200/001 A1c

CONGO

Support for the forthcoming general elections. 0.200 mECU. Contribution for the printing of ballot papers. Imprimerie Nationale and Imprimerie des Armées. Project on appraisal. 7th EDF. EDF COB 7004 A1c

Support for the Health Development National Programme. Resp. Auth.: Ministère de la Santé. 10 mECU. Construction and rehabilitation works, T.A., training, supply of equipment and medicines. Project in execution. 7th EDF. EDF COB 7005 A7

Support for the Structural Adjustment Programme. G.I.P. 14.250 mECU. Hard currency allowance to import EC and ACP goods with negative list. Date financing October 94. 7th EDF. EDF COB 7200 A1c

COTE D'IVOIRE

Support programme for coastal cities. 28.5 mECU. Social and economic infrastructure, planning and management of municipalities. Project in execution. 7th EDF. EDF IVC 7002 A8a, b

Support programme for the 'pineapple market'. Estimated cost 7.780 mECU. EDF 6.100 mECU, O.C.A.B. (Organisation Centrale des Producteurs — Exportateurs d'Ananas et des Bananes), 1.680 mECU. Works, supplies, T.A., training, studies, line of credit. Project on appraisal. Date foreseen for financing end 94. 7th EDF. EDF IVC 6016 A3a

Support for the Structural Adjustment Programme. Phase III. 28.800 mECU. Hard currency allowance to import ACP and EC goods, with negative list. T.A. foreseen. Project on appraisal. 7th EDF. EDF 7200/002 A1c

Coastal forests development. Resp. Auth.: Ministère de l'Agriculture et des Ressources Animales (MINAGRA) and Société de Développement des Forêts (SODEFOR) 1.990 mECU. Studies, T.A., training, evaluation. Works by acc. tender. Supply of equipment by int. tender. Date financing October 94. 7th EDF. EDF IVC 7011 A3a

Orumbo-Boka forest development. Resp. Auth.: MINAGRA and SODEFOR. 1.750 mECU. Studies, T.A., training, evaluation, follow-up, works and supplies. Date financing October 94. 7th EDF. EDF IVC 7006/001 A3a

DJIBOUTI

Fight against desertification and development of livestock husbandry in Western-Djibouti. Resp. Auth.: Ministère de l'Agriculture et du Développement Rural. 1.665 mECU. Supply of equipment, studies, T.A. Project on appraisal. 7th EDF. EDF DI 6008 A3a

Health training programme. Resp. Auth.: Ministère de la Santé Publique et des Affaires Sociales. 0.750 mECU. T.A., scholarships, seminars, training. Project on appraisal. 7th EDF. EDF DI 7101/002 A7e

Construction of a laboratory for water and soil analysis. Resp. Auth.: Ministère de l'Agriculture et du Dev. Rural. 0.115 mECU. Works and supply of equipment. Project on appraisal. 7th EDF. EDF DI 7005 A3e,i

Primary schools rehabilitation in the District of Ali Sabieh. 0.366 mECU. Buildings, sanitation, kitchen and refectory. All by direct labour. **Project in execution.** 7th EDF. EDF DI 7006 A6a

DOMINICAN REPUBLIC

Integrated health programme in the South-East. Resp. Auth.: Secretaría de Estado de Salud Pública y Asistencia Social (SESPAS). Total cost 9.8 mECU. EDF 8.8 mECU, local 1 mECU. Physical health infrastructure by direct labour or acc. proc., health materials and equipment by int. tender, training, health education, T.A. Project in execution. 7th EDF. EDF DO 7008 A7a,b,c,e

Geological and mining development programme. 23 mECU. Studies, programmes managements, works, T.A. and evaluation. Project in execution. 7th EDF. EDF DO SYS 9999 A4a,e

Los Toros Hydroelectric project. Construction of a hydroelectric power station. Civil works, supply of electromechanical and hydromechanical equipment. Capacity 9.2 Mw. Annual output 57.27 Gwh. Estimated cost 25.4 mECU. Project on appraisal. 7th EDF. EDF DO 7005 A2ai

Puerto Plata. Provincial development programme. Resp. Auth.: Oficina Técnica Provincial de Puerto Plata. 1.400 mECU. Drinking water, sanitation, education, equipment. **Project in execution.** EDF DO 7013 A8b,c

Park conservation programme. Resp. Auth.: Direction National des Parcs (DNP). 0.750 mECU. Works by acc. tender. Equipment by direct agreement on local market. T.A. by AECE (Agence Espagnole de Coopération Internationale). Project on appraisal. 7th EDF. EDF DO 7014 A3

EQUATORIAL GUINEA

Essential goods import programme. Resp. Auth.: Presidency of the Republic. Estimated cost 1.5 mECU. Hard currency allowance to import essential goods. Project on appraisal. 5th and 6th EDF. EDF EG 0000 A1c

Conservation and rational utilisation of the forest ecosystems. Resp. Auth.: Ministry of Agriculture, Livestock farming, Fisheries and Forests. Directorate General for Forests. 5.070 mECU. Land Classification and Use Master Plan — National System of Conservation Units — Forest Training and Research Centre. T.A. and supply of equipment. Project on appraisal. 6th EDF. EDF EG 6001 A3c, e, i

Rural development programme in the South-East. Resp. Auth.: Ministère de l'Agriculture. 4.500 mECU. Works, supplies and T.A. Project in execution. 7th EDF. EDF EG 6005 (7001) A3a

ERITREA

Rehabilitation Programme. 3.7 mECU. NGO projects for health, veterinary services, water supply and demobilization of soldiers. Project in execution. 7th EDF. EDF ERY 7255 A7,A8

ETHIOPIA

Strengthening of water supply and sanitation in Addis Ababa. Resp. Auth.: Addis Ababa Water Supply and Sewerage Authority. Estimated cost 1.990 mECU. Supply of metering and control equipment. T.A. and consultancies. Project on appraisal. 7th EDF. EDF ET 5006/7 A2b,A8c

Rehabilitation of the Addis-Ababa — Modjo — Awasa Road. Resp. Auth.: Ethiopian Road Authority. Estimated cost 40 mECU. Works and supervision. Project on appraisal. 7th EDF. EDF ET 7005 A2d

Wildlife conservation in Southern Ethiopia. Estimated cost 2 mECU. Works, rehabilitation, equipment, T.A. and training. Project on appraisal. 7th EDF. EDF ET 7011 A3c,d,e

Social Rehabilitation Programme. EDF 6.868 mECU. Rehabilitation of health (including water and sanitation) services and of agri-pastoral activities. Works, supplies, T.A. and training. **Date financing September 94.** 7th EDF. EDF ET 7012 A3-A7-A8

Reintegration of displaced Ethiopian nationals from Eritrea. Estimated cost 2 mECU. Works, training, line of credit, T.A. and supply of equipment. Project on appraisal. 7th EDF. EDF ET 7255/001 A8b,e

GABON

Mining development programme and diversification. Resp. Auth.: Minis-

tère des Mines, de l'Energie et des Ressources Hydrauliques. Estimated cost 14 mECU. Works by direct labour and int. tenders. Equipment by int. tender, T.A., follow-up and evaluation. Project in execution. 7th EDF.
EDF/SYS/GA 9999 A4a

Support for Structural Adjustment. 13.2 mECU. Project in execution. 7th EDF.
EDF GA 7200 A1c

GAMBIA

General Import Programme. Support for Structural Adjustment. Hard currency allowance to import ACP and EC goods, with negative list. 1.400 mECU. Project on appraisal. 7th EDF.
EDF GM 7200/002 A1c

GHANA

Human resources development programme. 5 mECU. Supply of equipments. T.A. and evaluation. Project on appraisal. 7th EDF.
EDF GH 7003 A6

Western Region Agricultural Development Project. Resp. Auth.: Ministry of Food and Agriculture. 15 mECU. T.A., buildings and training, supply of equipment. Project on appraisal. 7th EDF.
EDF GH A3a

Lomé IV - Microprojects programme. Resp. Auth.: Ministry of Finance & Economic Planning. 7 mECU. T.A., transport equipment, materials and supplies. Project on appraisal. 7th EDF.
EDF GH A3a

Protected Area Development in South Western Ghana. Resp. Auth.: Ministry of Land and Forestry. 5 mECU. T.A., buildings, equipment and supplies. Project on appraisal. 6th EDF.
EDF GH A3a

Woodworking Sector Development. Resp. Auth.: Ministry of Finance & Economic Planning. 4.5 mECU. Equipment, T.A., overseas training. Project on appraisal. 7th EDF.
EDF GH A3c

Transport Infrastructure Programme. Phase II. Resp. Auth.: Ministry of Roads & Highways. 70 mECU. Works, supplies, supervision, training. Project on appraisal. 6th and 7th EDF.
EDF GH A2d

General Import Programme III. Resp. Auth.: Ministry of Finance & Economic Planning. 32.2 mECU. T.A. for monitoring. Project on appraisal. **Date foreseen for financing October 94.** 7th EDF.
EDF GH A1c

University Link. University of Ghana - Vrije Universiteit Brussel. Resp. Auth.: Ministry of Education. 1.2 mECU. T.A., equipment scholarships, evaluation. Project on appraisal. 7th EDF.
EDF GH 7101/001 A6b

GRENADA

Microprojects programme. Resp. Auth.: Ministry of Labour, Social Service, Community Development. 0.220 mECU. Water supply, road improvements, repairs

and extension of schools, medical and community centre and sports grounds. Project on appraisal. 7th EDF.
EDF GRD 7102

Rehabilitation of the Bellevue-Grenville Section of the Eastern Main Road - Grenville - Mama Cannes portion. Resp. Auth.: Ministry of Works. 2 mECU. Works by direct labour, small T.A. and supply of equipment for repairs. Project on appraisal. Date foreseen for financing end 94. 7th EDF.
EDF GRD 7002/001 A2d

GUINEA

Development of secondary towns. Resp. Auth.: Ministère de l'Aménagement du Territoire. Estimated cost 7 mECU. Buildings, market, railway stations, roads, T.A. and training, management, work supervision, supply of equipment. Project on appraisal. 7th EDF.
EDF GUI 7008 A8a,b

Information System for the National Programme to Support Food Security. Resp. Auth.: Ministère de l'Agriculture et des Ressources Animales. 1.600 mECU. Supply of equipment, permanent T.A. follow-up, evaluation. Project in execution. 7th EDF.
EDF QUI 7004 A3a

GUINEA BISSAU

General Import Programme. 8 mECU. Hard currency allowance. T.A. foreseen. Project in execution. 7th EDF.
EDF GUB 7200 A1c

Support project to improve land resources. Resp. Auth.: Ministère des Travaux Publics. 1.260 mECU. Technical actions to prepare the creation of a land registry. Works, supply of equipment, T.A. **Date financing October 94.** 7th EDF.
EDF GUB 7012 A1f

João Landim bridge construction. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 23 mECU. Project on appraisal. 7th EDF.
EDF GUB 7013 A2d

GUYANA

General Import Programme. Phase II. Hard currency allowance to the Bank of Guyana to import EC-ACP goods with negative list. 1.850 mECU. 0.150 mECU for T.A. follow-up and evaluation. Project on appraisal. Date foreseen for financing end 94. 7th EDF.
EDF GUA 7200/001 A1c

Development of small business credit initiative. Phase II. 0.700 mECU. Project on appraisal. 6th EDF.
EDF GUA 7001/001 A5

JAMAICA

Credit scheme for micro and small enterprises. Resp. Auth.: Planning Institute of Jamaica. Implementation by Apex Institution and Coordination and Monitoring Unit. 7 mECU. Line of credit, T.A. and evaluation. Project on appraisal. Date foreseen for financing 2nd half 94. 5th, 6th and 7th EDF.
EDF JM 5020 A4,A5

Water supply, sewerage, institutional strengthening programme. Resp. Auth.: National Water Commission

(NWC). Estimated cost 18 mECU. Works, supplies and T.A. Project on appraisal. 7th EDF.
EDF JM 7005 A8a,b,c

KENYA

Road sector. Preparatory phase. Studies. Resp. Auth.: Ministry of Public Works and Housing. Estimated cost 1.693 mECU. Studies and T.A. Project on appraisal. 7th EDF.
EDF KE 7010 A2d

