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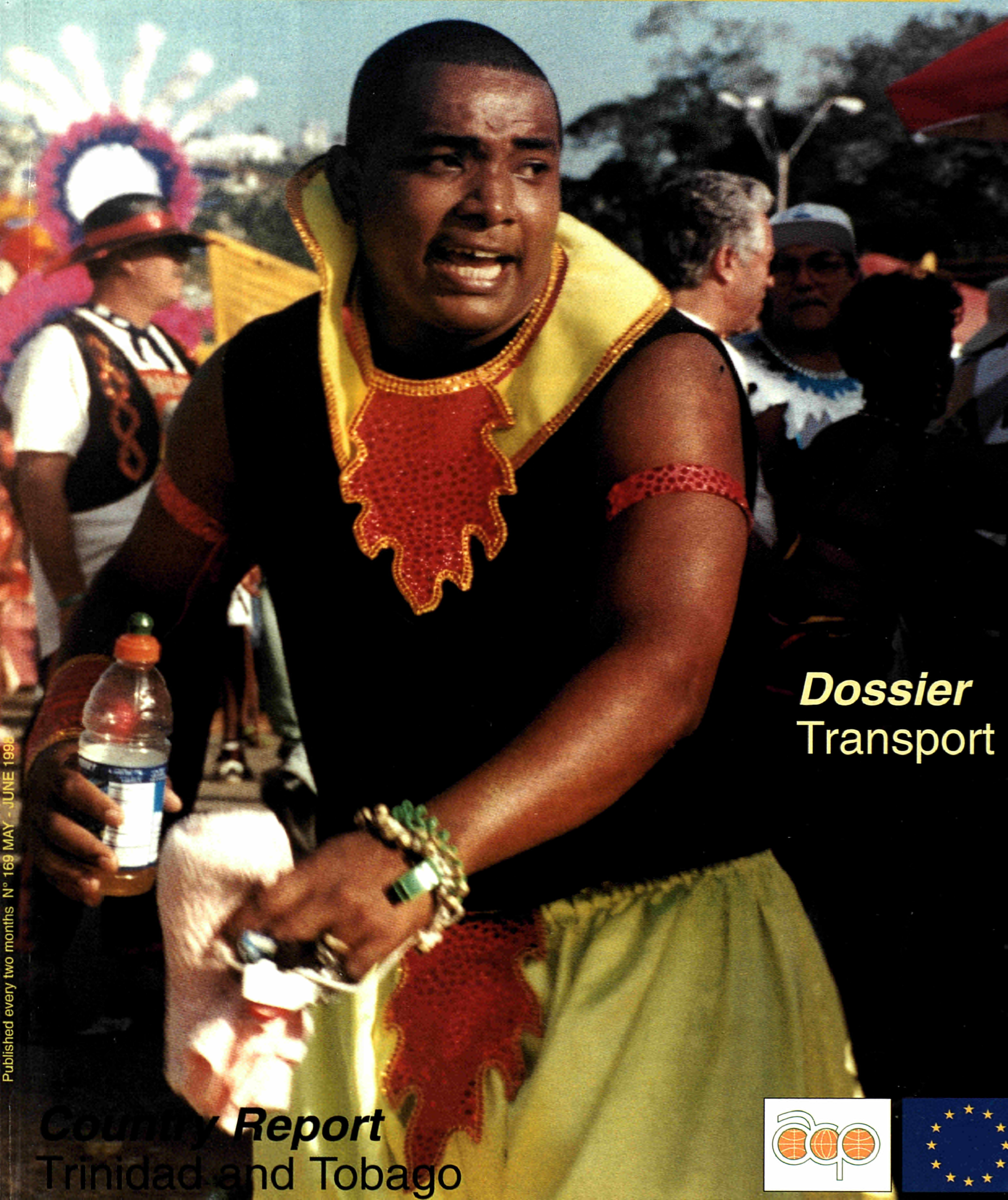

Dossier
Transport

Published every two months N° 169 MAY - JUNE 1998

Country Report
Trinidad and Tobago

COUNTRY REPORT

Trinidad and Tobago

The tremendous vitality of the culturally diverse population in this twin-island state seems to be reflected in the economy. Whilst the energy sector provides the economic backbone (resulting in vulnerability to oil price fluctuations) the petroleum economy has attracted a lot of new business, notably in the service and manufacturing sectors. The government is now trying to diversify as much as possible, investing in human resources and capitalising on its tourism potential - and not just at Carnival. Foreign investors are being sought to participate in this drive. They stand to benefit from the country's plans to develop wider regional markets, notably with fellow Caricom states and in Latin America. The European Union also features in the drive to forge stronger links with trading blocs.

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DOSSIER

Transport

If prosperity is to be built on competition and the free exchange of goods and services, then good transport facilities are fundamental. In developing countries, the main problem is usually one of inadequate infrastructures. Efficient networks for moving produce and people around are an essential lubricant, particularly if one is serious about integrating the developing nations into the global economy. In the industrialised world, systems may be more advanced but congestion and pollution are growing concerns and decision-makers face difficult choices as they seek to maintain mobility and protect the environment. Focusing particularly on the ACPs, we feature some of the key issues affecting different modes of transport, and look at problems and possible solutions in this crucial sector.

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The ACP-EU Courier

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No 169 - May-June 1998

MEETING POINT

Philip Lowe, Director-General for Development at the European Commission

'Combat poverty and help our ACP partners to expand trade, investment and employment: these are the 21st century challenges'

Tackling poverty, integrating the ACPs into the world economy and enabling them to compete in the global trading system – these are the key areas where Philip Lowe, the European Commission's new Director-General for Development, is determined to achieve progress. He took up his post at the end of 1997 having recently served as Head of Cabinet to Neil Kinnock, the Commissioner dealing with transport questions. He previously worked in regional and rural development, in banking and in private industry. With negotiations due to begin this year on a successor to Lomé IV, Mr Lowe also sets his sights firmly on making better use of limited aid resources. We began by asking him what he thought would be the key elements of ACP-EU cooperation in the new millennium.

– There is a very strong consensus worldwide between governments and international institutions on what the fundamental objectives should be. The major concern is **the eradication of extreme poverty:** finding a growth path for the developing countries which enables them to find prosperity and to tackle the extreme forms of poverty that are a blight on society throughout the world. The second most important thing is to **support strategies that allow these countries to integrate fully into the world economy.** That means supporting them in developing competitive advantages in various sectors and enabling them to find a trade framework that allows them to build on their strengths, whether it is in manufacturing, services, mining or tourism. Those are the two main development objectives.

Obviously, below that, development policy has a number of underlying aims. The first is to provide the wider framework in which proper economic development can take place. The essential precondition here is to have peace and stability in the regions and countries concerned. That involves us very much in issues of conflict prevention and resolution, rehabilitation and redevelopment. It involves us in democratisation, in promoting good governance and in helping to create the structures of society which help sustain democracy. Also, in preserving

the fundamental rights of individuals and ensuring the rule of law. You need a government that offers protection to individuals, gives them opportunities to develop their capacities and provides a predictable framework for business.

Beyond these political aspects, we necessarily have to look at how we can provide a trade framework for our ACP partners and how we can best support their development strategies. The Commission has outlined its approach in its proposals for the negotiation of a post-Lomé partnership agreement – which set out the kind of policies it thinks our Member States should put forward. As far as trade is concerned, we hope that over the period 2000-2005, we can provide the basis for further regional integration of trade. The most obvious way to increase trade is first, within your own national borders and then with your neighbours. Beyond your neighbours, the traditional partners are always there. ACP countries realise that in a very competitive world, there are advantages in having partners in the developed world – in production but also in marketing and distribution so that their products can be more easily marketed in Europe. Beyond regional integration, we believe it should be possible to develop free trade areas with the EU, and ultimately, therefore, to see these countries reach a situation where they can stand alone in the international economy.

As for development strategies, support will continue – to encourage the growth of certain productive sectors or provide the fundamentals for development in areas such as health, education and infrastructure. The future emphasis is very much on our partners owning their own policies, proposing to us what they want to do.

■ *You mentioned the possibility of free trade areas developing with the EU. The WTO regime clearly makes it extremely difficult to retain preferential trading arrangements. For the ACPs, that seems to leave either the option of a free trade area with the EU or reverting to GSP status – which one NGO has described 'as a choice between the devil and the deep blue sea'. How would you respond to that?*

– I think that this is based on a misconception that the Commission is asking our partners to jump from the warm sand into the cold sea in one fell swoop. We are talking here about a *progression* towards free trade area status and the proposals we have made are based on that assumption – taking account of the need for structural adjustment and recognising realistically that nothing is possible overnight. So the proposals to be made this year involve examining what can be done between 2000 and 2005. Until 2005, we will ask for an overall waiver from the WTO. And if it proves possible to arrive at a free trade area agreement with, say, West, East or Southern Africa, or the Caribbean, which is compatible with the WTO rules, even that would involve at least a ten-year transition period.

If you ask our NGO colleagues if they favour the progressive integration of ACP countries into the world economy, I think they would agree that within a 15 to 17-year time horizon, it should be possible to achieve that objective. And if it turns out not to be possible, then for certain countries, as we have indicated in the mandate, we may have to seek other arrangements. It is illusory to suggest that maintaining the present preferences will help these countries very much. There has already been a general reduction in tariffs throughout the world and this will be taken further in the next multilateral round in two years time. This process is diluting the importance of the ACP preferences.

We must find new ways to help our ACP partners develop trade. Free trade area arrangements, based on an initial period of preparation and regional integration followed by agreements with traditional trading partners is, in our view, a very good way to tackle the challenge. I am confident that the Commission, and indeed the Council of Ministers, will argue within the WTO on behalf of its partners if further exceptions or derogations are needed.

■ *So you are confident that the WTO will make concessions. There is a waiver at the moment for the Lomé system but there is an impression that the world trade body is less than enthusiastic about new exceptions being created. And, of course, its 'panels' have a quasi-judicial function.*

– I am personally confident that our proposals are in line with the WTO philosophy, given that the ultimate objective is to adapt to competitive world conditions. But transition periods are required, recognising the need for structural adjustment. Clearly, the WTO at present is finding its feet in terms of its decision-making processes. They have to look at individual situations and decide what view to take. We are anxious they should recognise the strong development component in the situation of a number of countries. If we take the example of the traditional banana producers, we are concerned that their adjustment problems should be acknowledged. One has to be realistic – you can't diversify entire economies overnight. But everyone agrees that the organisation of world trade, policed by the WTO, is the best way forward. If we have a set of rules that everyone accepts, and which can be reinforced or adjusted over time to take account of specific situations, that is better than a free-for-all.

■ *There are those who argue that over the past four decades, development assistance has failed to achieve sustainable economic growth and that this area would be better left to the market. What is your view?*

– If we are talking about the so-called 'level playing field', I don't think that a country half of whose people live in poverty, with few children getting more than primary schooling and with very poor education, transport and health infrastructures, can be described as playing on an equal basis. There is a huge structural gap and it is recognised that it is incumbent on the developed world to help developing nations reach the situation where they can operate competitively and autonomously in world markets. The objective is not in dispute. The question is how we get there, and whether the developing countries are capable of doing it without assistance.

A second point relates to how aid is spent – has it been worthwhile or not. It is true that performances in the developing world have been mixed. Some states have moved out of the 'developing' category and have been able to build on their success. Others have lagged behind. Whether, in the absence of aid, they would have performed as well or better is very questionable. In many cases, the aid which has been provided has certainly presented a further deterioration in the situation.

My third point is the general recognition that assistance should be made more effective. All donor organisations have been asking themselves how this can be done. One clear objective should be to pay attention to how the money is actually spent and also to recognise that money is scarce as far as development assistance is concerned.