KIRIBATI

Seaweed development programme. Total cost estimated 1.280 mECU. EDF 1.100 mECU, local 0.180 mECU. Buildings, equipment, credit, T.A. to the general manager, monitoring evaluation. **Date financing October 94.** 7th EDF.
EDF KI 7002 A3a

Training for Kiribati. Estimation 1.440 mECU. Human resources development. Supply of equipment, T.A. monitoring evaluation. Project on appraisal. 7th EDF.
EDF KI 7004 A6

LESOTHO

Structural Adjustment Programme. Phase II. Hard currency allowance to import ACP and EC goods with negative list. 8 mECU. T.A. foreseen. **Project in execution.** 7th EDF.
EDF LSO 7200/001 A1c

LIBERIA

Rehabilitation Programme. Resp. Auth.: EC aid coordination office in Monrovia. 25 mECU. Essential repairs to water and power supply systems, restoration of basic health and school facilities, distribution of seeds and tools, improved access to isolated regions, assisting the re-integration of ex-combatants and returning refugees. Implementation by local NGOs and European NGOs. Project in execution. 6th and 7th EDF.
EDF LBR 7001 A1c

MADAGASCAR

Kamolandy bridge reconstruction. Resp. Auth.: Ministère des Travaux Publics. 1.540 mECU. Submersible-type bridge. Project on appraisal. 6th EDF.
EDF MAG 6027 A2d

Renovation of provincial airports. Cofinancing with France. EDF 16.4 mECU. Works, equipment and supervision. Project in execution. 6th EDF.
EDF MAG 6016 A2d

Improvement of agriculture and fishing in the far South. Resp. Auth.: Ministère d'Etat, du Développement Rural. 1.900 mECU. Works, supplies, study, T.A. and evaluation. Project in execution. 7th EDF.
EDF MAG 7003 A3a

Road infrastructure rehabilitation. Resp. Auth.: Ministère des Travaux Publics. Estimate 72.500 mECU. Rehabilitation works, supervision. Project on appraisal. Date foreseen for financing end 94. 6th and 7th EDF.
EDF MAG 7004 A2d

Support programme to rehabilitate social and economic infrastructures. Interventions after cyclones. EDF part es-

timated 17.500 mECU. Railways and road rehabilitation, small hydraulic works. Social infrastructure rehabilitation. Technical expertise study to be done for roads. Works, supplies, supervision and control, evaluation. **Project in execution.** 7th EDF. EDF MAG 7009 A2, A8

MALAWI

Structural Adjustment Facility (SAF) — General Import Programme. Resp. Auth.: Reserve Bank of Malawi. 30.6 mECU. Hard currency allowance to import ACP and EC goods, with negative list. T.A. for management and audit purposes. Project in execution. 7th EDF. EDF MAI 7200 A1c

Limbe-Thyolo-Muloza Road. Works, construction by int. tender (conditional). Works and supervision. Project on appraisal. 6th and 7th EDF. EDF MAI 6021 A2d

MALI

Support to develop rural credit. Resp. Auth.: Banque Nationale de Développement Agricole. BNDA. EDF part 1.910 mECU. T.A. and line of credit, training. Project on appraisal. 7th EDF. EDF MLI 6001/002 A5a

Fight against silting up and development of forest resources in the Northern regions. Resp. Auth.: Ministère de l'Environnement — Direction Nationale des Eaux et Forêts. 6.810 mECU. Infrastructural works, forest and trees, supplies, follow-up and training. Project in execution. 7th EDF. EDF MLI 6001/001 A3a

Development of secondary towns in the 4th and 5th regions. Resp. Auth.: Ministère de l'Administration Territoriale et de la Décentralisation. 5 mECU. Water supply in 3 towns, sewage works, markets, schools, waste collection systems in 6 towns. Works by acc. tenders. Supply of equipment and T.A. Project in execution. 7th EDF. EDF MLI 7008 A2b

Better use of surfacing waters in the 5th region. Consolidation. Resp. Auth.: Gouvernorat de Mopti. EDF 4.300 mECU. Works, irrigation, supply of pumps, inputs, T.A., follow-up and evaluation, training, research. Project on appraisal. **Date foreseen for financing November 94.** 7th EDF. EDF MLI 6005/002 A3a

Reconstruction of primary schools in the North (Gao region). Estimated cost 1.934 mECU. Reconstruction of ±21 schools (±126 class-rooms), water points, supply of equipment. Works by direct labour, coordination and supervision by volunteer organization. Project in execution. 7th EDF. EDF MLI 7013 A6a

Support for the programme for the rehabilitation and maintenance of priority roads. Resp. Auth.: Ministère de l'Équipement et de Transport. Estimated cost 43.4 mECU. Rehabilitation and strengthening of 380 kms of bitumenised roads (Ségou-Koutiala-Burkina Border-Ouan-Sévaré) and strengthening of 180 kms of the Diéma-Didiéni road. Supervision. Project on appraisal. **Date foreseen for financing October 94.** 7th EDF. EDF MLI 7004 A2d

Support for the decentralisation programme. Estimated cost 0.600 mECU.

T.A., studies, communication campaigns, equipment. Project on appraisal. 7th EDF. EDF MLI 7009 A1b

MAURITANIA

Second Road Programme. Resp. Auth.: Ministère des Travaux Publics. 7.350 mECU. Supply of equipment and materials by int. tender. Studies, auditing, T.A. and training. Date foreseen for financing 2nd half 94. 7th EDF. EDF MAU 6004-7004 A2d

National measures to support the Solar Regional Programme. Estimated cost 2.520 mECU. Infrastructural works (tanks, wells, pipes) and awareness-raising, training and follow-up for the recipient communities, works and T.A. Project on appraisal. Date foreseen for financing end 94. 7th EDF. EDF MAU 6116/001 A2a,ai,b

Increased provision for treatment and prevention of AIDS and STD. Resp. Auth.: Ministère de la Santé. 0.350 mECU. Supply of equipment, training, management. Date financing October 94. 7th EDF. EDF MAU 7013 A7b,c

Aleg lake region economic development. Resp. Auth.: Ministère du Dév. Rural et de l'Environnement. Estimate 3 mECU. Irrigation in 2.000 ha. Works, studies, evaluation, T.A. Project on appraisal. 7th EDF. EDF MAU 7014 A3

MAURITIUS

Human resources centre in Rodrigues. Estimated cost 0.800 mECU. Works, supply of equipment, T.A. and training. Project on appraisal. 7th EDF. EDF MAS 7101/002 A6e

Support for the Industrial and Vocational Training Board. IVTB. 2.500 mECU. Rehabilitation works, supply of equipments, T.A. and training. **Project in execution.** 6th EDF. EDF MAS 6101/001 A6b,d

Cyclone Hollanda rehabilitation programme. 1.970 mECU. Rehabilitation of the telecommunication infrastructure for both national and international grid. Supply of equipment and alternative communication systems. Project on appraisal. 3rd and 5th EDF (remainder), 6th and 7th EDF. EDF MAS 7003 A2c

National solid waste management project. Resp. Auth.: Ministry of Environment and Quality of Life. Estimate 8.650 mECU. EDF 7 mECU. Construction of a fully engineered landfill to cater for about 600 t of solid waste per day. Works and supplies by int. tender. T.A. for supervision and evaluation. Project on appraisal. 7th EDF. EDF MAS 6017 A8b,c,f

AIDS programme. Resp. Auth.: Ministry of Health. 0.423 mECU. Prevention of sexual transmission, maintenance of safe blood supply, rationalisation of patient management. Date financing October 94. 7th EDF. EDF MAS 7004 A7b,c

MOZAMBIQUE

Training for railway staff. Phase II. T.A. for the regional school at Inhambane and the provincial railway training centres.

20 mECU. T.A. and supply of equipment. Project on appraisal. 7th EDF. EDF MOZ-REG 6409 A2d, A6d

Rehabilitation project for the re-instatement of refugees and returnees in the rural sector. 12 mECU. Project in execution. 7th EDF. EDF MOZ 7012 A3a

Roads rehabilitation programme in Zambezia and Sofala provinces. 30 mECU. Roads and bridges rehabilitation. Works and supervision. Project in execution. 7th EDF. EDF MOZ 7005/001 A2d

Beira-Inchope Road Rehabilitation. Estimation 25 mECU. Works over 111 Km. Supervision. Project on appraisal. 7th EDF. EDF MOZ (REG) 7005/002 A2d

Institutional Support for the Ministry of Culture. Estimated cost 1.950 mECU. Establishment of a culture and development forum, improvement of the Documentation Centre, staff training, planning unit, equipment, and T.A. Training. Project on appraisal. 6th EDF. EDF MOZ 7016 A6

Social-economic reinsertion of young people. Estimated cost 1.950 mECU. Supplies, T.A. and pilot actions. Project on appraisal. 6th EDF. EDF MOZ 7017 A8b

Supply of voting material. Estimated cost 13 mECU. Project on appraisal. 7th EDF. EDF MOZ 7004/001 A1c

Rehabilitation of the rural health system. Estimated cost 42 mECU. Rehabilitation and renovation of 7 rural hospitals and 2 health centres. Supply of essential medicines and equipment, T.A. Project on appraisal. 7th EDF. EDF MOZ 7018 A7a,e

Rehabilitation of the Cahora-Bassa/South Africa transmission line. Resp. Auth.: Hidroeléctrica de Cahora-Bassa. EDF part 20 mECU. Erection of towers, demining, bush clearing by int. tender (conditional) launched in September 94. Project on appraisal. 6th and 7th EDF. EDF MOZ(REG) 7019 A2ai

NAMIBIA

Support programme for the mining sector. Resp. Auth.: Ministry of Mines and Energy. Day-to-day administration by the Industrial Development Corporation. 40 mECU. Mine development, expansion, drillings, tiling plant, small scale mining. Works and supplies by int. tender. T.A. and training. Project in execution. 7th EDF. EDF NAM SYS 9999 A4a

Institutional support for the Ministry of Agriculture, Water and Rural Development. Resp. Auth.: Ministry of Agriculture, Water and Rural Development. 1.3 mECU. T.A. for agricultural planning and marketing and production economics. Project on appraisal. 7th EDF. EDF NAM 7003 A1c

Namibia Integrated Health Programme. Resp. Auth.: Ministry of Health and Social Services. 13.500 mECU. Infrastructures, equipment, training and T.A. Project on appraisal. Date foreseen for financing 2nd half 94. 7th EDF. EDF NAM 7007 A7

Expansion of NBC transmitter network and production facilities for educational broadcasting. Resp. Auth.: Namibian Broadcasting Corporation. Estimated total cost 5.7 mECU. EDF 5 mECU, local 0.700 mECU. Works, supply of equipment, technical training and technical consultancies. Project on appraisal. 7th EDF. EDF NAM 7005 A6i

Rural Development Support Programme for the Northern Communal Areas. Resp. Auth.: Ministry of Agriculture, Water and Rural Development. 7.7 mECU. Strengthening of the agricultural extension service, training of extension officers and establishment of a rural credit system. Supply of office equipment, vehicles, agricultural inputs, T.A., training, evaluation. Project in execution. 7th EDF. EDF NAM 7011 A3a

Rural towns Sewerage schemes. Resp. Auth.: Ministry of Local Government and Housing. Estimated cost 2.500 mECU. Works, supplies and T.A. Project on appraisal. 7th EDF. EDF NAM 7015 A8c

NIGER

Vocational and technical training project (NIGETECH). Resp. Auth.: Ministère de Finances et du Plan. 3.8 mECU. Seminars, scholarships, trainer training, T.A. Project on appraisal. 7th EDF. EDF NIR 7101 A6d

Road infrastructures and telecommunications. Rehabilitation of Tillabery-Ayorou (Tender launched), Farie-Tera and Say-Tapoa roads. For telecommunications: earth station in Arlit and administrative centre in Niamey. Works and supervision. Project on appraisal. Date foreseen for financing end 94. 7th EDF. EDF NIR 7005 A2d, c

Integrated development programme in the sheep-farming zone. (Azaouak, Tadress and Nord-Dakoro). Resp. Auth.: Ministères de l'Hydraulique et de l'Environnement, de l'Agriculture et de l'Élevage, de la Santé Publique et de l'Éducation Nationale. 18 mECU. Rehabilitation works, wells, drilling, supply of equipment, T.A., training, evaluation and follow-up. Project in execution. 7th EDF. EDF NIR 7012 A3a

Support for the Structural Adjustment Programme. General Import Programme. Hard currency allowance to import ACP and EC goods with negative list. 20 mECU. T.A. foreseen. Project in execution. 7th EDF. EDF NIR 7200 A1c

NIGERIA

NITEL maintenance training programme. Resp. Auth.: Nigerian Telecommunications. 10.5 mECU. Rehabilitation works, supply of equipment, T.A. and training. Project in execution. 7th EDF. EDF UNI 7008 (6004) A2c

Borno region anti-poverty programme. Improvement of agricultural productivity and water management. Assistance to farmer's associations. 16,100 mECU. EDF 15,400 mECU, local 0.700 mECU. Works, supplies T.A. training, research, line of credit.