■ *Do you recognise that there is a certain 'donor fatigue'?*

– I don't think anyone is fatigued by the need to help ACP countries, particularly in Africa, to develop faster. But they are frustrated that in certain areas, it has not been as speedy as it should have been. There is also the fact that in national budgets, and in the EU budget, there are many other priorities. We now have quite significant sums going to Central and Eastern Europe, to countries which will join the Union and those in the former Soviet Union who are developing economic relationships with us. The Mediterranean nations have a right to some solidarity also from the EU,

Banana farmer in St. Vincent.
'We are concerned that the adjustment problems of traditional banana producers should be acknowledged.'

and there are growing relationships with Latin American and Asia

But the major challenge remains; how can we help the countries that have benefited least from the recent increase in trade and growth throughout the world – and these are mostly in Africa. They have not seen their exports develop very fast, even to Europe. Up to 1995, their average growth rate was around 1.4%. In the last two years, it has risen to between 4% and 5% but bearing in mind average population growth of 2.8%, the net economic growth is still insufficient to meet the two key objectives – poverty eradication and progressive integration into the world economy. So it is a real challenge to ensure that we spend the money correctly and in due time to make a real difference.

I am concerned that there is not the right sense of urgency about the way the European Development Fund (EDF) monies are deployed. There is a spirit of open-ended financial commitment to the authorities of the ACP countries, without a parallel commitment, both from the EU and the ACP side, to have that money either spent, or reallocated to areas where it can be used more effectively straightaway. So this year I shall be piloting regular country reviews looking at all the amounts we spend in each country both from the EDF and the EC budget. This exercise will be repeated every year. We want to see, with our ACP partners, where things are going well and where we can put in more to get a better result more quickly. Where things are going slowly, we need to ask if there is any point in looking for ways to accelerate things or whether we should divert the funds to other programmes which can be implemented more speedily. The result of this more dynamic budget management should be a closer monitoring of the use of the money against the results to be obtained – both in terms of amounts spent and in the achievement of the objectives.

■ *The Commission is just one EU actor involved in implementing development policies. How would you define its role vis-à-vis the Member States who have their own bilateral systems?*

– The Member States want the Union to have a development policy and to channel a certain amount of money through that policy. About a fifth of all funds are directed through the EU and the benefits are significant. First, the EU is, in general, present in all ACP countries. It is able to bring together expertise from all the Member States. The economic benefits are open also to the industries and services of the whole of the EU. Second, the EU is seen as a neutral source of funds for a number of countries who have come out of traditional colonial relationships. And its presence in so many different countries allows it to promote regional initiatives which Member States themselves are less able to do because they may only be present in one or two of the countries in any particular region.

That being said, there is every interest for the Member States and the Commission together to develop a complementary European approach. This doesn't mean the Commission wants more competence to develop its own programmes. But in any individual country, it should be possible to decide whether a Member State or EU-sponsored project or programme is of more interest in a particular sector. That is why I brought together the Directors-General of the national administrations on February 3 this year to discuss ways of bringing our efforts closer together. It isn't simply a matter of coordinating or exchanging information in the technical sense. It means seeing how far we can identify comparative advantages. For example, in any particular ACP country, would it be better for the EU to lead in the health sector? Would it be better for Sweden to lead in the field of education? Are we more qualified in Mozambique, or should we recognise that the World Bank may have an advantage there?

■ *Isn't this already happening – in Mozambique for instance, which you mention?*

– Yes. We are going to build on a number of experiences which are already under way, both with the bilateral agencies and the World Bank, to try and generalise this kind of systematic review. That should improve the final outcome and mean we get a better result for every ECU spent.

■ *Prior to becoming Director-General for Development, you headed the office of the Commissioner responsible for EC transport policy. Are there any lessons that you might be able to draw from that experience when looking at transport issues in ACP countries?*

– I think the title of the EU's strategy paper on transport within the Union – 'Towards Sustainable Mobility' – is instructive. The aim is to contribute to the creation of transport systems that are at the service of individuals and businesses throughout the EU. As such, it does not focus on individual pieces of equipment or particular modes of transport, but on centring transport where the demand for mobility exists. At the same time, it recognises that this imposes pressures on the environment. We have got to find sustainable systems to do what is required in this sector. And although the circumstances differ, the mobility challenge is something that also faces most of our ACP partners. They too have to work out what kind of transport systems they are likely to need. On average, for every 1% growth in the economy, demands for mobility grow by 1.5% So transport is, by definition, a growth sector in an expanding economy.

Whichever ACP region we look at, we see there is a major transport challenge. Economic integration, even at the national level, is hindered not just by poor infrastructures but also by a failure to promote a common market in transport services. The latter is something that has been done in most European countries and, rather more slowly, at the level of the EU. So the European Union has a lot to offer in its experience of developing transport systems. It has also drawn up, at both national and European level, the regulations needed for an effective transport market – in areas such as road licensing, and aircraft safety. We would hope that a number of basic requirements, which we view as absolutely fundamental in Europe – safety in particular – will increasingly become part and parcel of ACP national transport policies. It is disturbing to see, for example, that air safety in some parts of Africa has deteriorated. Having said this, the main challenge is still the infrastructure – and it will be for a long time to come.

■ *The Commission departments dealing with external relations are being radically reorganised. In particular, a new Common Service is being set up which will have the task of executing EC policies and pro-*

VIVANT UNIVERS

Slow river crossing in Africa.
'The main challenge is still the infrastructure'.

grammes with all our partner countries (both ACP and non-ACP). What is the thinking that lies behind this approach?

– The creation of a Common Service for administering and implementing all financing decisions in the development cooperation area should bring significant economies and other advantages. Companies in Europe often complain about the plethora of rules and procedures – which differ significantly between one area of the world and another. With a Common Service, and harmonised procedures, that complexity should be removed, making it easier for companies to participate more effectively in development efforts. The new arrangement should also ensure a better division of tasks allowing the policy departments of the Commission dealing with external relations to concentrate on two major areas: first, getting the policies right, developing them and negotiating them with individual countries and second, programming the initiatives they want to be financed, and obtaining approval from the Member States where necessary. The Common Service will then have a clear mandate from the policy directorates-general to examine individual projects and dossiers, to finalise their technical aspects, to put them out to tender in the EU and ACPs, and to build up systems which provide for systematic evaluation of project implementation. This is a big task, not just for the new service – which will be ably headed by Philippe Soubestre – but also for the delegations who will have necessarily a central role in the implementation phase.

I think we should also recognise that the external services of the Commission are really one 'family' grouped around three major policy areas – our political dialogue with all third countries, our trading relationships, and our relations in development cooperation. It doesn't make much sense for DG VIII to develop policies on education, human rights, or conflict resolution which are totally at odds with those applied by the other departments. So beyond the establishment of the Common Service, work is under way in the context of a more general screening of the Commission's operations, to see how we can achieve even better results through a more streamlined organisation of the external services. As a family, we have to work together and there must be close relationships between all the relevant services.

■ *Finally, how would you sum up the way ahead for ACP-EU cooperation?*

– The proposal we made on the mandate for a post-Lomé agreement with the ACPs centres very much on *partnership*. This is meant to indicate that we are now in a mature dialogue with those countries, where we expect them to take on more responsibilities for initiating policy at national level, and in implementing policies. We are there to provide support on the basis of a contract between us. The EU – and I am talking here not just about governments, but also public opinion – wants us to be seen more visibly achieving results in the delivery of aid. They want to see us contributing to peace and stability. And they want African, Caribbean and Pacific countries to develop and become partners in the full sense of the word. It must not be a relationship of dependency, but a solid partnership based on our close and longstanding historical ties, building a better future for everyone. ■

ACP

Supporting the private sector in Burkina Faso

by Thierry De Coster*

In 1994, member countries of the CFAF zone suffered a 50% devaluation of their currency. Various economic arguments were offered as justification for this political decision: competitiveness would be improved *vis-à-vis* external competition; there would be a boost to exports; the price of imported products would increase and, therefore, domestic consumers would buy more local goods.

In practice, devaluation did lead to price changes. Import costs increased hitting the 'inputs' budget of those economies that depended particularly on goods from abroad. There were sizeable price rises (around 30%) in Burkina Faso in 1994, although the rate dropped back sharply to 5% the following year. Positive effects of devaluation included the fact that import coverage increased from 49% during the 1980s to 60% in 1995. Cotton exports rose while those of livestock soared and the nation's customs receipts also went up. But this was not the complete picture. Some industrial units that relied heavily on imported goods found themselves penalised.

A crucial aspect of developing economies, which should be taken into account, is the informal or 'non-structured' sector. It is estimated that this contributes 30% of Burkina Faso's GDP and provides about three quarters of urban jobs. Its importance also derives from the fact that it is a reservoir for small business creation. Most inputs used by small 'non-structured' firms are imported by the formal sector. This means that the fate of small-scale businesses depends on local importers, as well as on import tax levels and prevailing costs on the international market. There is no doubt that, since devaluation, company profit margins have dropped, with most businesspeople forced to cut their margins. They have sought to hold on to their customers by raising prices only very slightly.

The more that one acknowledges the importance of the informal sector, the more one must recognise that certain small businesses have been weakened by devaluation. Higher production costs and bigger debts have boosted the need for working capital. Given that small businesspeople find it difficult to secure normal bank loans, the answer appears to lie in external loans.

The problem of the private sector

To face up to its economic problems, and in the context of structural adjustment, Burkina Faso's government is trying to give the private sector new impetus. The sector's development is subject to a number of inherent constraints – in particular the absence of an overall national strategy, and an uninspiring economic and legal environment. Another problem is the lack of vocational training. Training structures are inadequate and many entrepreneurs lack management skills. And, as mentioned, it is difficult to gain access to bank credit even though the country's banking sector is in excellent health (the two main banks are in a state of permanent excess liquidity). But these financial institutions pay scant attention to the small-business sector, forcing some small firms to seek loans from other bodies or through specific projects that specialise in micro-finance and training support.

Donors' intervention strategies

Promotion of the private sector is of increasing interest to donors, and nine external agencies, both bilateral and multilateral, are involved (Germany, Austria, Canada, France, Switzerland, the World Bank, the EU, UNIDO and

Manufacturing improved earthenware ovens in Ouagadougou.
Small businessmen find it difficult to secure bank credit.

* Researcher in the field of development.

Two favoured options: vocational training and the financial sector

Germany

Since 1988, the German technical cooperation agency (GTZ) has been involved in a project to develop a framework for promoting the non-industrial sector and SMEs. The support is channelled through the Directorate which is responsible for this area in the Ministry of Industry, Crafts and Commerce. The objective is to establish a macro-economic national promotion strategy. The *Craft Workers' Advice and Support Bureaux* of Ouagadougou and Bobo-Dioulasso are also involved, targeting more specific aspects. These include: the manufacture and marketing of products; professional improvements; accessing technical data; obtaining finance; support for female craft workers; and assisting representative bodies in the non-industrial sector, and trade associations, to organise themselves.

Canada

The Ouagadougou Small-Business Support Cell is a project financed by the Canadian International Development Agency and implemented by Desjardins International Development. Its aim is to provide assistance in developing modern SMEs and SMIs. The sectors which benefit are agricultural production and food-processing, textiles and ready-to-wear clothing, carpentry, industrial maintenance, the environment/clean-up projects, tourism and leisure. Businesses wishing to work with the Cell must employ between five and 50 people, be registered with the National Social Security Fund, have a turnover of between CFAF 5m and CFAF 200m, possess a basic accounting structure, and already have infrastructures in place. The Cell seeks to provide technical training for staff, set up a modern management system, support the establishment of financial dossiers, provide *ad hoc* monitoring and advice, and facilitate access to bank credit (through a guarantee fund covering 50% of initial risks).

The European Union

The Small and Medium-Sized Business Support Project aims principally to support the emergence and/or development of viable SMEs and SMIs with a view to creating jobs. The project is implemented under the auspices of the Industry Ministry. It is involved mainly in agrifoodstuffs, the export of finished or semi-finished goods (including artistic or utilitarian non-industrial goods), mining and industrial production. Any Burkina Faso national, whether individual or company, can submit an application for aid. The project helps businesspeople to draw up finance application dossiers, provides them with appropriate funding, and offers preliminary training, regular monitoring and support/advice.