*** Date financing September 94.** 7th EDF. EDF UNI 7009 A3a

Human resources development. Institutional support for community development and vocational training. Estimate 17 mECU. Supplies, T.A. training. Project on appraisal. 7th EDF. EDF UNI 7006 A6b,c,d

PAPUA NEW GUINEA

Third Structural Adjustment Programme. General Import Programme. 8.5 m ECU. Same as 2nd programme. Project in execution. 7th EDF. EDF PNG 7201 A1c

Human resources development programme. Resp. Auth.: National Dept. of Education (NDOE) and Commission for Higher Education (CHE). 15 mECU. Works: building renovation, university construction, rehabilitation works, works supervision, scholarships, training. Works for the university by int. tender. Project in execution. 7th EDF. EDF PNG 6008/7001 A6a,b

Environmental Monitoring of Mining. Resp. Auth.: Dept. of the Environment and Conservation. EDF 1.6 mECU. T.A. for 30 man/months and technical consultancies. Training. Project in execution. 7th EDF. EDF PNG 7001 A4a

E.U. Programme Management Unit in support of the National Authorising Officer (NAO). Estimated cost 1.200 mECU. T.A., training and auditing. Project on appraisal. 7th EDF. EDF PNG 6001 A1c

RWANDA

Drinking water supply in East Bugesera. Resp. Auth.: Ministère de Travaux Publics. 9.920 mECU. Pumps, treatment, tanks, renovation existing network. Works, supplies and supervision. Works: int. tender already launched. Project on appraisal. Date foreseen for financing 1st half 94. 7th EDF. EDF RW 6007 (7002) A2b

ST. KITTS AND NEVIS

Development of Social Infrastructure - Phase II. Resp. Auth.: Ministry of Education and Ministry of Works, Communications and Public Utilities. 0.925 mECU. Construction and supply of furniture for primary schools, supply of equipment, T.A. for supervision of works. Project on appraisal. Date foreseen for financing end 94. 5th and 6th EDF. EDF SCN 6001 A6a

SENEGAL

St-Louis regional development programme. 22.5 mECU. Job creation, lines of credit, T.A. to the S.M.E's, training, studies. Health centres, clinics, medical equipment and consumables, training, information. T.A. to the Direction Régionale in St-Louis and to the Service des Grandes Endémies in Podor. Drainage network, sanitation. Environmental protection with wind-breaks. T.A. Study of a water-engineering scheme in Podor. Works by acc. tender. Supplies by int. tender. T.A. by restr. tender. Project on appraisal. Date foreseen for financing 2nd half 94. 7th EDF. EDF SE 6002/7002 A3a

Support for the economic development of the Ziguinchor region. 1.990 mECU. Line of credit for SME's and support

for artisanal fisheries. Supply of equipment, T.A. Project on appraisal. 7th EDF. EDF SE 5024/7001 A3a

Support to develop SMEs in the Dakar region. 1.990 mECU. Line of credit, management unit in coordination with Banks, projects and NGOs. T.A. and supplies. **Project in execution.** 7th EDF. EDF SE 7010 A5

Priority programme to generate employment. P.P.G.E. Resp. Auth.: Ministère de l'Économie, des Finances et du Plan. 1.990 mECU. To alleviate the social impact of the austerity measures and of the CFA Franc devaluation on the least-favoured urban populations. Line of credit, supplies. T.A., audit. Project in execution. 7th EDF. EDF SE 7009 A8b

Support for market-gardening export sector. 1 mECU. Establishment of a Guarantee Fund, support and T.A. for professional organisations, air-freight programming. Date financing October 94. 7th EDF. EDF SE 7008 A5d

SEYCHELLES

Marine and coastal centre. Resp. Auth.: Ministry of Foreign Affairs - Planning and Environment. Estimated total cost 0.675 mECU. EDF 0.325 mECU, local 0.350 mECU. Renovation and equipping of a centre for international, regional and local research. Works and supplies. Project on appraisal. 7th EDF. EDF SEY 7003 A8f

Support for AIDS programme. Resp. Auth.: Ministry of Health. 0.139 mECU. Training, information, equipment. Date financing October 94. 7th EDF. EDF SEY 7005 A7b,c

SIERRA LEONE

Agricultural Sector Support Programme. Resp. Auth.: Ministry of Agriculture. 14.3 mECU. Construction of stores, rehabilitation of feeder roads, vehicles, agricultural inputs, materials, T.A. for project management, training. Project in execution. 7th EDF. EDF SL 7001 A3a

Improvement of Freetown - Conakry road link. Estimated cost 30 mECU. Reconstruction of about 120 kms of road from Masiaka in Sierra Leone to Farmoreah in Guinea. Works and supervision. Project on appraisal. 7th EDF. EDF SL 7004 A2d

SOMALIA

Rehabilitation programme. 38 mECU. Project in execution. 6th EDF. EDF SO 6029

SURINAME

Roads rehabilitation programme. Resp. Auth.: Ministry of Public Works. 19.700 mECU. Meerzorg-Albina and Wageningen-Nickerie roads. Works and supervision. Project on appraisal. 5th and 7th EDF. EDF SUR 7001 A2d

SWAZILAND

Technical Cooperation programme. Resp. Auth.: Government of Swaziland (N.A.O.) 1.860 mECU. T.A. 12 person-years

to selected agencies in the public and parastatal sectors. Project on appraisal. 7th EDF.
EDF SW 7001 A1f

Science and Mathematics Advice and Regional Training (SMART). Resp. Auth.: The University of Swaziland - Training Dept. 0.720 mECU. Supply of equipment and materials by int. tender. Project on appraisal. 7th EDF
EDF SW 6101/7 A6b

Rural dams rehabilitation and construction project (Phase II). EDF estimated part 1.993 mECU. Works, T.A. and supervision, training, surveys. Project on appraisal. 7th EDF.
EDF SW 6012/001 A3a

TANZANIA

Support for Aids Control in Tanzania. Resp. Auth.: Ministry of Health. 3 mECU. To strengthen health and other support services. Supply of equipment and T.A. Project on appraisal. 7th EDF.
EDF TA 08000/000 (7001) A7c

Mwanza-Nyanguge Road Rehabilitation. Resp. Auth.: Ministry of Transport and Communications. Estimated cost 35 mECU. Rehabilitation of 62 km of trunk roads (Nyanguge-Mwanza and Mwanza airport) and rehabilitation of Mwanza sewerage system (main works). Design study ongoing. Project on appraisal. 7th EDF.
EDF TA 6021 A2d

Support for Ministry of Finance, Zanzibar. Estimated cost 1.300 mECU. Equipments and T.A. Project on appraisal. 7th EDF.
EDF TA 7007 A1c

Support Unit for the N.A.O. Estimated cost 2 mECU. Equipment and T.A. Project on appraisal. 7th EDF.
EDF TA 7008 A1c

Mwanza Water Supply. Phase II. Resp. Auth.: Ministry of Water energy and minerals. Estimated cost 11.100 mECU. Works, pumping equipment, studies and supervision. Short-list done. Project on appraisal. 7th EDF.
EDF TA 5005(7) A2b

Iringa Water Supply. Resp. Auth.: Ministry of Water, Energy and Minerals. Estimated cost 9.100 mECU. Pumping, treatment, storage and distribution. Works, equipment, design and supervision. Short-list done. Project on appraisal. 7th EDF.
EDF TA 7009 A2

Support for the Structural Adjustment Programme. General Import Programme. Phase III. Resp. Auth.: Bank of Tanzania. 30 mECU. T.A. foreseen. Project on appraisal. Date foreseen for financing end 94. 7th EDF.
EDF TA 7200/002 A1c

Assistance for the 1994-95 electoral process. Estimated cost 1.700 mECU. Supply of voting material and equipment. Project on appraisal. 7th EDF.
EDF TA 7017 A1c

Support for Tanzanian students in Eastern Europe. Resp. Auth.: International Organisation for Migration (I.O.M.). 1.950 mECU. Provisions of monthly allowances to the students to enable them to continue their studies and provision of tickets luggage allowance and some starting capital to facilitate reintegration in Tanzanian society. Date financing October 94. 7th EDF.
EDF TA 7016 A1c

Ruvuma-Mbeya Environmental Programme. Resp. Auth.: Regional Development Authorities. Estimate 10 mECU. Improvement of forest conservation and use. Supplies, T.A., studies, training, management. Project on appraisal. 7th EDF.
EDF TA 7018 A3c

Support to the Ministry of Works, Communication and Transport. 1.900 mECU. T.A., studies and training. Project on appraisal. 7th EDF.
EDF TA 7019 A1c

TOGO

General Import Programme. Hard currency allowance to import ACP and EC goods. T.A. for management and implementation. 17 mECU. Project in execution. 7th EDF.
EDF TO 7200 A1c

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

TRINIDAD AND TOBAGO

Support for the Structural Adjustment Programme. General Import Programme. Hard currency allowance to purchase EC and ACP goods with negative list. T.A. for six months for GIP implementation and the use of counterpart funds. 9.7 mECU. Project on appraisal. Date foreseen for financing 2nd half 94. 6th and 7th EDF.
EDF TR 7200 A1c

Small business development programme. Resp. Auth.: Small Business Dev. Corp. SBDC. 2 mECU. Supply of line of credit, training and supervision and evaluation. Date financing October 94. 7th EDF.
EDF TR 5016 A5e

Training project for young farmers (AYTRAP). Assistance for the young farmers to create rural enterprises. Estimated cost 7.300 mECU. EDF 5 mECU, local 2.300 mECU. Line of credit, T.A. and monitoring. Project on appraisal. 6th and 7th EDF.
EDF TR 7002 A3a

UGANDA

Structural Adjustment Support Programme General Import Programme. Phase II. 30,250 mECU. Hard currency allowance to import ACP and EC goods. There is negative list of items not eligible (military-luxury items). Project on appraisal. Identification study: short list done. 7th EDF.
EDF UG 7200 A1c

Human resources development programme. Resp. Auth.: Ministry of Finance and Economic Department. 12.8 mECU. Infrastructural rehabilitation, equipment, T.A. and training. Project in execution. 7th EDF.
EDF UG 7001 A6b, c, d

Smallholder Tea Development Programme. (STDP). Resp. Auth.: Uganda Tea Growers Corporation (UTGC). 20 mECU. Increase in the production and quality, management improvements, infrastructure development, institutional and financial sustainability, environment conservation and regional development. Works, supply of equipment, T.A. and training. Project on appraisal. Date foreseen for financing 2nd half 94. 7th EDF.
EDF UG 6002/7002 A3a

Uganda health project. Phase III of the Rural health Programme, West Nile Health Programme and the Uganda Blood Transfusion Service Project Phase II. Infrastructure rehabilitation, equipment (vehicles, furnishings, offices), medical supplies and tests, in service training and T.A. and management. 20 mECU. Project in execution. 7th EDF.
EDF UG 6012/7003 A7

Support to the Uganda Investment Authority. Resp. Auth.: Ministry of Finance. 1.950 mECU. Supply of equipment and T.A. Project on appraisal. 7th EDF.
EDF UG 7005 A5e

Road maintenance programme in the South West. Resp. Auth.: Ministry of Works. 22 mECU. Works, supplies and supervision. Date financing October 94. 7th EDF
EDF UG 7004 A2d

ZAIRE

Temporary assistance programme for health care (P.A.T.S.). Rehabilitation programme. Estimated cost 18.500 mECU. To ensure that the health-care services that are still operating survive. Implementation by NGOs and local organizations. Project in execution. 7th EDF.
EDF ZR 6029 A7a,b

ZAMBIA

SYSMIN III - General import. Resp. Auth.: Bank of Zambia. 60 mECU. Project in execution. 7th EDF.
EDF ZA 9999 - SYS A1c

Social Sector Support Programme. Resp. Auth.: Ministries of Health, Education, Water Affairs and Local Government. 12 mECU. Rehabilitation works and health infrastructures, water supply, education. Supply of drugs and equipment, and T.A. Project on appraisal. Date foreseen for financing 2nd half 94. 7th EDF.
EDF ZA 7003 A7,A8

Reorganisation and restructuring of the Department of National Parks and Wildlife Services. Resp. Auth.: Department of National Parks and Wildlife services. Estimated cost 5 mECU. Works, supplies and T.A. Project on appraisal. 7th EDF.
EDF ZA 7002 A3c,d

Rehabilitation of main runway at Lusaka International Airport. Resp. Auth.: Ministry of Transport. Estimated cost 5 mECU. Works and supervision. Project on appraisal. 7th EDF.
EDF REG - ROR 7319 - ZA A2d

Structural Adjustment facility - Supplement to phase II. 11.800 mECU. ★ General Import Programme. Date financing September 94. 7th EDF.
EDF ZA 7200/003 A1c

ZIMBABWE

OMAY Kanyati and Gatshe Gatshe land use and health programme. Resp.

Auth.: A.D.A. 4.6 mECU. Raising the standard of living of rural populations. Conservation and improved utilisation of the wildlife resources, support to agriculture and improvement of social infrastructure. Road network, water, sanitation, building of a district hospital, equipment and supplies. Project on appraisal. 7th EDF.
EDF ZIM 6004/7002 A3a

Structural Adjustment Programme. Resp. Auth.: Ministry of Finance, Economic Planning and Development. 32 mECU.
★ General Import Programme and T.A. **Project in execution.** 7th EDF.
EDF ZIM 7200/001 A1c

Support for the Faculty of Veterinary Science of the University of Zimbabwe. Resp. Auth.: Faculty of Veterinary. 9.1 mECU. Supply of vehicles and equipment. T.A., University link, fellowships, scholarships. For Zimbabwe and SADC region. Project on appraisal. 7th EDF.
EDF ZIM 5004/7001 A6b

Wildlife Veterinary Project. Resp. Auth.: Department of National Parks and Wildlife Management. EDF 1.500 mECU. Increase of wildlife population, particularly of endangered species: black and white rhino — tourism development, works, supplies, T.A., training and evaluation. Project on appraisal. 7th EDF
EDF ZIM 6018 A5c, A8f

Overseas Countries and Territories (OCT)

NETHERLANDS ANTILLES

Curaçao — Business Development Scheme, phase 2. Estimated total cost 5.366 mECU. EDF 4 mECU. Development of international competitiveness in the export sector. Management training strategy. Project on appraisal. 7th EDF.
EDF NEA 6013/001 A5d,e

Support for the Public Library in Curaçao. Resp. Auth.: Public Library Curaçao. Estimation 0.650 mECU. Works, supply of equipment, training. Project on appraisal. 7th EDF.
EDF NEA 7003 A6g

ARUBA

T.A. for managerial training. Estimated cost 2.320 mECU. EDF 1.980 mECU, local 0.340 mECU. A training unit will train private and public executives and will advise companies on demand. Supplies T.A. and evaluation. Project on appraisal. 7th EDF.
EDF ARU 6006 A6b

MAYOTTE

Water supply. North East and North West network interconnection. Resp. Auth.: Direction de l'Agriculture et de la Forêt. 6.500 mECU. Row water, lines, water treatment, storage tanks. Works: int. tender (conditional) launched in September 94. Supervision and evaluation. Project on appraisal. 6th and 7th EDF.
EDF MY 6002/001 A2b

NEW CALEDONIA

Construction of a vocational training centre for apprentices. Estimated total cost 2.95 mECU. EDF part 0.830 mECU. Works by acc. tender. Project on appraisal. 7th EDF.
EDF NC 7002 A6d

FRENCH POLYNESIA

Pearl Oyster programme. Resp. Auth.: EVAAM. 1.150 mECU. Supply of research equipment and training. T.A. and research. Project in execution. 7th EDF
EDF POF 6006 A3d

TURKS AND CAICOS ISLANDS

Water and sewerage in Providenciales. Resp. Auth.: Ministry of Works. 3.600 mECU. Water supply works and pipes. T.A. Project on appraisal. 7th EDF.
EDF TC 7001 A8b,c

ST. PIERRE AND MIQUELON

St. Pierre airport building. Resp. Auth.: Préfecture de St. Pierre. Estimate 4.500 mECU. EDF 3.400 mECU. Collectivité Territoriale 1.100 mECU. Works, supply of equipment, supervision. Project on appraisal. 6th and 7th EDF.
EDF SPM 7001 A2d

WALLIS AND FUTUNA

Holo-Fakatoi Road in Wallis (RT2). EDF 0.600 mECU. Bitumen road. Project on appraisal. 7th EDF
EDF WF 7001 A2d

Construction of territorial road n° 1 in Futuna. 0.840 mECU. Works and rehabilitation. Project on appraisal. 7th EDF.
EDF WF 7003 A2d

Regional Projects

BENIN — BURKINA — NIGER

Regional project for the management of the 'W' national park and adjoining game reserves. Estimated total cost 10 200 mECU. To establish three management units, 10 bridges and 20 observation posts with their equipment. Building and rehabilitation of administrative, technical and social buildings, tracks and bridges. T.A., training and studies. Project on appraisal 6th EDF.
EDF REG 6122 A5i, A8f

CENTRAL AFRICA AND UDEAC

Inter-state transit in Central African Countries (T.I.P.A.C.). 5.5 mECU. To set up a regional scheme for transit transport. T.A. and training. Project in execution. 7th EDF.
EDF REG 7202 A2d

EAST AFRICAN COUNTRIES

Statistical training centre for Eastern Africa in Tanzania. Resp. Auth.: Secretariat of the centre. 5 mECU. Widening of capacity. Construction of class-rooms,

offices and housing. Project on appraisal. 5th EDF.
EDF REG 5311 (7) A6b

Strengthening Economic and Policy Research in NARS in Eastern Africa (NARS: National Agricultural Systems). Technical and logistic support for building-up strong socio-economic programmes in NARS in Eastern Africa. 1.150 mECU. Project on execution. 7th EDF.
EDF REG 7306 A3c

PALOP COUNTRIES — ANGOLA — MOZAMBIQUE — GUINEA BISSAU — SAO TOMÉ & PRINCIPE — CAPE VERDE

Regional training for middle-ranking statisticians. 3.5 mECU. Training of 900 middle-ranking statisticians in the five countries. Building-up a modular training system, training for trainees, workshops-newsletter. T.A. Project on appraisal. 7th EDF.
EDF REG 7901-002 A6b,j

Regional Centre for Health Development. 3.480 mECU. Strengthening of public health systems in the 5 countries and better management of 385 sanitary districts. Training programmes, trainers training, T.A. for starting. Project in execution. 7th EDF.
EDF REG 7901-003 A6bi

Regional Training Centre for public administration and enterprise management. 7 mECU. Supply of equipments and T.A. Project in execution. 7th EDF
EDF REG 7901-004 A6b, e

External trade and investment promotion. 2.600 mECU. Date financing September 94. 7th EDF.
EDF REG 7901/006 A5e

Technical support for the general cooperation of the PALOP programme. 1 mECU. T.A., supplies, evaluation. 7th EDF.
EDF REG 7901/007 A1c

Regional training centre for nursing administrators. 2.600 mECU. Trainers training, supply of equipment, T.A. and evaluation. Project on appraisal. 7th EDF.
EDF REG 7901/005 A6c, d, A7

CENTRAL AFRICA

UCAC — Central Africa Catholic University. EDF 1.800 mECU. Support for the Ekounou Campus in Yaoundé. Road works and distribution networks, student house building. Project on appraisal. 7th EDF.
EDF REG 7204 A6b

CIESPAC — Public Health Education Centre in Central Africa. 1.900 mECU. Student accommodation, equipment, scholarships, T.A. Project on appraisal. 7th EDF.
EDF REG 7205 A6b

MEMBER COUNTRIES OF I.O.C. — INDIAN OCEAN COMMISSION COMORES — MADAGASCAR — MAURITIUS — SEYCHELLES

Full automatisation of telecommunications in the Indian Ocean. Resp. Auth.: I.O.C. 3.3 mECU. Project in execution. 7th EDF
EDF REG 5512 (7) A2c

Technical cooperation framework programme. 1.800 mECU. T.A., auditing and evaluation, equipment, training. Project on appraisal. 7th EDF.
EDF REG 7501 A1b

Regional programme for applied research: fruit-fly. Resp. Auth.: Ministry of Planning and Development - Mauritius. 1.900 mECU. Supply of equipment, T.A., evaluation, training, follow-up - management. Project on appraisal. 7th EDF. EDF REG 7502 A3a

BURUNDI — RWANDA — TANZANIA — UGANDA — ZAIRE — KENYA

Northern Corridor-Rwanda. Rehabilitation of the road Kigali-Butare-Burundi border. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 8 mECU. Project on appraisal. 6th EDF. EDF REG 6310 (RW....) A2d

MEMBER COUNTRIES OF ECOWAS

Improvement of postharvest utilisation of artisanal fish catches. Resp. Auth.: Sierra Leone National Authorizing Officer as Regional Auth. Off. Technical Secretariat in Abidjan. 8 mECU. Interventions in 16 countries. Project in execution. 7th EDF. EDF REG 6126 (001) A3a

Guarantee Fund for Private Investments - Financing in Western Africa. FGIPAO - Lomé. Creation of a Guarantee Fund to cover partially credit risks given by Banks to the private sector. Total estimated cost 22.5 mECU. EDF 3.8 mECU - Others: France, Germany, E.I.B., Commercial Banks (E.U.). Development Agencies. Project on appraisal. Date foreseen for financing end 94. 7th EDF. EDF REG 7115 A5

MEMBER COUNTRIES OF P.T.A.

Regional integration in East and Southern Africa. Assistance to PTA Secretariat. (Preferential Trade Area). Short and long-term. T.A., studies, training. Estimated cost 1.500 mECU. Project on appraisal. 7th EDF. EDF REG 7316 A1b

PACIFIC ACP STATES

Integrated Regional Programme for management and Control of Fishery. Resp. Auth.: South Pacific Commission. 4.650 mECU. Supply of equipment and T.A. Project in execution. EDF REG 6709/001 A3a

South Pacific Regional Tuna resources assessment and monitoring project. Resp. Auth.: South Pacific Commission. 5 mECU. Supply of equipment, T.A., evaluation, training. Project in execution. 7th EDF. EDF REG 6709/002 A3a

Pacific regional agricultural programme. Phase II. Resp. Auth.: Forum Secretariat. Fiji. 9.265 mECU. Improvement and dissemination of selected crops, agricultural information and techniques to farmers. T.A. and supply of equipment. Project on appraisal. Date foreseen for financing end 94. 7th EDF. EDF REG 6704/001 A3a

ANGOLA — MOZAMBIQUE

Training in the port and maritime fields. Training by experts and consultants.