UNIDO

In collaboration with the Agency for Cultural and Technical Cooperation, the United Nations Industrial Development Organisation has set up a project to assist small and medium-sized businesses and industries. It covers both new investment projects and modernising or overhauling of existing businesses. Through the project, UNIDO undertakes project reformulation, helps promoters in their finance applications, supports partnerships and facilitates acquisition of suitable technologies. Its work also involves mobilising guarantee funds and training executives in techniques designed to promote the private sector and to create suitable partnerships.

Switzerland

Switzerland is involved in private sector support through the Burkina Faso Craft-Sector Promotion Programme. This programme is financed by the Swiss Development and Cooperation Directorate, working in collaboration with the National Office for the Promotion of Employment in Burkina Faso and with craft-sector organisations. In the short term, the PAB aims to help people become financially and technically independent. More broadly, it facilitates the emergence of autonomous craft or business associations. The objectives are: to help the utilitarian craft sector organise itself through the development of associations, to enable craft workers to control their own economic and administrative environment, and to encourage the emergence of small businesses. To this end, the Consultancy Bureau is involved in actions in the economic and financial fields, offering ongoing support and advice on workshop management. The Bureau also facilitates contact with financial institutions. In the technical field, it provides training in production techniques and new products, and promotes research into new markets. Under the programme's influence, a number of people in the craft sector have been able to form associations with a view to setting up their own self-managed savings fund.

the UNDP). These donors have several strategic options available to them, including the following:

– Support in defining, coordinating and implementing policies to develop the private sector;

– Institutional reforms or back-up;

– Reform of the financial sector and the promotion of credit;

– Boosting the country's capacity to disseminate information and promote trade and investment;

– Access to and promotion of vocational training;

– Support for professional associations and for business-support services;

– Development of micro-businesses and small and medium-sized firms;

– Sector-based initiatives.

Five donors are involved in activities relating specifically to the financial sector and vocational training (see box) while the rest are helping private sector development in other areas mentioned above. This is proof, if any were needed, of the high priority now being given to private sector development. However, it would appear that each donor has its own vision of development. Consequently, there is a degree of confusion, and the small-business operator in Burkina Faso may be unsure which programme suits him best. What is needed is greater consultation among the donors with a view to establishing a proper balance. This would help in defining a coherent conceptual framework of intervention for the promotion of the private sector.

T.D.C

ACP

Marketing veld products and eco-tourism

New opportunities for the rural economy in Southern Africa

by the Africa Resources Trust*

Encompassing a wide variety of ecosystems from rain forests to deserts, Southern Africa is particularly rich in biological diversity. In fact, the density of different plant species in just Lesotho, Swaziland and South Africa is twice that of Brazil, four times higher than the USA and six times that of Sudan. One of the reasons Southern Africa is so rich in species is that it has a variety of landscapes and environmental conditions. These differences are largely based on varying rainfall intensity and distribution, as well as the underlying soils and geology of each region. The ecosystems found in Southern Africa include forests, savannahs, wetlands, grasslands, mangrove swamps and marine environments.

The region has developed policies to combine nature conservation with sustainable human development in rural areas, closely involving the people who live there. Assisted by regional and international NGOs, a number of community-based conservation and development programmes, including *Campfire* in Zimbabwe, *LIFE* in Namibia, *ADMADE* in Zambia and *Chobe Enclave* in Botswana, have been developed over the last decade. With these successful schemes, based on community wildlife management, game ranching, and sport hunting, the biological diversity of the region, and in particular its wildlife, has become a productive asset.

From these encouraging experiences, NGOs and community-based organisations (CBOs) are trying to extend the scope of programmes to include the marketing of natural products from the region's sparsely-wooded grasslands (known as the *veld*), and community eco-tourism. Both sectors have very significant market potential for rural communities in the region.

Ecotourism in the Okavango Delta, Botswana. *A potentially powerful tool for rural development.*

The veld has more than 100 indigenous plants as well as other resources that may be marketable. The *marula* fruit, for example, which is a member of the mango family, contains four times more vitamin C than orange juice, and can be made into a liqueur, a fruit drink, beer or jam. If this and other products such as those listed in the box can gain access to regional and international markets, prices will be boosted to the benefit of the communities that harvest them.

Eco-tourism is the other area that offers important economic potential for local people. International tourism trends suggest that today's traveller is looking beyond the conventional 'sun and sea' vacation and seeking a more enriching experience. Southern Africa is well-placed to take advantage of this with its wild resources, attractive landscapes and distinctive cultural heritage. The approach includes an increasing emphasis on recognising people's resource rights and developing enterprise opportunities.

Genuine eco-tourism thus has the potential to be a powerful tool for rural development in Southern Africa. Indeed, it is the fastest-expanding tourism sub-sector – with an estimated growth rate of 10-15% a year. When it is well-managed, eco-tourism creates jobs, stimulates local economic activity and promotes conservation as well environmental awareness.

A.R.T.

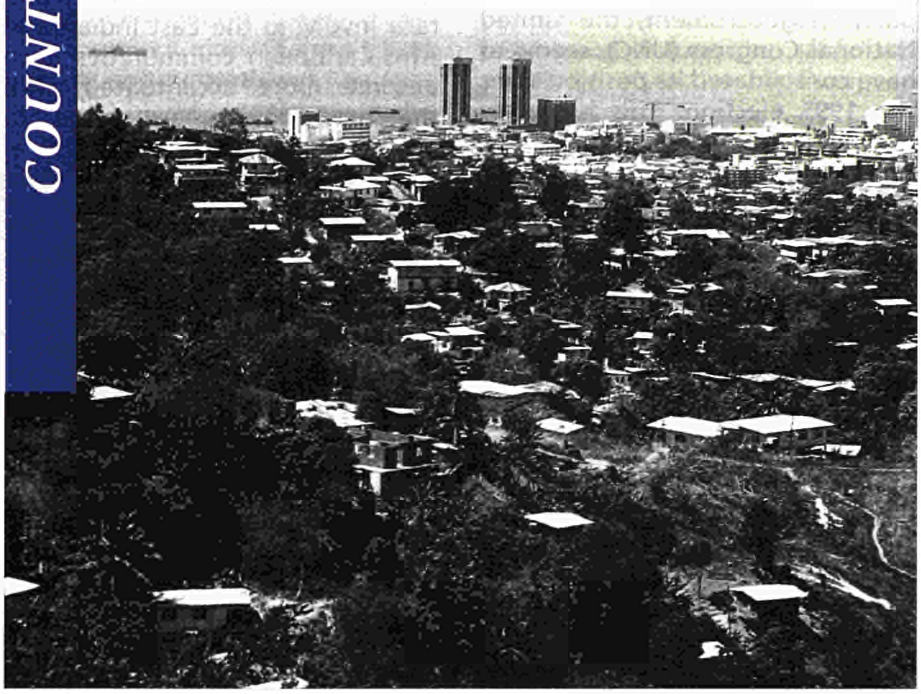
Products with potential

- *Marula fruit*
- *Grapple plant – used in herbal remedies*
- *Cochineal – a red dye used in foods and fibres*
- *Ostrich eggshells*
- *Indigenous woods – for craft products*
- *Natural gums*
- *Spring water – for bottling*
- *Morame nuts*
- *The mopane worm – high in protein and traditionally important in Southern African diets*

* NGO based in Harare, Zimbabwe, whose objective is rural development through the sustainable use of natural resources.

Trinidad and Tobago

Sunnier skies



The Courier

Twin-towers in Independence Square, housing key government departments and financial institutions, dominate the Port of Spain skyline.

An eclipse of the sun, like the one seen across the Caribbean during our recent visit to the region, is self-evidently a passing phenomenon. Arguably, the economy of Trinidad and Tobago is now emerging from its own, somewhat lengthier, eclipse. On the back of the 1970s oil boom, the country raced ahead economically. Then collapsing oil prices cast a pall of gloom which was to last several years. Today, the prospects look a lot brighter even though petroleum remains the mainstay of the economy and oil prices are still low. There are various reasons for the optimism – an impressive growth rate, a new entrepreneurial spirit and good prospects for developing gas production, tourism, agri-processing, and light manufacturing.

One of the most advanced ACP states in GDP *per capita* terms, Trinidad and Tobago nonetheless values its EDF grants and trade preferences. At the same time, its sights are set on regional markets; Caricom, Mercosur and the wider Association of Caribbean States. In the driving seat is Prime Minister *Basdeo Panday,* who faces some criticism from the opposition about alleged favours for his own supporters. It seems that the racial division of the country between the East Indian and Afro-Caribbean communities remains a political issue, despite the fact that the two groups appear to live harmoniously together.

Whilst the oil boom brought a standard of living above that of many other Caribbean states in the 1970s, the well known calypsonian, *Mighty Sparrow,* drew attention to its downside in his song 'Capitalism gone mad'.

'It's outrageous and insane

The crazy prices here in Port of Spain...

Where you ever hear a television cost seven thousand dollars

Eighty to ninety dollars for motor cars

At last here in Trinidad we see capitalism gone mad.'

While there is a general upbeat feel to the economy, with new areas being developed, something of what Mighty Sparrow had to say still strikes a cord. Unemployment has dropped, but remains high, at around 16%. A climb up the hills surrounding Port of Spain to Laventille is instructive. Here the corrugated iron outer walls of the buildings, and worn roads, provide a stark contrast to the well-to-do residential areas further down the hill.

In 1992, according to *Daphne Phillips,* Minister for Community Development and Women's Affairs, 35% of the country's inhabitants were found to be living below the poverty line of TT$625 a month. She spoke to us about the many problems linked to the rate of economic development. 40% of families are single parent units and many women find it difficult to find time for both training and looking after a family. She was, therefore, particularly pleased with a recent EU grant to help women train to set up small businesses, adding that she would welcome further support for homework centres for children of working women. Further worrying societal problems are drug use, rising crime and a recent spate of suicides, she told us. And there are a growing number of elderly people to be cared for. According to Finance Minister, *Brian Kuei Tung,* the government is now acting on the pensions front, aiming to establish a state pension of TT$525 per month by the end of next year – putting it almost on a par with the 1992 poverty threshold!

The EU is also trying to help some of the less developed regions of the country with rural electrification projects in areas where the state electricity company, *T. & TEC,* would not otherwise consider it viable to connect consumers. The second phase of this project (run with T. & TEC) is due to be completed in 1998 and will benefit some 664 households. But even in the poorer areas, there are some surprising features. Brasso Seco for example, a remote village in the far north of the country – which benefited from Phase One of the EDF electrification project –

Power to the people?
EDF-supported electricity distribution.

boasts its own public telephone boxes.

The country also has the highest car ownership in the Caribbean – and one of the ten highest in the world – according to the government-sponsored Environmental Management Authority (EMA). The downside of this is harmful vehicle emissions – black smoke, carbon monoxide, lead and particulates – which need to be tackled. EMA is leading a campaign to switch to unleaded fuel and is organising spot checks on cars in a campaign to reduce pollution.

Despite the traffic congestion, Port of Spain is a pleasant, vibrant city. This is one of the main selling points in the drive to attract overseas investors. The immense Savannah Park, dubbed the 'biggest roundabout in the world' (the one-way system round the park is over five kilometres), is an enormous green space used for everything from Carnival to cricket. The Edwardian buildings now housing government departments, schools and the Archbishop's house, are known locally as 'the magnificent seven'. And there are plans to make the city more attractive according to Planning Minister *Trevor Sudama,* who spoke to us about a project to redevelop the capital's waterfront. This is expected to include the Headquarters of the Association of Caribbean States (ACS), as well as conference and hotel facilities.

Political friction

On the political front, the party in government, the United National Congress (UNC), seems to have consolidated its position since the 1995 election. This is mainly due to two defections from the opposition's People's National Movement (PNM) which tied 17/17 with Basdeo Panday's UNC at the last election. After declaring themselves independents in February 1997, the defectors were appointed by Mr Panday as 'ministers without portfolio.'

There has also been some turmoil in the ranks of the National Alliance for Reconstruction (NAR), whose two parliamentarians from Tobago went into coalition with the UNC after the 1995 poll. The nomination of one of the two, former Prime Minister and political veteran *A.N.R. Robinson,* to the country's Presidency, prompted a by-election in his Tobago seat. A new NAR member was duly elected but caused waves in his party by accepting the post of minister for Tobago without any consultation with NAR officials. The party's other M.P. has also distanced herself from the NAR organisation.

These events have led to accusations from both the PNM and NAR that the administration is too fond of using 'political patronage' (see interview with *Patrick Manning*). The NAR Secretary General, *Nizam Mohammed,* further claims that issues of ethnicity and race involving the East Indian and Afro-Caribbean communities have become more accentuated since the new government came to power. He said his task was to revive the NAR, with the aim of making it a 'truly national party'.

The government's political adversaries claim that there is financial mismanagement and nepotism in government when it comes to awarding public contracts. The press has published many column inches on this subject in its editorial pages (the newspapers with the largest circulation are the *Trinidad Express and Trinidad Guardian*). This is despite a question mark over press freedom. In 1996, 13 editors and journalists on *The Guardian* lost their jobs following the publication of a number of 'controversial' articles.

Woodford Square

Trinidad and Tobago has, nonetheless, a long history of

Traffic on the one-way system around Savannah Park.

open public debate. One of the most famous landmarks is Woodford Square in the centre of Port of Spain. This is effectively the 'birthplace' of the PNM. *Eric Williams,* who founded the party – and dominated the country's politics for many years – held many of his rallies at this spot. The 'University of Woodford Square' is still a place where people gather to discuss anything under the sun – both literally and figuratively! The focal point is a blackboard upon which a thought for the day is chalked. When we visited, the topic was the eclipse of the sun mentioned earlier (sadly obscured by cloud in Trinidad). The following day, participants were due to be brought down to earth – with a discussion on death! We suggested to *Riccardo Welch* alias *'Dr Carlos',* who seems to preside over the daily meetings, that the future ACP-EU partnership might merit a place on their 'agenda'.

Despite Trinidad and Tobago's higher *per capita* income compared with other ACP states, many politicians here value the grants made available under the EDF for areas such as the aforementioned rural electrification, structural adjustment, the fight against drugs and AIDS prevention. Not everyone is enthusiastic though. *Gerald Pemberton,* Chief Executive Officer of *Development Finance Limited,* felt that a system geared towards grants did not encourage a culture of self-help. His company, which provides corporate services, risk capital and financial advice, has attracted European Investment Bank loans.

The EU has tried to support the country's regional focus with project aid. For example, a grant has been given for the construction of facilities at Trinidad and Tobago's Augustine Campus of the University of the West Indies. Pro-Vice Chancellor, *Compton Browne,* said that a new building housing recreational and study facilities at the campus, would improve the time spent in Trinidad and Tobago by students from elsewhere in the Caribbean including the other UWI campuses in Barbados and Jamaica. He added: 'We would also like the EU to participate in a facility for video conferences for distance education.' Likewise, *Roderick Sanatan* of the Caribbean Telecommunications Union said that the EU had provided money to enable regulations to be drawn up for his organisation, which is supporting the growth of telecommunications Caribbean-wide. The industry's value-added and data processing services had a particularly good future, he said, and would be attractive for European investors.

Regional ambitions

It was the Energy Minister, *Finbar Gangar,* who first drew our attention to the country's interest in the Latin American market. 'That's where we have our eye on,' he said, glancing across at a huge map of the region pinned on one wall of his office. Foreign Minister *Ralph Maraj,* confirmed this growing interest in developing economic links with Latin America more generally and the MERCOSUR region (South America) in particular. 'What we are doing bilaterally, and multilaterally through Caricom, is to enter into trade arrangements to maintain market access for Trinidad and Tobago. We feel this is critical to augmenting the attractiveness of our country as a location for investment.' He continued: 'One of the factors that mitigates against developing trade ties with some of the other countries in the region is the lack of transport infrastructure. As part of the English-speaking Caribbean, Trinidad and Tobago has traditionally focused on the North American market. We have been living side by side with our Latin American neighbours without developing strong ties.'

Prime Minister Panday recently visited Mexico to strengthen bilateral links, although talks about a wider NAFTA free trade, which originally attracted Trinidad and Tobago's attention, have slowed down. Looking further afield, *President Masire* of Botswana was recently in the country to explore bilateral links. To this end, Mr Maraj spoke of the possibility of a stopover in Trinidad and Tobago for a Johannesburg-Miami flight which currently passes directly over the Caribbean. We also spoke to *Felipe Noguera* of the Trinidad-based Caribbean Association of Industry and Commerce, a lobby for the region's private sector, which has recently helped to arrange a Cariforum trade mission to South Africa. He feels that Trinidad and Tobago could use its position as a wealthy state to stimulate regional growth – stressing that this process should include Cuba.

As for the partnership with the EU, Mr Maraj felt that with the exception of sugar, the range of Lomé trade preferences had not been fully exploited. He stressed that it was important to attract European investment to Trinidad and Tobago and to increase trade with the 'old continent' which is currently at a fairly low level. He has recently set up a special Europe unit inside the Foreign Ministry for this purpose.

He also gave unqualified support to other Caricom states who are battling to defend their Lomé benefits. Whilst Trinidad and Tobago was in the 'fortunate position of having fantastic gas reserves', he made a plea on behalf of his Caricom partners, and notably the banana-producing countries. 'The notion of a level playing field is a myth and a dangerous way to go,' he insisted. 'In our view the World Trade Organisation needs to become more sensitive to the smaller economies. It cannot operate on the basis that all countries' economies are on an equal footing. There has to be a realistic understanding of the differences that exist if the strong are not to get stronger and the weak, weaker.' He argued, in particular, for a 'special track' for states that are heavily dependent on single crops or industries.

Mr Maraj was also unequivocal in his support for keeping the ACP group intact. 'It is a very good example of cooperation', he stressed. 'There are no other economic arrangements in which North-South dialogue is structured in this way. He concluded: 'With regionalisation leading to differentiation, you may end up destroying the excellent foundations already in place – instead of building on them'. D.P.

The target – a '*total quality nation*'

Interview with Prime Minister, Basdeo Panday

Basdeo Panday is Trinidad and Tobago's first leader of Indian descent. A lawyer and trade unionist, he has been involved in politics for many years. Formerly deputy Prime Minister in the 1986 government of the National Alliance for Reconstruction, in 1989, Mr Panday led a splinter group of NAR members to form the United National Congress. In the 1991 election, won by Patrick Manning's PNM, his new grouping captured 13 seats. This figure rose to 17 in the snap election called by Mr Manning in 1995. Although the UNC actually polled fewer votes than their PNM rivals, Mr Panday was able to take over the reins of government thanks to the support of the two NAR representatives from Tobago. In our interview , he outlines an ambitious economic and social programme applying the economic theory of Total Quality Management (TQM) to the running of the country.

■ *Trinidad and Tobago has some good economic indicators with predicted growth of almost 5% in 1998. This contrasts with the negative figures recorded at the beginning of the 1990s. To what can this be attributed?*

– Our country continues to benefit from an investment-led expansion taking place in our gas and petrochemical industries. In 1996, Trinidad and Tobago attracted US$4 billion in foreign investment commitments. And at the end of 1996, a growth rate of 3.1% was recorded in the non-oil sector. The success here was mainly in the services and manufacturing sub-sectors where some 12,000 jobs were created. There was also a 1.7% increase in petroleum production. Inflation in this period was kept down to 3.6%.

Unemployment fell from 17.2% in the 1st quarter to 14.5% in the 2nd quarter of 1997. This is the lowest rate for 13 years. It is the result of effective and sustained government policy. The construction industry had the greatest impact on the total number of jobs created, while the services sector continued to do well. Growth in agriculture has also been significant: last year, farm exports contributed some $823 million to the economy. Meanwhile, food imports fell by more than 3% in the first quarter of 1997 compared to the figures for the same period in 1996. In addition, 1997 was characterised by people returning to agriculture – we were able to attract some 3,000 people back into this sector last year.

Legislatively, work has been going on to provide an enabling environment. Examples include the Land Surveyors Act and the Fisheries (Conservation of Marine Turtles) Regulation which have been amended. In addition, we have strengthened intellectual property rights. This is a prerequisite to entry into the North American Free Trade Area (NAFTA).

We have recognised that technology is one of the driving forces behind trade, to increase international competitiveness and boost national income. We also have a skilled, technology-aware population. And there have been incentives to employers to create new jobs. In 1997, a bilateral investment treaty was signed with the US which should trigger investment flows of more than US$1 billion a year to Trinidad and Tobago. Similar treaties were signed with Canada, the United Kingdom and France, providing investors with additional security for the money they put into our economy.

The Government has devised a strategy to make Trinidad and Tobago the most competitive destination for investment funds from around the world. Among the critical elements of the strategy are a reduction in customs duties, liberalisation of the foreign exchange regime, removal of non-tariff barriers and privatisation of state enterprises. Other aspects include; the revision of investment legislation, the provision of fiscal incentives for investors and local exporters and reduced direct taxation. Trinidad and Tobago's unique location between the Americas makes it attractive as a business centre. At present, there are 150 multinational corporations here of which 50 are US companies.

As part of the reform package, legislation was introduced to ensure that the financial and investment sectors are more competitive, better capitalised and properly regulated. For example, legislative amendments to facilitate foreign investments have been made to the Foreign Investment Act, Securities Industry Act, Finance Act and Intellectual Property Act.

In Trinidad and Tobago, we have a highly-literate and well qualified workforce, a modern communications network, seaports, airports and infrastructure, and specially designed Free Zones. Taken together, these represent a strong foundation for sustained economic growth.

■ *Arriving in Port-of Spain, you have the impression that this country is doing very well. Yet there are clearly pockets of poverty. What is the government doing to prevent the poor from being excluded from economic growth?*

Investment gains are not trickling down to the large sections of the population that are poor. In order to induce this trickle-down effect, several steps have been taken, for example, a minimum wage of TT$7. We have also allocated $20 million to help single parent households. Other social development projects are directed towards improving adult literacy, and providing loans for self-help projects and community agricultural schemes.

In the Ministry of Social Development, there is a unit called the 'Change Management Unit for the Eradication of Poverty and Equity Building'. This was set up to assist the rural and urban poor in sustaining themselves. In addition, my Government is stressing that, in order for us to move forward as a nation, our people must be given an education. Many adult education programmes have been set up throughout the country.

The flag of Trinidad and Tobago flies outside the Ministry of Finance.
'There is a place for every creed and race'.

■ *Given all the activity in the oil and gas industry, there are those who would argue that the country's economy should be doing even better than it is.*

– Although we are experiencing an investment-led expansion, the structural elements needed to sustain levels of high growth in the wider economy, and add new economic value to the rest of our productive system, are still being shaped. A particular development challenge for us is to enhance our capacity at the 'micro' level.

■ *Voting along ethnic lines still characterises politics in Trinidad and Tobago. Does this hamper the country's economic and social development in any way?*

– As a plural society, race plays a significant role in voting patterns. But I do not believe that voting along ethnic lines will hamper the social and economic development of the country. My government is one of national unity. There is a place for every creed and race. There are many races here. We form a large *callaloo*[1] or melting pot. On March 13 this year, the Equal Opportunity Bill was tabled in Parliament. The journey has been a long one. I worked for that day for over twenty years. In fact, the journey effectively began on August 31, 1962 when we achieved our independence. Trinidad and Tobago's most fervent hope – and its most vital imperative – is expressed in our national anthem which says: 'Here every creed and race, find an equal place'. At the time that was written, it wasn't a statement of fact but an expression of intent – an aspiration.

That prayer and pledge will always be foremost among our national objectives. There has never been a period in my life when I was not, in some manner, in some sense, engaged in the struggle for equity, social justice and the economic enfranchisement of the poor in our society. It should be be noted that the title – and thrust – of the Finance Minister's 1998 budget statement was 'an opportunity for all.' Although it has been the tradition to vote along ethnic lines, the race of the party in power – at least of this party in power – will not be a factor influencing the development of the nation and of the people.