T.A., training and equipment. 0.950 m ECU. Project in execution. 7th EDF. EDF REG 7403 A6b

SADC

SADC Regional Customs Training Programme. Long-term. T.A. to the Botswana, Lesotho, Namibian and Swaziland customs services. Training and equipment. 1.9 mECU. Project on appraisal. 7th EDF. EDF REG 5412/7 A1b

SADC Language Training Programme. Resp. Auth.: Institute of Languages in Maputo as Regional Project Coordinator (RPC). 2 mECU. English language training and Portuguese language training. Monitoring-evaluation. Project on appraisal. 7th EDF. EDF REG 6415/6430/6433/7 A6

Regional training programme for food security. Resp. Auth.: Food Security Technical and Administrative Unit (FSTAU) in Harare. 5 mECU. Training and T.A. Supply of equipment by int. tender. Project on appraisal. 7th EDF. EDF REG 6420/7 A6ci

S.I.M.S.E.C. - SADC Initiative for Mathematics and Science Education Cooperation. To establish a professional unit, called SIMSEC Unit for information exchange, teacher training curriculum development, staff development, research cooperation and support for teachers' organisations. Project on appraisal. Estimated cost 5 mECU. Date foreseen for financing 2nd half 94. 7th EDF. EDF REG 6428 A6b

Wildlife Management Training Project. Resp. Auth.: SADC Sector for Inland Fisheries, Forestry and Wildlife. 8 mECU. Staff training, equipment and teaching materials, long-term T.A. evaluation. Project on appraisal. Date foreseen for financing March 94. 7th EDF. EDF REG 6408/002 A3e, A6b, A8f

SADC — MOZAMBIQUE

Beira port dredging contract. Resp. Auth.: Ministry of Construction and Water. 15 mECU. Dredging for two years of the access channel to the port of Beira. Works: 2 years, 4 million m³/year. Supervision and training. Project on appraisal. Date foreseen for financing 2nd half 94. 7th EDF. EDF REG 7401 A2d

BENIN — COTE D'IVOIRE — GHANA — GUINEA — GUINEA BISSAU — TOGO

Regional programme to increase awareness in western coastal African countries of natural resources protection. Resp. Auth.: Ministère de l'Environnement-Togo. Estimated cost 10 mECU. Priorities: fight against bush fires and deforestation and for soil protection. Project on appraisal. 6th EDF. EDF REG 6113 A3e

TANZANIA — KENYA — UGANDA — RWANDA — ZAMBIA — BURUNDI — ETHIOPIA — ERITREA — DJIBOUTI

Development and installation of the Advance Cargo Information System. ACIS. 8.500 mECU. Supply of computers software and T.A. Managed by UNCTAD. **Date financing October 94.** 7th EDF. EDF REG 7312 A2c, d

KENYA — UGANDA — TANZANIA

Lake Victoria Fisheries Research Project (Phase II). Project headquarter in Jinja-Uganda at FRI-Fisheries Research Institute. EDF part 8.400 mECU. T.A., supplies, training, monitoring and evaluation. Project on appraisal. Date foreseen for financing November 94. 7th EDF. EDF REG 5316/001 A3d

ACP COUNTRIES

Trade promotion. Trade development project. ACP-EC. To improve commercial performance. Estimated cost 7.200 mECU. T.A. actions, in twenty ACP countries for a preliminary period of two years. Project in execution. 7th EDF. EDF REG 70001/010 A5d, e

Support for the ACP cultural events in Europe - 94/95. Estimated cost 2 mECU. Project on appraisal. 7th EDF. EDF REG 7000/016 A5g

Assistance to the ACP/EU organisations working on the improvement production and commercialisation of base agricultural products on foreign markets. Resp. Auth.: APROMA. 7.7 mECU. Training and information actions, coffee, cocoa and oil seeds. **Date financing September 94.** 7th EDF. EDF REG 6048/002 A5d

Technical support for the health system in ACP countries. 1.850 mECU. Studies, T.A. **Date financing October 94.** 7th EDF. EDF REG 70012/012 A7e

Support to the Collaborative Masters Programme in Economics for anglophone Africa. Resp. Auth.: African Economic Research Consortium (AERC). EDF part 2 mECU. Participation of Departments of Economics in 17 universities. Equipment and teaching materials, scholarships, management, studies, evaluation. **Date financing October 94.** 7th EDF. EDF REG 70004/010 A6b

ACP COUNTRIES AND REGIONS

Programme of Community Support for Statistical Training (COMSTAT) 9.650 mECU. Production of reliable and up-to-date statistics by increasing the number of qualified statisticians working in national statistical systems. Project on appraisal. 7th EDF. EDF REG 70.004/005 A1e, A6e

MEDITERRANEAN COUNTRIES

ALGERIA

Structural Adjustment Support Programme. Sectoral Import Programme for building materials to finish 100,000 social housing units. 70 mECU. hard currency allowance to cover CIF imports. Management by Crédit Populaire d'Algérie (C.P.A.). Special accounts in the Central Bank. Banque d'Algérie (B.A.). Purchase by a positive list (electrical equipment - spare

parts). 1st int. tender launched. Project on appraisal. Date foreseen for financing 2nd half 94.

SEM AL 688-92 A1c

Support for the Algerian rural sector. 30 mECU. Project in execution.

SEM AL A3a

EGYPT

Nile Valley regional programme — Phase 2. 5 mECU. Project in execution.

SEM EGT A3a

Banking Sector Reform — Assistance for the Central Bank of Egypt. Resp. Auth.: Central Bank of Egypt. 9.9 mECU. Improvement the Central Bank capacity through training, provision of T.A. and equipment. Date financing October 94.

SEM EGT 689/94 A1

St. Katherine Protectorate Development Project. Resp. Auth.: Egyptian Environmental Affairs Agency, EEAA. 6 mECU. Protection of critical habitats, ecosystems and cultural heritage sites, through zoning and a management plan. Works, supplies and T.A. and training. Major equipment by int. tender. Project on appraisal.

SEM EGT 783/94 A3a

Support to population programme in Upper Egypt. Resp. Auth.: Ministry of Population and Family Welfare (MPFW). 10 mECU. Service delivery, contraception, supply and distribution, family planning, management unit, T.A. evaluation and monitoring. Project on appraisal. Date foreseen for financing November 94.

SEM EGT 867/94 A7c

Private Sector — Development Programme. PSDP. 25 mECU. Improvement of performances of private companies in domestic, regional and international markets. Business support programme. Information, T.A., monitoring, evaluation and audit. Project on appraisal. Date foreseen for financing November 94.

SEM EGT 898/94 A5

Veterinary Services Programme. Resp. Auth.: Ministry of Agriculture and Land Reclamation (MDALR). 20 mECU. Line of credit training, T.A., equipment. Project on appraisal. Date foreseen for financing November 94.

SEM EGT 932/94 A3a

JORDAN

Support for Structural Adjustment. Phase II. Hard currency allowance with negative list. 30 mECU. Project on appraisal. Date foreseen for financing end 94.

SEM JO 414/94 A1c

MALTA

Strengthening educational and economic relations with the Community. 1.7 mECU. Scholarships and traineeships, establishment of a Euro-Information Centre, integrated marketing programmes and tourism promotion. Different T.A. and purchase of equipment. Project in execution.

SEM MAT 91/431 A5c, d

MOROCCO

Support to promote and development of remote sensing. Resp. Auth.: CRTS — Centre Royal de Télédétection

spatial. EC contribution 4 mECU. Action for soil vegetation, sea (surface temperature), forests control, identification and support to the management of aquaculture zones and macro-seaweed. Specialized T.A. training, supply of equipments by Int. tender. Project on appraisal. Date foreseen for financing end 94.

SEM MOR 486/94 A3a

Support for the Caisses Locales de Crédit Agricole. EC contribution 16 mECU. To strengthen local banks providing loans to small farmers. Allowance to the CNCA — Caisse Nationale de Crédit Agricole. T.A. foreseen for training, follow-up and parallel evaluation. Project on appraisal. Date foreseen for financing end 94.

SEM MOR 486/94 A3a

Support for the Agricultural Development Fund. Resp. Auth.: Ministère de l'Agriculture et de la Mise en Valeur Agricole (NAMVA) — Caisse Nationale du Crédit Agricole (CNCA). 50 mECU. Line of credit and training, information, evaluation. Project on appraisal. Date foreseen for financing November 94.

SEM MOR 930/94 A3a, A5a

Support for Mother and Child Care. Resp. Auth.: Ministère de la Santé Publique. 9 mECU. Works by int. tender, studies, T.A., evaluation. Supply of equipment. Project on appraisal. Date foreseen for financing November 94.

SEM MOR 930/94 A7b

TUNISIA

T.A. Programme to promote quality. Resp. Auth.: INNORPI — Institut National de Normalisation et du Régistre de le Propriété Industrielle. EC contribution 5 mECU. T.A., training, supply of equipment. Project in execution.

SEM TUN 1-94 A4e

Hill barrages and irrigation systems development. Resp. Auth.: Direction Générale des Etudes et des Travaux Hydrauliques. 3 mECU. Works by acc. tender. Supply of equipment, studies, T.A. and training. Project on appraisal. Date foreseen for financing November 94.

SEM TUN 883/94 A3a

SYRIA

Electricity Sector Support Programme. Resp. Auth.: Ministère de l'Electricité — Société Publique d'Electricité, SME. EC contribution 11 mECU. Project management unit, training, master plan, transmission and distribution, functioning and control, computerized management system, assistance to the supervision of works (5 sub-stations — funded by E.I.B.). T.A. experts, supply of equipment by int. tender. Project on appraisal. Date foreseen for financing end 94.

SEM SYR 415/94 A2a, i

Banking Sector Support Programme. Resp. Auth.: Syrian Central Bank (SCB) and the Commercial Bank of Syria (CB). 4.5 mECU. Supply of T.A., computer equipment, training monitoring and evaluation. Major equipment by int. tender. Project on appraisal. Date foreseen for financing November 94.

SEM SYR 899/94 A1

Demographic sector programme in Syria. 2 mECU. Provision of quality Mother and Child Health/Family Planning services, population and housing census, strengthening civil registration system. Project on appraisal. Date foreseen for financing November 94.

SEM SYR 890/94 A7c

TURKEY

Vocational training programmes for tourism and mining. EC contribution 5.4 mECU. Seminars, staff, trainers, supply of equipment, studies. Project in execution.

SEM TU A5c, A4a, A6d

Programme to broaden relations between EC and Turkey. EC contribution 3.6 mECU. Scholarships, supply of equipment for the Universities of Ankara and Marmara. Training centre and language laboratory in Marmara. Establishment of a Euro-Turkish 'Business Council'. Project in execution.

SEM TU A6b

WEST BANK AND GAZA OCCUPIED TERRITORIES

Establishment of industrial park. 10 mECU. Construction and equipment of industrial parks. T.A. Project in execution.

SEM OT 94/04 A4

T.A. for the implementation of the development for the Occupied Territories. 5 mECU. Ad-hoc T.A. for different sectors. Project in execution.

SEM OT 94/05 A1b

Rehabilitation programme for Palestinian ex-detainees. 10 mECU. To reintegrate into Palestinian economy and society 12,000 ex-detainees. Education, training, job counselling, vocational rehabilitation, medical assistance, business start-up training and follow-up, family support, wage subsidies. Project on appraisal.

SEM OT 94/06 A6,7,8

Support programme for the Palestinian Police Forces. 10 mECU. Supply of vehicles and equipment. Project in execution.

SEM OT 94/08 A1d

Demographic indicators for the Occupied Territories. Resp. Auth.: Palestinian Bureau of Statistics (PBS). 1.400 mECU. Project in execution.

SEM OT 94/06 A7c

Support for the electoral registration process: registration materials. 0.100 mECU. Supply of registration materials. Nationals Elections Office — Palestinian Commission for Local Government and Elections. Project on appraisal.

SEM OT 94/07 A1c

EURO-MAGHREB COMMUNICATIONS S.A.R.L. PARIS

Euro-Maghreb training programme in communications. EC contribution 1.400 mECU. Seminars, scholarships for young professionals from Maghreb countries. Project on appraisal.