■ *Are you satisfied that the government's slim majority will hold until the next election in 2001?*

– My government has been in office for a little over two years. So far, we have been able to attract a considerable amount of direct foreign investment – in fact the largest injection of DFI in the Latin America area. We have been able to put into place a law enforcement action plan to combat the rising levels of crime – burglaries, thefts, drug trafficking and other drug-related crimes. And my focus continues to be on education and health care. I have struggled for almost 30 years for the poor and will continue to do so. We have not achieved all that we want, but it takes time to put things in place. The target is to lay the foundations for a 'Total Quality Nation' in Trinidad and Tobago by 2001. Then it will be up to the people to choose.

■ *What are the key policies the government would like to implement between now and then?*

– As I said, there is still so much that must be done. However, there are three issues which are of immediate concern to me, which I would reiterate. I have adopted, and have encouraged the people to adopt, an attitude of zero tolerance against drug trafficking and drug-related crimes. Recruiting more people to the police won't be enough on its own if we do not stand firm as a society against such practices. Se-

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[1] Callaloo is a dark green soup which is one of Trinidad's culinary specialities. It has a variety of ingredients, hence the use of the word to describe the country's rich ethnic mix. Every household has its own special recipe.

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Young Trinidadian entrepreneurs running a refreshment kiosk in Port of Spain.
'A particular development challenge for us is to enhance our capacity at the 'micro' level.'

cond, the concept I have just mentioned of a 'Total Quality Nation' is very dear to my heart. I believe that to achieve this, we must first have 'total quality' people. I would like to eradicate poverty, and the only solution here is to provide our people with permanent, well-paid jobs. To reach this goal, they must first have a chance of education at all levels – and they should be able to do so at any time. The third area of primary concern is the nation's health. In the past, people often suffered because they could not afford medical care. I intend to make it more readily available to the people.

■ *What areas of the economy do you think could be better developed? I have been told there are plans to turn the country into a banking and financial centre, and there is a lot of talk about boosting tourism.*

– The Government is working to make Trinidad and Tobago a global centre for excellence, and to instil in the population a passion for quality in all that we do. We are implementing plans to diversify the economy and reduce its reliance on the energy sector, and this is already proving successful. The country's GDP is going up despite a steady fall in crude oil prices. This is a sign that dependence on the energy sector is decreasing.

We are also in the process of drafting an entirely new Foreign Investment Promotion Bill – a law that will further liberalise the country's already liberal rules for the participation of overseas investors in the economy.

In March, I will be attending the Hotel and Tourism Investment Conference in Ocho Rios, Jamaica. We are making a serious effort to develop our tourism potential. Already the Tobago Hilton is on its way and the Marriot and Four Seasons hotel groups will be coming soon. We don't just want to sell the sun, sand and sea of Tobago, but also business tourism. In Trinidad, for example, there is the Point Lisas industrial area housing the ammonia, iron and steel, urea, methanol and petrochemical plants.

We are also preparing for the Free Trade Area of the Americas (FTAA) which is scheduled to take effect in 2005. Our approach to these negotiations has been to position Trinidad and Tobago as an equal partner in the hemisphere, based on policies of social and economic competitiveness. Investors will be able to take advantage of downstream industries. There are also opportunities in areas such as agricultural processing, software development, engineering, data-entry, boat building and repair, yacht-related facilities, marinas, tourism and entertainment.

■ *Given your trade union background, do you feel that global liberalisation could have adverse consequences for jobs in Trinidad and Tobago, and more generally, in the Caribbean's small island states?*

– The government's policy has been to support the ideal and principles of free trade as an objective consistent with our membership of the World Trade Organisation. And as I said, we are participating actively in the process leading to the formation of the FTAA. The FTAA will be the largest free trade area in the world stretching from Canada in the North to Tierra del Fuego in the South, with a market of more than 450 million people. We are also seeking an association through MERCOSUR with Brazil, Argentina, Uruguay and Paraguay.

We are mindful, however, of the developmental challenges confronting small economies like ours that are especially vulnerable to international economic currents. The other Caribbean small island states are in a similar position, though it should be noted that they have different economic structures. It is even more necessary for them to diversify if they are to survive in a global environment.

I think it is important not merely to promote free trade, but also to foster trade that is fair. It is, therefore, imperative that a reasonable time be allowed for us to complete the economic reforms needed for us to participate fully in liberalised trade.

The FTAA will offer the possibility of enhanced market access for Trinidad and Tobago's exports, and create the potential for higher levels of inward investment. Our local manufacturers and exporters are rising to the challenge of global competitiveness. Meanwhile, we now have a minimum wage of TT$7 a day which should safeguard our labouring class.■ Interview by D.P.

A post-oil boom

The flurry in construction of plush modern buildings and shopping malls in Port of Spain is perhaps one of most visual signs of the 5% GDP growth posted for this year. It follows several difficult years of plunging oil prices at the end of the 1980s and early 1990s. The energy sector remains the engine of economic growth, but it is no longer solely petroleum. Gas is now poised to overtake oil in firing the economy. In parallel with energy, the government wants to develop the country's as yet untapped potential in areas such as light manufacturing, tourism and data processing. At the same time, a structural adjustment programme, including divestment of some state-owned enterprises, is being implemented.

The energy sector (oil and gas) accounts for 26% of GDP and 65% of foreign exchange earnings, according to Energy Minister, *Finbar Gangar*. The economy suffered a setback in the early 1980s when international oil prices fell sharply. Although there has been a progressive decline in output over the years from 235,000 barrels a day to 125,000 barrels (the figure in the 1998 budget), Mr. Gangar spoke of turning things around. 'Since the government came to power in 1995, we have embarked on a very aggressive exploration programme to find more oil and gas,' he told *The Courier* at his office in Port of Spain. Oil reserves currently stand at around 10 years and those of gas at 30 years. Mr. Gangar said he hoped these figures would double in the next five years.

In the oil sector, 13 production-sharing contracts have been awarded over the past two years, including some off the East coast in very deep water of over 1000 metres. *Shell* has been allocated one of these blocks in a venture with *Agip* which has a 40% stake. A seismic survey is underway to assess the reserves with the aim of starting up drilling activities next year. According to *Luuk Karsten*, Managing Director of *Shell Trinidad*, under the production-sharing arrangement, 'the company runs all the risks, with no guarantee of finding oil at the end of the day'. The contract also provides for up to seven scholarships of US$20,000 to be awarded to Trinidad and Tobago nationals for studies in the petroleum sector.

Shell was present in the country in the 1960s, leaving in 1974 when the Government took over its oil production. During the 1990s, however, it has progressively extended its business in Trinidad and Tobago and now it wants to get more involved on the gas side – like many other overseas companies who started out in oil. The market leader is the American oil giant, Amoco, which has been in the country for the past 26 years. It too is keen to increase its gas business, now that its oil production has fallen. In the last four or five years the company has been extracting between 55,000 and 65,000 barrels a day – less than half the amount it produced at its peak.

'Since 1978, we have been finding less oil and more gas,' Mr Gangar told us. 'This sector is looking increasingly promising and has now surpassed oil with growth of between 15% and 20% per year. Initially, in the late 1970s, we flared the gas. It is much more difficult to commercialise in developed markets. Oil can be loaded into a tanker and sold anywhere in the world; you cannot do the same with natural gas. It has become popular though, for a number of reasons. The main one is that it is a clean-burning fuel which is environmentally friendly. The challenge our country faces – which we are managing very well – is how to monetise our hydrocarbon resources. The solution has been to branch into petrochemicals, ammonia, methanol and liquefied natural gas (LNG) in which there is currently a lot of investment. This includes since 1996, the biggest construction project underway anywhere the Caribbean to develop LNG at Point Fortin. By the first quarter of 1999, the country is aiming to export LNG to Puerto Rico, Spain and the USA.' Mr. Gangar believes that: 'With the current rate of construction, we could become the world's largest exporter of methanol and ammonia by the year 2000.'

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Growing economy.
This is a new housing development on the outskirts of Port of Spain.

One gas company looking to increase its already sizeable interests in Trinidad and Tobago is *British Gas*. It first acquired acreage back in 1990. 'We believe there is real potential to expand gas in Trinidad. 'said the company's local manager, *Simon Bonini*. 'It has a good reserve base and excellent potential for export of chemicals, methanol, urea and ammonia to North America'. British Gas invested in the Dolphin platform off the East coast in 1996 and it has a stake in the LNG construction plants in Point Fortin. It is also involved in exploration off the north coast, in a consortium with Italy's *Agip* and the German firm *Deminex*.

Mr. Gangar also pointed to the potential for 'downstream activity' in the shape of a metals industry, with the gas being used for smelting. There is serious talk of building an aluminium smelter. Transhipment also has potential. All in all, investments in the energy sector – both 'upstream' and 'downstream' have amounted to US$3bn over the last two years, we were told by the Energy Minister, and the figure is expected to reach US$5bn by the end of the century.

Structural adjustment

What Finance Minister, *Brian Kuei Tung* has dubbed a 'painful structural adjustment process' has also helped the climb back to positive growth. Assistance has come here from International Monetary Fund and European Union funding of General Import Programmes.

The structural weakening of the economy began with the oil price drop in the 1980s. 'But in recent times', said the Finance Minister, 'because of the painstaking approach we have taken to rebuilding, we are beginning to see the fruits of our efforts'.

He continued: 'One problem is that we tried to go for a soft landing and used a great deal of our reserves to cushion the blow. Going into the 1990s, this meant that we effectively had to rebuild our economy from scratch. It meant adjustments to labour costs which went out of control during the boom years. We used our foreign reserves to maintain the standard of living. In the past, we also spent a lot on financing the losses of state companies, because we felt that jobs were important. We are now embarked on a new approach. We have adopted a policy that unless something is strategically vital to our economy, we do not think it is critical for the government to remain involved. We have divested some of the enterprises that were not essential to helping us rebuild the economy.'

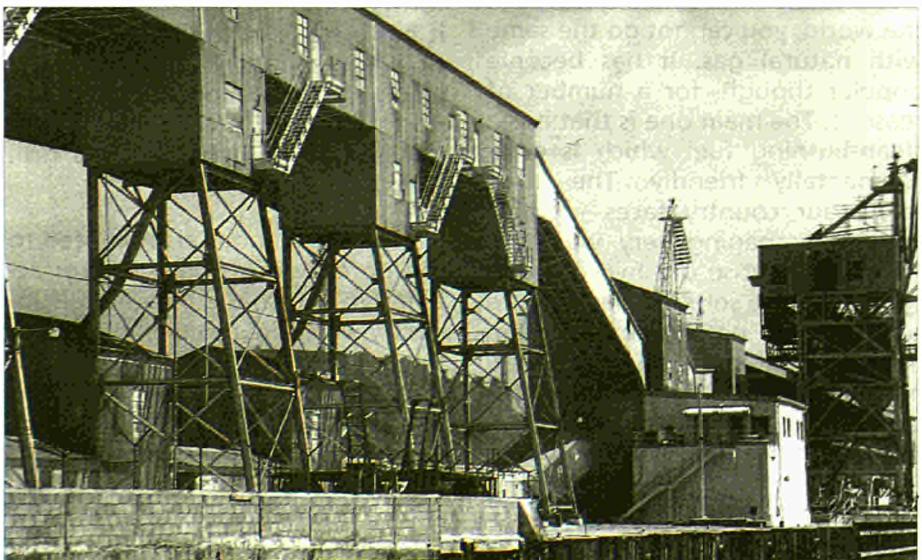
Mr Kuei Tung said that a number of state enterprises remained as candidates for divestment. He mentioned, in particular, the state's 51% share in the flour mills and the publicly-owned sugar company, *Caroni* (see box). At the same time, he noted, 'we still own a lot of development companies that are strategic to us and perhaps we may have to retain these.'