SEM REG 687.92 A5g

A.L.A. developing countries ASIA and LATIN AMERICA

BANGLADESH

Coastal Embankment Rehabilitation Project (CERP). EC contribution 15 mECU. Flood protection, forestry, agricultural development. Works, supplies and T.A. Project on appraisal. Date foreseen for financing 2nd half 94. A3a
ALA BD 9320

Bangladesh rural advancement Committee (BRAC). EC contribution 8.150 mECU. Project on appraisal. A3a
ALA BD 9307

BOLIVIA

Promotion and assistance for small private companies. EC contribution 8.795 mECU. T.A. and credit management. Short-list to be done. Project in execution. A5e
ALA BO 9339

Ministry of Development and Environment. T.A. to support the execution of programmes. 1 mECU. Project in execution. A3a
ALA BO 94/42

Rural development in the Mitzque and Tiraque valleys. 13 mECU. Different, T.A. for bridges, canals, improvement of cultivated soils. Project on appraisal. A3a
ALA BO 94/49

Support for export promotion. 0.980 mECU. T.A. and training for 30 Bolivians trade representatives. Establishment of 2 trade promotion offices in Europe. Information data system. Project on appraisal. A5d
ALA BO 94/52

Support for artisanal fisheries and aquaculture. T.A. to improve know-how. ★ 4 mECU. Project on appraisal. *Date foreseen for financing 1st quarter 95.* A3a
ALA BO 94/53

BRAZIL

Support for unprivileged children in the urban environment. EC contribution 8 mECU. T.A. and micro-projects. Short-list to be done. *Project in execution.* A8e
ALA BRA 94107

Cooperation for the quality in the industrial sector. EC contribution 0.400 mECU. T.A. Short-list to be done. Project on appraisal. A4g
ALA BRA 9465

CAMBODIA

Support for the agricultural sector and primary education. EC contribution 49.800 mECU. Supply of equipment, different T.A. studies. Project on appraisal. Date foreseen for financing end 94. A3a
ALA CAM 94/14

CHILE

Integrated development programme in the South. EC contribution 5.500

mECU. T.A. and supplies. Short-list done. Project in execution. A3a
ALA CHI 9358

CHINA (P.R.)

Development project to improve potato production in Qinghai. EC contribution 3.100 mECU. T.A. and supply of ★ equipment. *Project in execution.* A3a
ALA CHN 9410

China-Europa International Trade School. EC contribution 14.85 mECU. Situated in Jinqiao Pudong region - Shanghai. Conception - supervision of construction equipment, teachers, non academic ★ staff, training. *Project in execution.* A6b
ALA CHN 9408

COLOMBIA

Basic social services in Ciudad Bolivar. 8 mECU T.A. to the local services. ★ Training. *Date financing October 94.* A8b
ALA CO94/101

ACTUAR Project - Family enterprises. 4 mECU. T.A. Project on appraisal. A5c
ALA CO 94/40

Support for the creation of basic technological enterprises. 0.900 mECU. T.A. Project on appraisal.

ECUADOR

Relaunching the production and improving the quality of cocoa. EC contribution 2.870 mECU. T.A. and equipment. ★ Project in execution. A3a
ALA EQ 93/50

Management and control of supply and demand of the electricity. (CO-GECEL). EC contribution 0.400 mECU. Energy cooperation programme for Cuenca and Ambato cities. Project on appraisal. A2ai
ALA EQ 93130

Rehabilitation of the Paute zone. Estimation 12 mECU. T.A., training, supply of equipment. Project on appraisal. Date foreseen for financing October 94. A3a
ALA EQ 94/44

Environmental impact of the oil exploitation in the Amazone region. 7.313 mECU. Project on appraisal. A8f
ALA EQ 94130

EL SALVADOR

Health and basic health programme in the western region. EC participation 10 mECU. Drinking water, sanitation, health centres, infrastructures, training, T.A. Project in execution. A7c
ALA SAL 9330

Sonsonate Hospital Rehabilitation. EC participation 7 mECU. Infrastructures, supply of equipment, T.A. and training. Project in execution. A7a
ALA SAL 9331

Training in the geothermic energy sector. 0.600 mECU. T.A. and training. Project in execution. A2a
ALA SAZ 94/36

Support for the Informal Sector. ★ Phase II. EC contribution 7 mECU. *Date financing October 94.* A5e
ALA SAL 9483

Support for the Coffee Sector. Phase II. EC contribution 0.900 mECU. Project on appraisal. A3a
ALA SAL 9464

Support for the library system of the University of Salvador. EC contribution 0.950 mECU. Project on appraisal. A6b
ALA SAL 9467

GUATEMALA

Development aid to the indigenous populations in Central America. EC contribution 7.500 mECU. T.A. and supply of equipment. Project in execution. A3a
ALA GUA 9355

Programme to help street children in Guatemala City. EC contribution 2 mECU. T.A. and training. Short-list to be done. ★ *Project in execution.* A8e
ALA GUA 94109

Support for the informal sector. 7.500 mECU. T.A. training, line of credit. ★ *Date financing October 94.* A5
ALA GUA 94/47

Rural development programme in the Totonicapan Department. EC contribution 7.500 mECU. Works, supplies, line of credit, T.A. *Date financing October 94.* A3a
ALA GUA 9481

Rural Development in Baja Verapaz. EC contribution 8 mECU. Works, supplies, ★ line of credit, T.A. *Date financing October 94.* A3a
ALA GUA 9489

Rural Development in Alta Verapaz. EC contribution 7 mECU. Works, supplies, ★ line of credit, T.A. *Date financing October 94.* A3a
ALA GUA 9490

HONDURAS

Programme to help street children. EC contribution 0.600 mECU. T.A. and training. Project on appraisal. A8e
ALA HO 94118

INDONESIA

EC-Indonesian Forest Sector Support Programme. Resp. Auth.: Directorate General for Forest Inventory and Land Use Planning - Ministry of Forestry. EC contribution 25.882 mECU. Forest Inventory and monitoring, T.A. for detailed forest survey and mapping, training. Integrated Radio Communication Systems: T.A. for installation and training. Short-lists done. Project on appraisal. A3c
ALA IND 9242

EC-Indonesian Forest Programme: Forest Fire Prevention and control in South Sumatra. Resp. Auth.: Directorate General for Forest Inventory and Land Use Planning Ministry of Forestry. EC contribution 4.050 mECU. T.A. for establishment of fire prevention analysis and procedures, 3 pilot projects for fire management units and equipment. Short-list done. Project on appraisal. A3c
ALA IND 9212

MERCO SUR

EC-Merco Sur cooperation programme and T.A. for the agricultural sector. EC participation 11.200 mECU. Institutional and technical support in the

phyto-pharmaceutical and veterinary sectors. T.A., supplies, training and awareness raising. Project in execution.
ALA REG 9316 A3a

MEXICO

Multi annual programmes for business meetings. EC-Mexico. EC contribution 5.930 mECU. Business meetings in Europe and Fora in Mexico. T.A. and follow-up. Project in execution.
ALA MEX 94/02 A5d, e

NICARAGUA

TROPISEC — Development of small rural production in the dry tropical zone. EC contribution 7 mECU works, supplies and T.A. Project in execution.
ALA NI 9354 A3a

Consolidation of the legal framework for an advancement of the current economic expansion. EC contribution 18 mECU. T.A.: short-lists to be done. Project in execution.
ALA NI 9356 A1b

PAKISTAN

Post-flood rehabilitation and protection project. 20.5 mECU. T.A., road works, dam construction. Works by acc. tender. Project on appraisal. Date foreseen for financing end 94.
ALA PK 94/04 A8g

PANAMA

Support for rural SME's in the central region. 5 mECU. Supply of T.A. and line of credit. Project on appraisal. Date foreseen for financing December 94.
ALA PAN 94137 A3a

PARAGUAY

Durable development of the Paraguayan Chaco (protection of the indigenous zones and ecosystem). EC contribution 14.800 mECU. T.A. and training. *Date financing October 94.*
ALA PAR 93/40 A3a

PERU

Support for disadvantaged rural populations in the RENOM and INKA regions. EC contribution 10 mECU. Micro-projects, reforestation, road infrastructure rehabilitation, improvement of production and marketing, educational and health programmes. T.A. and training. Project in execution.
ALA PE 9244 A3a

Support for export promotion. EC contribution 3.774 mECU. T.A. Short-list done. Project in execution.
ALA PE 9357 A5d

Colca valley development programme. EC contribution 5 mECU. T.A. and supply of equipment. Short-list to be done. Project on appraisal.
ALA PE 9433 A3a

Women in rural situations. EC contribution 5 mECU. Piura and Ayacucho regions. Improvement of the women's conditions. Social services. *Project in execution.*
ALA PE 94/106 A3a

Vocational training programme. 6 mECU. T.A. training technical qualifications for non qualified young people. *Date financing October 94.*
ALA PE 94/55 A6d

Street children. 8 mECU. Project on appraisal. Date foreseen for financing end 94.
ALA PE 94127 A8c

PHILIPPINES

Rural integrated development programme in the Aurore zone. EC contribution 13 mECU. Works, supply of equipment and T.A. Project on appraisal.
ALA PHI 9326 A3a

Tropical forest protection in Palawan. EC contribution 17 mECU. Works, supplies and T.A. Project in execution.
ALA PHI 9337 A3a

COSTA RICA — HONDURAS — NICARAGUA

Action programme for adolescent women and young unmarried mothers. 4 mECU. T.A., coordination, management, follow-up. Supply of equipment. Project in execution.
ALA REG 9246 A8e

THAILAND

European Community Business Information Centre ECBIC Phase I. 2.204 mECU. Supply of equipment, materials, T.A. monitoring and evaluation. Project in execution.
ALA THA 93/761 A5e

URUGUAY

Integral development for rural communities. 4.800 mECU. T.A. Project on appraisal.
ALA URU 94/39 A3a

VENEZUELA

Rural development pilot project in Cojedes State. EC participation 5.275 mECU. Improvement of agricultural products and farmers' organisations. T.A., supply of equipment, line of credit. Project in execution.
ALA VE 9346 A3a

Biosphere reserve-upper Orinoco-Casiquiare. 6.396 mECU. Development plan, management, cartography, inventory, T.A. and equipment T.A.: short-list done. Project in execution.
ALA VEN 93/09 A3a

Support for the establishment of the National Centre for Energy and Environment. EC contribution 1 mECU. T.A., local services, training, seminars. Short-list to be done. Project on appraisal.
ALA VE 9415 A2a, A8f

VIETNAM

T.A. programme for transition to market economy. EC contribution 16 mECU. Project in execution.
ALA VIE 9336 A1b

ASEAN

EG-ASEAN patents and trademarks programme. Resp. Auth.: EPO — European Patent Office. EC contribution 6.5 mECU. T.A. and training. Project in execution.
ALA/ASN/REG 9223 A4g

COGEN Programme EEC-ASEAN Phase II. Technology transfer for co-generation of energy from biomass. EC contribution 5 mECU. Execution: Institut Asiatique de Technologie (AIT) in Bangkok. T.A. and equipments. Project on appraisal. Date foreseen for financing end 94.

AL-FA

AL-FA (Latin America — Academic Training). Community/Latin America university exchange programme. EC contribution 32 mECU. Postgraduate exchanges, student exchanges and T.A. Project in execution.
ALA 94/04 A6b

ANDEAN PACT

Programme to eradicate foot and mouth disease. EC contribution 1.800 mECU. Project on appraisal.
ALA REG 9463 A3a

DELEGATIONS OF THE COMMISSION

In ACP countries

Angola

Rua Rainha Jinga, 6
Luanda C.P. 2669
Tel. 393038 — 391277 — 391339
Telex 3397 DELCEE AN
Fax (244 2) 392531

Barbados

James Fort Building
Hincks Street, Bridgetown.
Tel. 427-4362/ 429-7103
Telex 2327 DELEGFED WB
BRIDGETOWN
Fax (1-809) 4278687

Benin

Avenue Roume, Bâtiment administratif
B.P. 910, Cotonou
Tel. 31 26 84/31 26 17
Telex 5257 DELEGFED — COTONOU
Fax (229) 315 328

Botswana

P.O. Box 1253 - 68 North Ring Road
Gaborone, Botswana
Tel. (267) 314 455/6/7
Telex BD 2403 DECEC
Fax (267) 313 626

Burkina Faso

B.P. 352
Ouagadougou
Tel. 307 385/307 386 - 308 650
Telex 5242 DELCOMEU — BF
Fax (226) 30 89 66

Burundi

Avenue du 13 Octobre
B.P. 103, Bujumbura
Tel. 3426/3892
Telex FED BDI 5031 — BUJUMBURA
Fax (257-22) 4612

Caméroun

QUARTIER BASTOS
B.P. 847, Yaoundé
Tel. (237) 20 13 87-20 33 67
Telex DELEFED 8298 KN
Fax (237) 202149

Cape-Verde

Achada de Santo Antonio
C.P. 122-Praia
Tel. (238) 61 55 71/72/73
Telex 6071 DELCE CV
Fax (238) 61 55 70

Central African Republic

Rue de Flandre
B.P. 1298 Bangui
Tel. 61 30 53/61 01 13
Telex 5231 RC DELCOMEU — BANGUI
Fax (236) 616535

Chad

Concession Caisse Coton. Route de Farcha
B.P. 552, N'Djamena
Tel. 51 59 77/51 22 76
Telex 5245 KD
Fax (235) 51 21 05

Comoros

Boulevard de la Corniche.
B.P. 559 — Moroni
Tel. (269) 73 23 06 — 73 31 91
Telex 212 DELCEC KO
Fax (269) 73 24 94

Congo

Av. Lyautey
near Hotel Meridien
B.P. 2149, Brazzaville
Tel. 83 38 78/83 37 00
Telex DELEGFED 5257
Fax (242) 83 60 74

Côte d'Ivoire

Immeuble 'AZUR' Bd, Crozet, 18
B.P. 1821, Abidjan 01
Tel. 21 24 28 — 21 09 28
Telex 23729 DELCEE — ABIDJAN
Fax (225) 214089

Djibouti

Plateau du Serpent, Boulevard du Maréchal Joffre
B.P. 2477 Djibouti
Tel. 35 26 15
Telex 5894 DELCOM DJ
Fax (253) 350 036

Dominican Republic

Calle Rafael Augusto
Sanchez 21
Ensanche Naco
Santo Domingo
Tel. (809) 540 58 37-540 60 74
Fax (809) 567 58 51
Telex 4757 EUROCOM SD DR

Equatorial Guinea

Apartado 779 — Malabo
Tel. 2944
Telex DELFED 5402 EG

Ethiopia

Off Bole Road
P.O. Box 5570, Addis Ababa
Tel. 251-1-61 25 11
Telex 217 38 DELEGEUR — ET
Fax (251-1) 61 28 77

Gabon

Quartier Batterie IV
Lotissement des Cocotiers
B.P. 321, Libreville
Tel. 73 22 50
Telex DELEGFED 5511 GO — LIBREVILLE
Fax (241) 736554

Gambia

10 Cameron Street
P.O. Box 512, Banjul
Tel. 227777 — 228769 — 226860
Telex 2233 DELCOM GV — BANJUL
Fax (220) 226219

Ghana

The Round House — Cantonments Road,
K.I.A.-Accra
P.O. Box 9505
Tel. (233-21) 774 2012-774 236-774 094
Telex 2069 DELCOM — GH
Fax (233-21) 774154

Guinea Bissau

Bairro da Penha, C.P. 359,
Bissau 1113
Tel. (245) 25 10 71/25 10 27/
251469/251471-72
Telex 264 DELCOM BI
Fax (245) 25 10 44

Guinea

Commission
Central Mail Department
(Diplomatic Bag Section — B 1/123)
Rue de la Loi 200, 1049 Bruxelles
Telex via Embassy Fed. Rep. of Germany 22479
Tel. (224) 41 49 42
Fax (224) 41874

Guyana

72 High Street, Kingston
P.O. Box 10847, Georgetown
Tel. 64 004-65 424-63 963
Telex 2258 DELEG GY — GEORGETOWN
Fax (592-2) 62615

Haiti

Delmas 60 - Impasse brave n. 1
(par Rue Mercier-Laham
B.P. 15.588 Petion-Ville
Port-au-Prince - Haiti - W.I.
Tel.: (509) 57-5485, 57-3491, 57-3575, 57-1644
Fax (509) 57-4244

Jamaica

8 Olivier Road, Kingston 8
P.O. Box 463 Constant Spring, Kingston 8
Tel. (1-809) 9246333-7
Telex 2391 DELEGEC JA
Fax (1-809) 9246339

Kenya

"Union Insurance House" 2nd and 3rd floors
Ragati Road
P.O. Box 45119, Nairobi
Tel. (254-2) 713020/21-712860-712905/06
Telex 22483 DELEUR — KE
Fax (254-2) 716481

Lesotho

P.O. Box MS 518
Maseru, 100, Lesotho
Tel. 313 726
Fax 266 — 310193

Liberia

34 Payne Avenue, Sinkor
P.O. Box 10 3049, Monrovia
Tel. 26 22 78
Telex 44358 DELEGFED LI — MONROVIA
Fax (231) 262266

Madagascar

Immeuble Ny Havana — 67 hectares
B.P. 746, Antananarivo
Tel. 242 16
Telex 22327 DELFED MG — ANTANANARIVO
Fax (261-2) 32169

Malawi

Europa House
P.O. Box 30102, Capital City
Lilongwe 3
Tel. 78 31 99-78 31 24-78 27 43
Telex 44260 DELEGEUR MI — LILONGWE
Fax (265) 78 35 34

Mali

Rue Guégau — Badalabougou
B.P. 115 Bamako
Tel. 22 23 56/22 20 65
Telex 2526 DELEGFED — BAMAKO
Fax (223) 223670

Mauritania

Ilôt V, Lot 24
B.P. 213, Nouakchott
Tel. 527 24/527 32
Telex 5549 DELEG MTN — NOUAKCHOTT
Fax (222-2) 53524

Mauritius

61/63 route Florea Vacoas
P.O. Box 10 Vacoas
Tel. 686 50 61/686 50 62/686 50 63
Telex 4282 DELCEC IW VACOAS
Fax (230-686) 6318.

Mozambique

C.P. 1306 — MAPUTO
1214 Avenida do Zimbabwe — MAPUTO
Tel. 1-49 02 66 — 1-49 17 16 — 1-49 02 71
1-49 07 20
Telex 6-146 CCE MO
Fax (258-1) 491866

Namibia

Sanlam Building
4th floor
Independence Avenue
Windhoek
Tel.: 264-61-220099
Fax 35135
Telex 419 COMEU WK

Niger

B.P. 10388, Niamey
Tel. 73 23 60/73 27 73/73 48 32
Telex 5267 NI DELEGFED — NIAMEY
Fax (227) 732322

Nigeria

4, Idowu Taylor St, Victoria Island
PM Bag 12767, Lagos
Tel. 61 78 52/61 08 57
Telex 21868 DELCOM NG LAGOS — NIGERIA
Fax (234-1) 617248

Abuja

Tel 09/5233144/46
Telex 0905/91484
Fax 09-5233147

Pacific (Fiji, Samoa, Tonga, Tuvalu and Vanuatu)

Dominion House, 3rd Floor
Private Mail Bag, G.P.O. Suva, Fiji
Tel. 31 36 33
Telex 2311 DELECOM FJ — SUVA
Fax (679) 300 370

Papua New Guinea

The Lodge, 3rd floor, Bampton Street
P.O. Box 76
Port Moresby
Tel. (675) 21 35 44-21 35 04-21 37 18
Telex NE 22307 DELEUR — PORT MORESBY
Fax (675) 217 850

Rwanda

Avenue Député Kamuzinzi, 14
B.P. 515, Kigali
Tel. 755 86/755 89/725 36
Telex 22515 DECCE RWMCI
Fax 250 — 74313

Senegal

12, Avenue Albert Sarraut, Dakar
Tel. 23 13 34 - 23 47 77 -
23 79 75
Telex 21665 DELEGSE SG
Fax (221) 217885

Sierra Leone

Wesley House
4 George Street
P.O. Box 1399, Freetown

Tel. (232.22) 223 975-223 025
Telex 3203 DELFED SL — FREETOWN
Fax (232-22) 225212

Solomon Islands
2nd floor City Centre Building
Solomon Islands
P.O. Box 844 — Honiara
Tel. 22 765
Telex 66370 — DELEGS
Fax (677) 23318

Somalia
EC Somalia Unit
Union Insurance House — 1st floor
Ragati Road
P.O. Box 30475 Nairobi
Tel.: (254-2) 712830 — 713250/251
Fax (254-2) 710997

Sudan
3rd Floor — The Arab Authority for Agricultural
Investment and Development Building
Army Road, Khartoum
P.O. Box 2363
Tel. 75054-75148-75393
Telex 23096 DELSU SD

Suriname
Dr S. Redmondstraat 239
P.O. Box 484, Paramaribo
Tel. 4993 22 — 499349 — 492185
Telex 192 DELEGFED SN
Fax (597)493076

Swaziland
Dhlan'ubeka Building, 3rd floor
Cr. Walker and Tin Streets
P.O. Box A.36
Mbabane, Swaziland
Tel. 42908/42018
Telex 2133 WD
DELEGFED MBABANE
Fax (268) 46729

Tanzania
Extelcoms House, 9th Floor
Samora Avenue
P.O. Box 9514, Dar es Salaam
Tel. 46459/60/61/62
Telex 41353 DELCOMEUR —
DAR ES SALAAM
Fax (255-51) 46724

Togo
Avenue Nicolas Grunitzky
B.P. 1657, Lomé
Tel. 21 36 62/21 08 32
Telex 5267 DELFED-TG
Fax (228) 211300

Trinidad and Tobago
The Mutual Centre
16, Queen's Park West
P.O. Box 1144, Port of Spain
Trinidad W.I
Tel. 62-2 6628/62-2 0591
Telex 22421 DELFED WG
Fax (809) 622-6355

Uganda
Uganda Commercial Bank Building,
Plot 12
Kampala Road, 5th Floor
P.O. Box 5244, Kampala
Tel. 233 303/ 233.304
Telex 61139 DELEUR — UG — KAMPALA
Fax (256-41) 233708

Zaire
71, Av des Trois Z
B.P. 2000, Kinshasa
By satellite: tel. 00871 1546221
Telex 00 581 154.62.21
Fax 00871 1546221

Zambia
P.O.Box 34871
Plot 4899
Los Angeles Boulevard
Lusaka
Tel. 25 09 06-25 07 11 -25 11 40
Telex 40440 DECEC ZA — LUSAKA
Fax (260-1) 250906

Zimbabwe
P.O. Box 4252
NCR House (10th Floor)
65 Samora Machel Ave.
Harare
Tel. 470.71.20/39/40/43
Telex 24811 ZW HARARE — ZIMBABWE
Fax (263-4) 725360

Netherlands Antilles
Scharlooweg 37
P.O. Box 822, Willemstad
Curaçao
Tel. (599.9) 618488
Fax (599.9) 618423

Aruba
L.G. Smith Blvd. 50, (P.O. Box 409)
Oranjestad
Tel. 297-8-34131
Fax 297-9-34575

In the Mediterranean Countries

Algeria
36, Rue Avezki Abri
Hydra-16035 Alger
Tel. 59 08 22 — 59 09 25 — 59 09 42
Telex 66067 EURAL DZ — ALGERIE
Fax (213-2) 593947

Cyprus
Irish Tower Court, 8th Floor
242 Agapinor Street, Corner of Makarios Avenue, PO Box
3480
Nicosia 137, Cyprus
Tel. (357-2) 36 92 02
Telex (605) 4960 ECDEL CY
Fax (357-2) 36 89 26

Egypt
6, Ibn Zanki St.-Zamalek
Tel. (20-2) 340 83 88 — 341 93 93 — 340 11 84 —
340 74 09
Telex 94258 EUROP UN ZAMALEK
Fax 3400385

Israel
The Tower, 3 Daniel Frisch St.,
TEL AVIV 64731
Tel. (972-3) 696.41.66
Telex 3421 08 DELEG — IL
Fax (972-3) 695 1983

Jordan
Al Jahez St. 15, Shmeisani, Amman
P.O. Box 926 794
Tel. 66 81 91/66 81 92 Amman
Telex 22 260 DELEUR JO AMMAN
JORDAN
Fax (962-6) 686 746

Lebanon
Immeuble Duraffourd, Avenue de Paris, Beirut
B.P. 11-4008, Beirut
Tel. 3630 30/31/32
Telex DELEUR 23307

Malta
Villa 'The Vines', 51
Ta'Xbiex Sea Front, Ta'Xbiex-Malta
Tel.: (356) 34 48 91-93-95, 345111
Telex: (356) 910 EC MLA
Fax (356) 34 48 97

Morocco
2 bis rue de Meknés-Rabat
B.P. 1302, Rabat
Tel. 7612 17/7612 46/7612 48
Telex 32620-(M)
Fax (212-7) 761156