Diversification

Mr. Kuei Tung is particularly pleased with growth outside the energy sector, notably in the agro-processing industries, telecommunications and tourism. He recognises, nonetheless, the country's continuing vulnerability to oil prices. This year, it had been necessary to draw on reserves because the budget had been based on an oil price of US$19 per barrel. The current price is $15 or less.

Outside the energy sector, it is the Industrial and Tourism Development Agency (TIDCO) which is in the driving seat, when it comes to economic development. Set up in 1994, it brought together three agencies with responsibilities in this field – the industrial development corporation, the tourism development authority and the export development agency. Present in five locations throughout the country, its brief, explained the Agency's Chief Executive Officer *Vishnu Ramlogan,* is to 'create jobs, earn foreign exchange and attract investment.' Talking about its achievements, Mr Ramlogan said that the agency had worked to relax import controls such as duties and surcharges. It was also involved in processing requests for import and export licenses, as well as seeking investment in some of the more promising 'new' areas of the economy – light manufacturing, agro-processing, marine services, entertainment, information processing, telecoms and tourism.

Potential for transhipment.
A bauxite terminal near Port of Spain.



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In the tourism sector, more hotel rooms are needed. During Carnival in particular, it is quite difficult to find accommodation. But Trinidad and Tobago is also an attractive all year round destination. Twisting roads take one up to the Northern range which has a well endowed tropical forest and pretty villages. Other attractions include the *Asa Wright Nature Reserve,* a haven for bird watchers and, on the North coast, a long stretch of sand at Maracas Bay.

Another expanding area of the economy is the marine industry. The boom in yachting in Trinidad can be seen by taking just a short ride outside the capital where yacht masts dominate the coastline. Linked to this development are services such as repair work and supplies. The country's strongest selling points, said the TIDCO head, are 'a transparent friendly environment, good access to international markets and the fact that it is easy to do business.' He also mentioned the advantage of government incentives such as tax breaks.

While the USA's presence is very obvious, there is an eagerness to increase the investment from the EU. Foreign Minister *Ralph Maraj* also highlighted the country's selling points to us, referring to political stability, high literacy levels, a good infrastructure and cheap energy sources. And while there is money coming in for megaprojects like the LNG facilities, Mr Kuei Tung recognises the need for smaller investments: 'We need to sell ourselves better, by getting our name and reputation more widely known throughout the European Union.' D.P.

Fear of sugar and rum shake-up

Two of the country's traditional industries, sugar and rum, both face a rather shaky future. The main concern is what will happen to the trading arrangements with the European Union once Lomé IV expires. More global competition could be just around the corner.

Trinidad and Tobago's sugar has traditionally enjoyed preferential access to the EU. Under Protocol 8 of the Lomé Convention, the prices paid for its fixed quota are aligned to those set under the Union's own internal price system for sugar – which are traditionally higher than the world price. The importance of this concession to the industry was stressed to us by *Herman Pulwarty,* Acting General Manager of the state sugar company, Caroni. The EU is their biggest overseas market. 'We get a much better price for sugar in the EU than anywhere else', said Mr. Pulwarty.

In 1998, the company is due to export 61,100 tonnes of raw sugar. 53,500 tonnes will go to the EU (46,000 under the protocol, and 7,500 at a reduced duty under an additional special preference arrangement). The remaining 7,600 tonnes will be exported to the USA. In 1998, the sale of protocol sugar to the EU is expected to bring in TT$168m (about TT$3650 a tonne). Special preference sugar to the EU and sales to the USA should fetch TT$20.7m and TT$21.3m respectively – an average price of about TT$2800 a tonne. Caroni also produces sugar and molasses for the local market.

The company has short-term fears about the future of its special preferential sugar quota for the EU, and longer term worries about the survival of the Lomé protocol itself. It may not be long, some believe, before it has to compete head-to-head with the low-cost producers of Guyana, Brazil and Guatemala – all countries where labour costs are much lower. With this scenario very much in mind, Caroni is seeking to upgrade its production and restructure operations, to cut costs and improve quality. The Caroni estate, located at Brechin Castle, currently has 9500 employees and takes a significant proportion of its harvested cane from plantations on its own land. By 2001, 75% of the sugar will come from outside farms, although Mr Pulwarty insists that there will be no 'forced retrenchment.' Caroni is also diversifying into dairy products, sheep, beef, rice and citrus, and it has built a distillery to supply affordable rum for the local market.

While the Lomé sugar protocol has undoubtedly been financially beneficial, there are those who believe that the rum protocol has, to some extent, inhibited trade with the EU. This is the view of the Trinidad-based *Angostura Limited,* the top rum producer in Trinidad and Tobago. Although quotas imposed on light rum under the protocol have recently been relaxed, they are still in place on dark rum. 'We have been fighting for years for improved access', said *Keith McLachlan,* Angostura's Chief Executive Officer. He suggested that the restrictions imposed on West Indian producers were designed to benefit competing rum manufacturers in France's Overseas Departments – Guadeloupe, Martinique and Reunion.

Mr. McLachlan spoke about the new 'threat' posed by the so-called 'zero-for-zero' agreement – reached by the EU and the USA as an afterthought to the GATT Uruguay Round. Under this accord, the EU will phase out all restrictions on US-produced white spirits (rum, gin and vodka) by 2003. This could mean that firms like *Bacardi,* which purchase bulk light rum in the West Indies, will choose to purchase their raw material from Puerto Rico and the US Virgin islands in the future.

Sugar is not only threatened by fire.

Mr. McLachlan drew a parallel with the problem faced by West Indian banana producers, claiming that it was yet another example of the 'big boys club' dominating world trade, to the detriment of the small island states. And he sees other threats on the horizon, in the shape of possible competition from low-cost producers in the Philippines and Brazil.

Although West Indian rum producers are lobbying in Brussels to have the remaining quotas removed, they are finding it difficult to develop a wider market for the quality dark West Indian rum, in the absence of a foolproof 'definition'. Mr. McLachlan explained that there are a great many 'false' rums available in the EU, citing as an example, the Austrian brand 'Rumverschnitt' – which can be labelled as rum in retail outlets.

With the end of Lomé IV in sight, the West Indian producers would be happy to see some transitional measures allowing them to develop their markets. They would also like assistance from the EU in brand development, and in establishing an authentic definition of West Indian Caribbean rum – to see off the pretenders! But given the rather uncertain outlook for West Indian rum, Angostura is also diversifying in Trinidad, moving into more thriving areas of the economy such as construction, the media and insurance.

Interview with Opposition Leader, Patrick Manning

'Integrity – or rather the lack of it – is an issue'

Prime Minister from 1991-1995, Patrick Manning returned to head the opposition after his People's National Movement (PNM) tied with Basdeo Panday's United National Congress (UNC) in the 1995 election. The UNC subsequently formed a coalition with the two members of the Tobago-based National Alliance for Reconstruction (NAR) and went on to consolidate their position when two PNM members leant their support to the government side. All this seems to suggest an uphill task for the opposition leader, who also faces criticism from within his own ranks. But Mr Manning has shown a determination to be vocal in opposition, criticising what he sees as the government's reliance on 'political patronage' and 'family and friends' in running the country. He claims his party is the country's only truly 'national' political group even though most of its support has traditionally come from the Afro-Caribbean community. We began by enquiring about the PNM's roots.

– The PNM was formed out of the decolonisation movement that swept the world after the Second World War. Eric Williams attended the 1955 gathering of representatives from the developing world in Bandung (Indonesia). On his return, he formed the PNM which was committed to transforming the country economically, socially and politically. It is the oldest political party in the country. We are proud of having seen the nation to independence, of the move to a Republic and of the considerable economic improvement over which we have presided. In the last 42 years, there have only been two periods when the PNM has been out of power – between 1986 and 1991, and now for the last two years. What has been made of Trinidad and Tobago is largely the work of the PNM.

■ *So how do you account for the fact that Mr Panday is now in government?*

– The last election was a draw. The PNM and UNC each won 17 seats with two going to the National Alliance for Reconstruction. We believe the opposition played the race card in 1995 more subtly than they have ever done before. We think this is why we are in opposition today. I should point out that we got more votes in every constituency in 1995 than we did in 1991.

■ *Do you think that the government's slim majority will hold?*

– I have doubts about this. It is not just the coalition, but also the internal situation within the ruling party. I am not sure that that could hold together in a crisis. I rather suspect it would be very

touch and go, but it is something that hasn't yet been tested.

■ *How would you describe your relations with the government. Are they rancorous?*

– The politics of this country are more sophisticated than they appear. Politicians are cordial when they meet each other but politically, there is a very bitter feud. We are virtually at opposite ends of the pole – not so much in policy – but in implementation.

In fact, the UNC came in with no policy. While in government between 1991 and 1995, we streamlined policy and announced new measures in a number of areas, as part of our preparation for the sustained economic and social development of our people. The administration has adopted all these policies as their own. So as far as policy goes, there is very little difference. But there are major implementation differences. The UNC is not as all-embracing as the PNM. People talk about voting on ethnic lines in Trinidad and Tobago. To some extent this is true, but I should say that while the PNM has a strong Afro-Trindadian base, it has always won elections on the basis of broad support. That is what distinguishes our party from the others. The PNM is truly multi-racial, multi-religious and multi-cultural.

■ *The economic situation is looking quite good, with 5% growth forecast for 1998. Exactly what are your complaints about the way the government is implementing economic policy?*

– Take for example Piarco International Airport. The government is doubling its size and, of the TT$100 millon dollars in expenditure last year, TT$43 million went on consultancy fees – and who knows what else? There is now a high level of corruption in the conduct of public affairs, which was absent when we were in government. We argue that too much of what government does is dictated by its determination to enrich friends and family.

There are two big scandals where things have gone sour. One involves rice, and the other, the upgrading of the sugar refinery at Saint Madeleine. Last week, the Chairman of the National Flour Board (NFB) advised shareholders at an extraordinary general meeting that the NFM stands to lose some TT$20m on a rice deal. There is something far wrong with that. And the sugar refinery, set up at a cost of TT$20m, has never functioned. As a result, there are now major problems in the farming community with only one factory available. We have even begun to import sugar. Things have gone seriously wrong with both deals and we have ample reason to believe that there are improprieties in almost every contract being drawn up at the moment. There's too much favouritism and proper bids are not taking place. I


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The Red House, seat of the nation's Parliament.

fear that the good name we have built up internationally over the years is about to be tarnished.

■ *Have you any other criticisms?*

– The government doesn't actually realise what it's doing in a number of areas. Take the petroleum sector. If you read the newspapers, you might be impressed, but the way options are dealt with is not the way we would do it. They have just allocated a lot of acreage off Trinidad's East coast. If we were in power, we would not give away deep water areas until the shallow waters had been fully explored. If discoveries are made in the shallow areas, that increases the attractiveness of the deeper water, which boosts the price of concession licences and benefits the state much more.

■ *Is there much poverty in Trinidad and Tobago?*

– Well there is no comparison with sub-Saharan Africa, for instance. Over the years, we have developed business so the general standard of living in this country is considerably higher. But the number of people who are below the poverty line is increasing. It is now more than 30% and this is a source of concern. While you won't see the abject poverty of Africa or Latin America, there are people in Trinidad and Tobago who have great difficulty making ends meet and who do not enjoy a good standard of living.

■ *Are you critical of the government's social policy?*

– It is more a question of what *is* their social policy? I'm afraid I cannot say. When I was in government, this was one area where we had not fully completed our policy development. So the social policy of Trinidad and Tobago is not very clearly defined.

■ *Why has the PNM very little following in Tobago, which has a largely Afro-Caribbean population?*

– The PNM won the first election in Tobago in 1961. We lost the general election there in 1976 and have never been able to regain the level of support we had before. The House of Assembly came into being in 1980 and we have never controlled it even though we set it up. It's a particular feature of the politics of our country. A.R Robinson was a very dominant political figure in Tobago who was originally in the PNM but who split from us. Having said this, we are present in Tobago which is not really the case for the UNC. We are a national party – the only one in the country.