Syria
Rue Chakib Arslan
P.O. Box 11269, Damascus
Tel. (963-11) 3327640/641
Telex 412919 DELCOM SY
Fax (963 11) 3320683

Tunisia
Avenue Jugurtha 21
B.P. 143, Cité el Mahrajene, 1082 Tunis
Tel. 78 86 00
Telex 14399 — TUNIS
Fax (216-1) 788201

In A.L.A. countries

Argentina
Plaza Hotel, Florida 1005, Buenos Aires
Tel.: (54-1) 312 60 01/09
Telex: 22488 PLAZA AR
Telefax: (54-1) 313 29 12

Bangladesh
Plot 7, Road 84
Gulshan — Dhaka
Tel. 88 47 30-31-32
Telex 642501, CECO BJ
Fax (88.02) 88 31 18

Brazil
Q.I. 7 — Bloc A — Lago Sul — Brasília (D.F.) Brasil
Tel.: (55.61) 248.31.22
Telex.: (038) 61.25.17/61.36.48 DCCE BRE
Fax.: (55-61) 248.07.00

Chile
Avenida Américo Vespucio SUR 1835, Casila 10093,
Santiago (9) Chile
Tel.: (56) 22.28.24.84
Telex: (034) 34.03.44 COMEUR CK
Fax (56) 22.28.25.71

China
15 Dong Zhi Men Wai Dajie
Sanlitun, 100600 Beijing
Tel.: (86-1) 532 44 43
Telex: (085) 222 690 ECDEL CN
Fax (86-1) 532 43 42

Colombia
Calle 97 n° 22-44
94046 — 14 Bogota 8
Tel. (57-1) 236 90 40/256 48 28/256 84 77
Fax (57-1) 610 00 59

Costa Rica (HQ of the Delegation for Central America)
Centro Calón — Apartado 836
1007 San José
Tel. 332755
Telex 3482 CCE AC
Fax (506) 210893

India (HQ of the Delegation in South Asia)
65 Golf Links
New Delhi 110003
Tel. 462 92 37/38
Telex 61315 EUR-IN
Fax 462 92 06

Indonesia (HQ of the Delegation for Brunei, Singapore
and the ASEAN Secretariat)
Wisma Dharmala Sakti Building, 16th floor
J.L. Jendral Sudirman 32
P.O. Box 55 JKPD Jakarta 10 220
Tel. 570 60 76/68
Telex 62 043 COMEUR IA
Fax (62-21) 570 6075

Korea
ICON Building
33-12 Changchoong-dong 1-ga
Choong-Ku
Seoul 100-691 - Korea

Mexico
Paseo de la Reforma 1675,
Lomas de Chapultepec C.P.
11000 Mexico D.F.
Tel. (52-5) 540.33.45 to 47 — 202.86.22
Telex: (022) 176.35.28 DCCEME
Fax (52-5) 540.65.64

Pakistan
No 9 Street n. 88
G-6/3, Islamabad
P.O. Box 1608
Tel. 82 18 28-82 24 15-82 30 26
Telex 54044 COMEU PK
Fax (92) 822604

Peru
B.P. 180 792, LIMA 18
Manuel González Oleachea 247
San Isidro, Lima 27
Tel. (5114) 41 58 27/32-403097
Telex 21085 PE-COMEU
Telefax (51-14) 41 80 17

Philippines
Salustiana D. Ty Tower,
7th Floor 104,
Paseo de Roxas corner
Perea Street — Legaspi Village — Makati
Metro Manila
Tel. (63-2) 8126421-30
Telex 22534 COMEUR PH
Fax (63-2) 812 66 86 - 812 66 87

Thailand (HQ of the Delegation in Indochina, Thailand,
Malaysia)
Kian Gwan House 11 — 19th floor
140/1 Wireless Road
Bangkok 10 330
Tel. 255 91 00
Telex 82764 COMEUBK TH
Fax (66 2) 2559114

Uruguay
Boulevard Artigas 1257
CP 11200 Montevideo
Tel.: (598) 2.40 75 80
Telex: 23925 CCEUR UY
Fax (598) 2-41 20 08

Venezuela
Calle Orinoco — Las Mercedes
Apartado 768076, Las Americas 1061 A
Caracas
Tel. 91 51 33
Telex 27298 COMEU
Fax (582) 993 55 73

In the OCT

OFFICES OF THE COMMISSION

In ACP countries

Antigua & Barbuda

Alpha Building 2nd floor
Redcliffe Street
St. John's, Antigua W.I.,
P.O. Box 1392
Tel. and fax (1-809) 4622970

Bahamas

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P.O. Box N-3246, Nassau
Tel. (32)55850
Telex DELEGEC NS 310

Belize

1 Eyre Street
P.O. Box 907
Belize City, Belize
Tel. (501-2) 72785 and fax
Telex 106 CEC BZ

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Telex 3431 CWBUR GA
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Fax (1809) 4404151

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Fax (239-12) 22683

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Fax (248) 323890

Tonga

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Taufa'ahau Road, private mailbag n° 5-CPO
Nuku Alofa
Tel. 23820
Telex 66207 (DELCEC TS)
Fax 23869

Vanuatu

Orient Investment Building, Ground Floor,
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Fax (678) 23282

Western Samoa

PO Box 3023,
Loane Viliamu Building, 4th floor, Apia
Fax (685)24622

In the OCT

New Caledonia

21 Rue Anatole France
B.P. 1100 Noumea
Tel. (687) 27 70 02
Fax (687) 28 87 07

Commission of the European Union Representation Office in Turkey

15, Kuleli Sokak
Gazi Osman Pasa, Ankara
Tel. 137 68 40-1-2-3
Telex 44320 ATBE TR
Fax (90-312) 437 79 40

Commission of the European Union Delegation in the South African Republic

2, Greenpark Estates
27, George Storer Drive Groenkloof, Pretoria
0181 South Africa
Tel.: (0027-12) 46 43 19
Fax (0027-12) 46 99 23

Liberalising capital flows in developing countries

Bernhard Fischer and Helmut Reisen - OECD, Rue André Pascal 2, 75775 Paris Cedex 16, France - 1993 - ISBN 92-64-13993-1 - 155 pages

This study, which forms part of the OECD Development Centre's 1990-92 research programme, tackles the highly topical issue of capital liberalisation as it affects developing countries. The subtitle of the work; 'Pitfalls, Prerequisites and Perspectives' gives a good indication of what the reader (who would need to have a good grounding in economic theory) might expect and the authors go on to give a closely argued and balanced analysis of the reasons for adopting liberalisation measures, before discussing the advantages and disadvantages which are likely to flow from this.

The rationale for engaging in research in this area is set out in the executive summary, where three reasons are advanced for the increasing interest of policy makers in adopting a more open legal regime in their capital markets. In the first place, the authors point to a *de facto* liberalisation which has taken place as trade integration and financial innovation have progressively undermined the effectiveness of existing controls. A second factor is the pressure to liberalise which is brought to bear on some countries during bilateral trade discussions, while thirdly, for those within the OECD, there is a code which commits member countries, in their relations with each other, to eliminate restrictions on invisible operations and capital movements.

The last of these elements may not be immediately relevant to developing countries but the first two certainly are and this study may serve a useful purpose in offering an objective assessment of the pros and cons of capital liberalisation and of the various approaches that might be tried. In this context, there are some helpful case-studies which look at the whole range of currency policies from freely floating exchange rates through 'managed floating' to a system of pegged values. The study also considers the micro- and macro-economic consequences of freeing up the capital markets, the problems of financial instability and bad loans, and the role of the relevant financial institutions. ■ S.H.

PUBLICATIONS RECEIVED

The World Bank — Annual report 1994, ISBN 0-8213-2545-0, European Office:

World Bank, 66, avenue d'Iéna, 75116 Paris (France)

This year, the World Bank notes a considerable increase in the financing of investments, a decline in loans for structural adjustment and greater account being taken of environmental, social and human aspects

Global economic co-operation,

A guide to agreements and organisations by Bernard Colas, available from Kluwer Law and Taxation Publishers, PO Box 23, 7400 GA Deventer (Netherlands), ISBN 90-6544-793-1, 1994, Dfl. 125 or US\$ 65 or £46

The first edition of this work, published in French in 1990, was entitled 'Accords économiques internationaux: répertoire des accords et des institutions'. The present, updated edition is published in English and aims to provide a complete, consistent overview of the world economic, legal and institutional system

The Caribbean Handbook 1994/1995,

FT Caribbean (BVI) Ltd., European office: FT Caribbean, 3a Sloan Avenue, London SW3 3JD (UK), US\$75 or £50

This annual guide gives all the useful political and economic information for each country of the region, covering business and professional circles, the media, trade figures, fiscal policies, etc.

Appui à l'autopromotion des organisations paysannes dans un système d'irrigation villageoise

(Support for the self-promotion of farming organisations in a village irrigation system), Agricultural University Wageningen, 11, Nieuwe Kanaal, 6709 PA Wageningen (Netherlands), Dfl. 30 or US\$ 16

This is a training guide for on-site personnel: agricultural advisers, members of NGOs, instructors etc.

India ISBN 90-5146-043-0 and Tanzania ISBN 90-5146-042-2

Ministry of Foreign Affairs, Directorate-General International Cooperation, The Hague (Netherlands)

Evaluation of Dutch development policy in India from 1980 to 1992 and in Tanzania from 1970 to 1992

Strumenti finanziari per la cooperazione economica tra piccole e medie imprese italiane e dei paesi in via di sviluppo

Cicsene, Via Borgosesia 30, 10145 Torino (Italy)

A directory of financial instruments available to Italian SMEs wishing to obtain international status and to invest in developing countries

Education au développement

(Education for development), coll. Références documentaires, CNDP, 77568 Lieusaint Cedex, ISBN 2-240-70844-1, FF 70

This bibliography, drawn up jointly by the Centre national de documentation pédagogique and the Comité français pour l'Unicef, is intended primarily for teachers. It provides essential information for knowledge and reflection on education in development and practical ideas to promote educational and instructive activities

Les métiers de la solidarité internationale

(The business of international solidarity) by Véronique Hordan, L'Harmattan, 5/7, rue de l'Ecole Polytechnique, 75005 Paris, ISBN 2-7384-2017-6, 1993

Valid for France, this guide has been prepared on the initiative of the humanitarian organisation 'Partenaires sans frontières'. It presents an eclectic panorama of solidarity (NGOs, international organisations, foundations, consultancy bureaux) and depicts the major trends in this sector, indicating how to become a charity worker, volunteer or employee

Mémoires du désert Des Sahéliens se souviennent

(Memories of the desert - Sahelians remember), Panos, L'Harmattan/SOS Sahel (GB), directed and written by Nigel Cross and Rhiannon Barker, ISBN 2-7384-2375-2, Paris, 1994

SOS Sahel Great Britain, a non-profit organisation working for the protection and regeneration of the environment, recorded the accounts of 500 Sahelians - middle-aged men and women in all the eight countries of the region - who have much to say about the ecological, economic, political and social upheavals in this territory

Funérailles d'un cochon

(Funeral of a pig) by David Jaomanoro and 13 other short stories, RFI-ACCI-SEPIA, ISBN 2-90788-45-4, 1994

The unpublished works of 1993 of the World Competition for short stories open to all amateur and professional authors writing in French, organised by Radio France Internationale (RFI) and the Agence de coopération culturelle et technique (ACCT) ■

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Address:

Postal address
(mail only)
'The ACP-EU Courier'
Commission of
the European Communities
200, rue de la Loi
1049 Brussels
Belgium

The Courier office address (visitors)

First floor
Astrid Building
1, rue de Genève
Evere - Brussels
Belgium

Publisher

Peter Pooley
Commission of the
European Communities
200, rue de la Loi
1049 - BRUSSELS
(Belgium)
Tel. 00-32-2-299 11 11
Telex COMEURBRU 21877

Editor

Dominique David

Deputy Editor

Lucien Pagni

Assistant editors

Roger De Backer
Augustin Oyowe
Simon Horner
Robert Rowe

Associate assistant editor

Hégel Goutier

Secretariat:

Katya Heyen (295-26-31)

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