■ *On which issues will you campaign between now and the year 2001?*

– Integrity – or rather the lack of it – is an issue. I am talking here about financial and public accountability. Even in Parliament, ministers are not telling us the full story. There is a general lack of understanding of governance. This society is multi-racial and multi-religious, and whoever administers it must understand that the maintenance of social peace is dictated, to a large extent, by the way the country is governed. This is something which the PNM understands, but about which the UNC is not yet clear.

■ *What about the question mark over your own leadership of the PNM?*

– The position of leader is always questioned. In 1996, the party held a leadership convention and I was re-elected, by a handsome margin. It's the first time that we have had such a contest and I imagine there is some residual feeling among those who would have preferred a different result. But we live in a democracy which means accepting the will of the majority. There are some people who find it difficult to accept that, and you hear the odd comment here and there, but I'm not too worried about this.

■ *Do you have a view about the way relations with the EU should look as we move into the next millennium?*

– We are members of Caricom, and we and our partners all had a close relationship with the United Kingdom. At independence, the UK agreed to support a certain standard of living for the inhabitants of the smaller territories – which included, among other things, preferential access to the British market. This is now being questioned by the EU and there is a risk that the economies of some of the states in the region could be destroyed. I don't think this is fully understood in Europe. If it were, I believe the EU approach would be different. Trinidad and Tobago is taking steps to diversify as much as possible, but for some of the smaller territories, bananas are absolutely essential. Any move by the EU towards complete free trade could lead to economic devastation and, regrettably, open the door for development of a drugs culture – which would affect Europe of course.

■ *But what if the liberalisation is phased in over a long period – say 10 to 15 years?*

– Yes, that would make a difference, but even while these timescales are being suggested, negative developments are taking place right now. The WTO is already established and is conducting its business in a way that seriously affects the Caribbean countries. On a more positive note, the EU must give greater support to some of the smaller territories in the region so that they can have better access to the available funding. We had that problem in 1992. We weren't able to spend much of the money allocated to us. We made special arrangements and suddenly, we found that our implementation rate went up. ■

Interview by D.P.

Carnival – the nation's barometer

The Courier

Carnival, which took place this year on February 22-24, is not just an excuse for the nation to throw a big party. It is the window for a growing entertainment industry and as an event in itself, promises to bring in more tourist dollars. At this special time, a mirror can be held up to the nation. There is a lot of talk about how Carnival reflects the developing confidence and unity of the country. We spoke with a musician, an author and an artist about what it personally means to them.

It would be a mistake to consider Carnival as just a big bash *'chippin away behind de truck'* (in other words, moving forward with a shuffle, hips gently swaying as one follows a band on a lorry playing calypsos) and clutching a bottle of the local brew. From the opening night, *J'ouvert*, when revellers sling mud and smear paint on passers-by, through the colourful extravaganza of the Mas Bands in their elaborate costumes, to sunset on Shrove Tuesday, the country pulsates with singing and dancing. Below the surface of this striking two-day spectacle, artists reflect on how Carnival marks the emancipation of the individual and the self-confidence of Trinidadian society. For them, in economic and political terms, the event manifests freedom of expression, national unity and growing prosperity.

Soca star

Every sense is assaulted as a mass of artistic talent pours onto the streets. The pure enjoyment of Carnival, with its encouragement to let loose and throw away your cares, is evoked in the prized Soca competition (the soul calypso road march). The march most frequently played by the bands wins the coveted prize. *Wayne Rodriguez* took this year's award for his catchy number, *Footsteps.*

'Every step you take,
Yuh make de dance hall shake,
Causing Earthquake,
For goodness sake,
I wanna stamp with you.'

Some Socas stay closer to the social commentary of calypso tradition. One example was the offering by *David Rudder* – whom *The Courier* met – which took third place in the competition. He explained to us that his uplifting tune, 'High Mas', was 'a dig at religion' encouraging people simply to express themselves and to rejoice in 'being'. Some commentators thought it 'sacrilegious':

'Oh merciful father in this bacchanal season.
Where some men will lose their reason.
But most of us just want to wine and grind and have a good time.
Because we feeling fine, Lord, amen."
(Taken from the album ' Beloved')

A household name in the Caribbean, and of worldwide renown, David Rudder successfully combines melody and rhythm. He explained to us that Carnival is still a 'people leveller' despite changes over the years. A person spends months preparing the costume and then: 'For two days he becomes the dragon, the King of the road, the man. He feels big.' One change is that the sweet sound of the steel 'pans' is heard less, with the encroachment of booming sound systems. Another, according to David Rudder, is the 'very large middle class' involvement in 'playing mas'. For about TT$800 (US$130), a costume can be bought to 'play' with one of the popular bigger bands. This year the 'in' band was *Poison,* where a masquerader could literally rub shoulders with government ministers and celebrities like West Indies cricket captain, *Brian Lara.* But Rudder stresses that the event remains a vibrant celebration of personal self-confidence and the country's creativity. 'The steel bands are still the pride and joy of the poorer communities,' he said, expressing pleasure that so many youngsters had been involved this year playing the pans.

Speaking about his own music, David Rudder said he aims to 'make people see the Caribbean in a different light' and more aware of the region's music. Calypso is traditionally used to comment on contemporary political and social issues. 'In 20 calypsos, you have 20 opinions,' explained Rudder. He has thrown his own hat into the ring in the tussle between the Caribbean and 'dollar' banana producers. His *Banana Death Song* makes some barbed comments about the alleged close links between the US administration and the Chiquita banana company, suggesting that the latter has been allowed to 'call all the shots'.

'Well the church had a European benefactor

So he decide to come to the aid of the chapter

But Uncle Sammy said, 'No, I want them to suffer

They never do me wrong, but I love my Chiquita'

Soca star, David Rudder.
'Trinidad and Tobago has a way of changing you.'

The Courier

The 'church' here is the West Indian banana industry while the 'benefactor' is clearly the European Union.

David Rudder reflected: 'Everyone should pass through here. Trinidad has a funny way of making people see parts of themselves they have never seen before. The twists and turns in this society are so amazing, you get dizzy just trying to keep up with them.' He also spoke of the remarkable creativity of a nation of only 1.3 million. Although his profession takes him overseas a lot, David Rudder returns as often as possible: 'We all complain that we have to get away, but in the end we all come back. It's a society that challenges people.'

The energy of the Trinidad and Tobago captured in an Anthony Timothy watercolour of a wonan dancing.

On *Mas Tuesday*, the showcase for the top costume designers, David Rudder joined the band of *Peter Minshall* – whose work featured in the opening ceremony at the 1992 Barcelona Olympics. This year, his 'theme' was 'Red', involving extravagant futuristic costumes in a single block of colour. In a broadcast, the designer explained that it was up to the individual to interpret the colour. For him, however: 'Red reflects what is happening in Trinidad and Tobago at the dawn of the new millennium. Red is a challenging colour like the blood that flows through the veins of life. There is the red of anger and rage, and the red of love and understanding.' He also revealed a deep commitment to the 'family of Trinidad and Tobago'. 'We have to care for each other and respect each other', he urged. 'This is the New World and it is our responsibility to lead, not to follow.'

Prize-winning novelist

Author *Earl Lovelace* highlights the significance of Carnival in much of his work, including his latest novel *Salt*, which recently won the Commonwealth prize for best fiction (published by Faber and Faber in 1996). Lovelace told *The Courier* that he noted a sense of unity in this year's event, with the 'energy of youth displaying itself'. *Salt* tackles the question of how Trinidad and Tobago should deal with its diversity (two main ethnic groups of African and Indian origin respectively) and the legacy of its colonial past. The novelist still believes that 'reparation' should be sought as an 'apology for colonisation' though he stresses looking to the future. 'We must go forward, but not forget the past, and in doing so create a self-confident, competitive people'. Lovelace continued: 'People generally want visibility. They want to feel that their own authenticity is assured; that they are not at the periphery, but at the heart of society, without shackles on their freedom.' His prize-winning novel, he told us, 'addresses what it is to be human and how we define ourselves. It is a celebration of freedom.'

Salt recounts the life of *Alford George*, a schoolteacher who, for 19 years, taught pupils so that they could 'escape' overseas. Turned politician, he reflects on how he might capture for the nation the emancipation embodied in Carnival'. George, the author explained, 'wants to make the steel bands the central symbol of the nation, an icon encapsulating our struggle for freedom to express ourselves in our own idiom. He wants the slums of Laventille transformed into a shrine to the steel band with art galleries, restaurants and a theatre. And he wants the Carnival arts placed at the centre of the education system. A key theme is that 'there is no profit in imitation. What we have to do is see ourselves with new eyes, see a land where it is possible to create a new people and a culture of prosperity, dignity and freedom.'

Preservation by art

The pannists, whose pure musical sounds leave a trail around street corners during Carnival, are often featured in the paintings of *Anthony Timothy*, a rising watercolour artist. Recent works include a collection entitled 'the Preservation of the Port of Spain' which features some of the very attractive edifices in and around the capital. It is the buildings that are highlighted, but the faint figures of the steel band players add a sense of movement. Timothy believes that water colours are best-suited to transpose the intensity of the Caribbean light. The artist is currently looking for a purchaser for a collection of 19 paintings featuring the 1990 *coup d'etat* – which capture the smoke that billowed from many of the capital's buildings during that traumatic period. He says he had a premonition that trouble was brewing. In the early hours of the fateful day (July 27), he found himself frantically drawing the face of the then Prime Minister, *A R Robinson*. A few hours later the coup took place!

The government realises there are bright economic opportunities in selling Carnival and the arts it inspires. According to Tourism Minister, *Daphne Phillips*, the event brought in TT\$200m in 1995 (US\$33m). She aims to enhance the development of the artistic side. 'We have planned the creation of a Carnival Institute', she explained. This will be an archive to document the Carnival and provide training and scholarships for pannists who traditionally play their music 'by ear'. The EU has already funded a pan theatre to help develop music in the nation which is home to the steel bands. Mrs Phillips explained that a new copyright bill had been drawn up, to establish the artists' rights to their work. *Vishnu Ramlogan* of TIDCO (the tourism and industrial development agency), added that receipts from the broadly defined 'entertainment industry' are expanding at 20% a year and that tourist income is growing at about the same rate. The EU has also offered assistance here. Pamphlets will be printed in the Union's less widely-spoken languages to help promote the twin-island state in new markets.

It is not so easy, of course, to portray the mind, body and soul experience of Carnival using just the written word. What you really need is to hear the melody and feel the rhythm. D.P.

Profile

General information

Area: 5128 km2

Population: 1.3 million (of which 55,000 in Tobago)

Population density: 254 inhabitants per km^2

Capital: Port of Spain

Official language: English. Hindi is also widely spoken.

Politics

President: A.N.R Robinson.

Prime Minister: Basdeo Panday (United National Congress).

System of government. Parliamentary. The President's functions are mainly ceremonial and the Prime Minister heads the executive. There is a bicameral legislature consisting of a House of Representatives and a Senate.

The House of Representatives has 36 directly elected members including two from constituencies in Tobago. There are 31 Senators appointed by the President - 16 on the advice of the Prime Minister, six on the advice of the Opposition Leader, and nine at his own discretion.

Tobago has a 12-member elected House of Assembly with limited powers. (see separate article)

Party representation in the House of Representatives. At the last election on November 6, 1995: the United National Congress (UNC) and People's National Movement (PNM) both won 17 seats while the National Alliance for Reconstruction (NAR) won the two Tobago constituencies. The UNC formed a coalition government with the NAR. Two PNM members have since become independents.

Economy

Currency: TT dollar (1 ECU = TT$ 6.82)

Public sector external debt: US$1.6 billion (1998). or 11.0% of GDP.

GNP per capita: ECU 3,740 (approx)

Annual growth rate: 2.8% in 1996 (5% target for 1998)

Inflation: 3.3% (1996)

Main exports: Petroleum, chemicals; manufactured goods, agricultural products.

Main imports: Raw materials and construction materials, food, equipment, cars.

Main destination of exports: USA (44%), Caricom (24%), Puerto Rico and the US Virgin Islands (5%) Central and South America (8%) UK (2%), other EU (4%).

Main origin of imports: USA (38%), Central and South America (25%), Caricom (4%), UK (6%), other EU (10%).

Visible trade balance: Exports (1996) TT$ 14,355m, Imports TT$ 12,867m. Surplus TT$ 1,488m.

Social indicators

Life expectancy: 75.4 years (women), 70.8 years (men)

Adult literacy: 97.9%

Population with access to clean water: 97%

Population growth rate: 1.01% (1995)

Unemployment rate: 15.9% (third quarter of 1997)

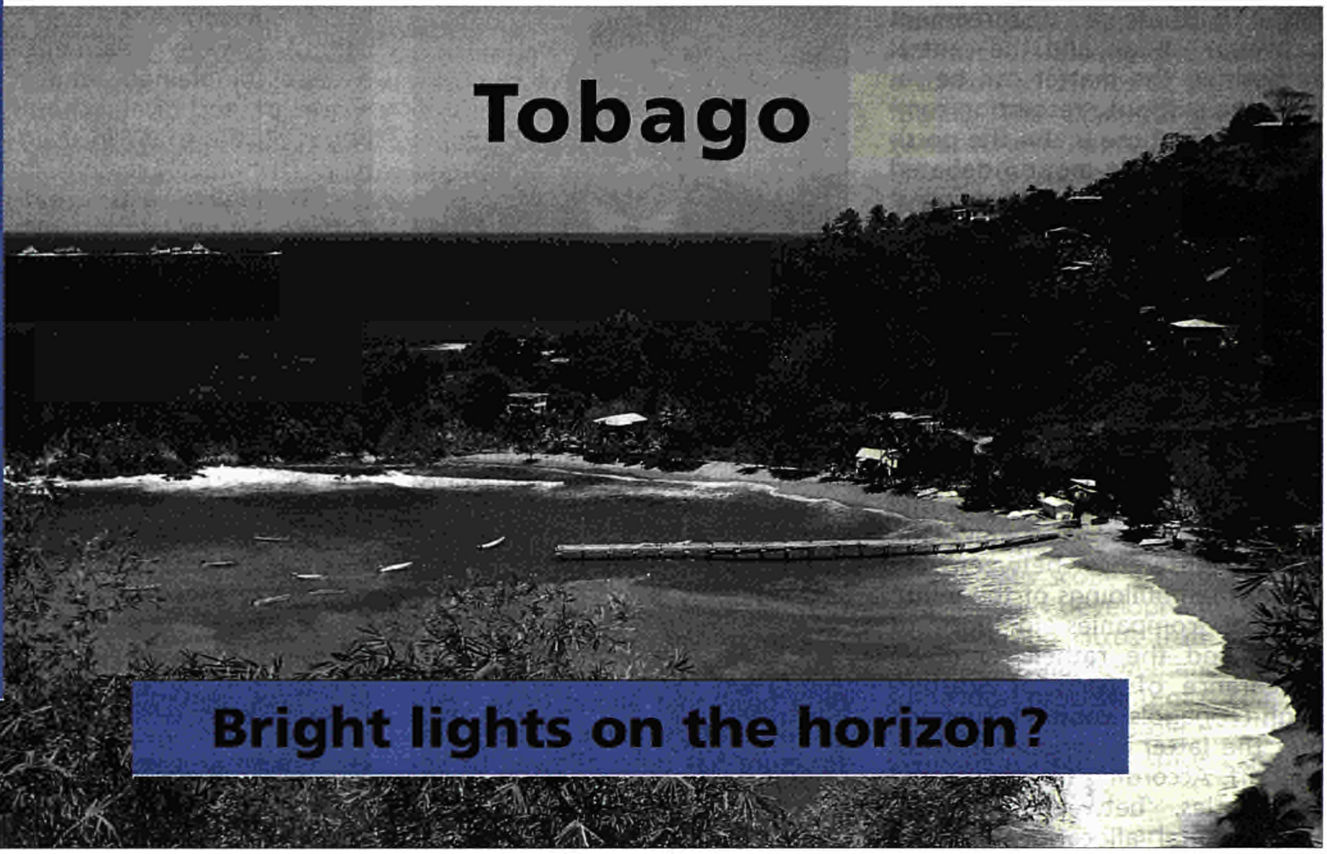
Enrolment in education (all levels ages 6-23): 67%

Infant mortality: 15/1000 births

Human Development Index rating: 0.841 (40th out of 175)

Sources: Economic Intelligence Unit, UNDP Human Development Report (1997), Central Bank of Trinidad and Tobago - 1996 Annual Economic Survey, EU-ACP Cooperation in 1996 (European Commission DG VIII), Ministry of Finance, Trinidad and Tobago.

Tobago



The Courier

Bright lights on the horizon?

Tobago is an island of gracefully curved coconut trees shaped by the prevailing wind, their heavy fruit begging to be picked. As fishermen leisurely repair their nets, the setting sun tints the sky with a peachy orange afterglow. A remark by one well-informed local resident, Mr Boxer, springs to mind. 'We can see them over there, you know, with their bright lights.' He is referring to the gas and oil extraction off the West and South East coasts of Tobago. It is doubtful whether his statement is accurate – a glance at a map shows that the drilling activity is nearer Trinidad's coast – but fact or fiction, what he says is evidence of a widely-held belief in Tobago's own economic potential, and a pride in being Tobagonian.

Later the same day, the view that Tobago should be getting a better deal out of the 1888 Union with Trinidad was articulated to us by *Hochoy Charles,* Chief Executive of the elected 12-member House of Assembly. This was established in 1980 to provide for a degree of autonomy. Talking to us about his long-term ambition – 'self-government for Tobago in a unitarian state', Mr Charles expressed his immediate concern that Tobago should get a bigger share of the nation's development funds – and should have a freer rein to spend it. An Act passed by Parliament in 1996, which Mr Charles is seeking to implement, already allows this to an extent.

Several features set Tobago apart from its sister island of Trinidad, situated some 22 miles to the south west. Over 90% of the 55,000-strong population are of Afro-Caribbean descent. It is politically special too. Its two seats in the nation's House of Assembly are held by the National Alliance for Reconstruction (NAR), the opposition party which went into coalition with the UNC after the last election, enabling *Basdeo Panday* to form a government. The NAR has no seats in Trinidad. According to Hochoy Charles: 'We decided to lend our weight to the UNC because the PNM had neglected Tobago for years. One element we agreed with the new adminstration was internal self-government for Tobago.' But in the absence of the necessary backing from the PNM, the 1996 legislation could not be as radical as had been planned. As Mr Charles explained, the UNC/NAR coalition did not have the majority it needed to amend the Constitution in such a fundamental way – so they went as far as they could.' Although he is still battling for more legislative powers, his current emphasis is on translating the terms of the 1996 legislation into reality.

Under the 1996 Act, explained the Chief Executive, bills proposed by the Tobago House of Assembly have to be sent to the Cabinet in Port of Spain which can either accept or reject them. If Cabinet approval is forthcoming, the matter then goes before the national Parliament. At the time of our meeting, Mr Charles was on the point of dispatching a letter to the administration in Port of Spain concerning the 1998 financial allocation. He described the budget procedure for us. 'We can prepare our own budget estimate, but it goes through a similar process as legislation. It is submitted to the Cabinet for approval, and then incorporated into the national budget for Trinidad and Tobago.' A significant aspect of the 1996 legislation is the provision that obliges the Cabinet to give due consideration to the financial and developmental needs of Tobago, and to allocate the financial resources of the country as 'fairly as is practicable.'

If there is disagreement between Tobago and the central authorities, the matter can be referred to a dispute-resolution commission and there is also the possibility of having a motion debated in Parliament. 'The whole country,' continued Mr Charles, 'can then focus on whether Tobago was treated fairly or unfairly.'

Raw deal?

This year's dissatisfaction in Tobago about their share of the resources is nothing new. According to our interviewee, 'Tobago has been getting less than its due for many years.' Certainly, the striking difference between the modern tall buildings of the multinational companies in Port of Spain, and the rather run-down appearance of parts of Scarborough (Tobago's 'capital'), suggests that the latter is considerably less well off. According to a frustrated Mr Charles, 'between 1991 and 1998, capital allocations for the whole of Trinidad and Tobago amounted to TT$10.3 billion. Out of this sum, we got just over half a billion. For 1998, we have been allocated TT$80m out of total of TT$1.6bn.'

The country's Finance Minister, *Brian Kuei Tung,* countered with the argument that allocations to Tobago rose fourfold in 1997 (TT$185m) and that this year's figure still compares favourably with the TT$45m provided for 1996. He insisted: 'We are trying to do as much as we can to develop Trinidad and Tobago as a whole.

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Hochoy Charles, Chief Executive of Tobago's House of Assembly.

Mr Charles' share has been at the expense of other parts of the country.' In response to our question, Mr Kuei Tung acknowledged that there was no formula for calculating Tobago's share. 'It is done on a basis that allows us to open up the country. Some of our infrastructure has been allowed to deteriorate over the years and we have to refurbish or renew it. We have not allowed Tobago's needs to suffer, but resources are allocated on the basis of a needs assessment, not on the basis of who makes the most noise.'

Mr Charles put forward several arguments in his claim for more funding. He stressed that Tobago had a lot of ground to cover if it is to catch up with its bigger sister. The island, for example, is not self-sufficient in drinking water, and despite all the plans for hotel development, there is no central sewage treatment plant. He also complained about the absence of technical schools, and about all the roads in need of repair. The Chief Executive believes that Trinidad benefits greatly from Tobago but says he is stymied by a lack of information. 'Nobody can tell you how much Tobago contributes to the national treasury. All the goods that come in – whether from South America, Europe or the USA – go through Trinidad. Customs duties are paid at Piarco airport or, if the goods come in by ship, at Point Lisas *(on Trinidad's West Coast)* or Port of Spain. If you have to buy a new car, all the dealers who import vehicles are in Trinidad, so the vehicle taxes are paid there.'

He has high hopes that things will change with the implementation of the 1996 Act. 'Because of this legislation, we are, for the first time, putting a structure in place to identify the contribution we're making. The new legislation also takes account of elements that must be considered in budget calculations, including Tobago's isolation from the principal national growth centres.'

Multiplier effect

Putting further weight behind his argument for a greater share of treasury funds, Mr Charles draws attention to the impact on Trinidad of economic activity in Tobago. 'When there is expenditure in Tobago', he said, 'the multiplier effect is felt mainly in Trinidad'. He went on to explain how materials for home and office construction, roads and ports on his home island all came from its larger neighbour. 'And all the insurance companies are based there. Because of demand in Tobago, you are constantly increasing the tax base in Trinidad. We need to take all of this into consideration.'

He hopes to exploit a clause in the new legislation which requires firms to pay taxes arising from their operations in Tobago to the local administration (there are ambitions to develop the island as an offshore finance centre). Mr Charles said it was simply a matter

Hitting the jackpot?
Under the new law, local business taxation should be a direct source of revenue for Tobago.

The Courier


The Courier

Cocoa is one of a limited range of products which offers scope for development.

of putting the right implementing mechanism in place. The problem, he said, is that the House of Assembly needs to be properly staffed, 'which is not the case at the moment.' Another source of frustration is that the Assembly has no system of travel allowances. Hochoy Charles would also like to be able to make direct contact with public donor agencies – something, he believes, which should be possible under the 1996 Act.

The Chief Executive, however, is realistic about the prospect for greater legislative powers. Tobago would probably have to wait until after the next election, he acknowledged, before this appeared on the agenda.

Whatever the current difficulties of getting more cash out of the Port of Spain authorities, private entrepreneurs appear to be queuing up to exploit develop opportunities in Tobago. Tourism and human resource development feature prominently and the island would certainly appear to have bright prospects. It is a beautiful place, with long stretches of sandy, palm-fringed beaches running from the popular Pigeon Point in the South West, to Man O' War Bay at the opposite end of the island. And there is an extensive wooded area inland, offering bird watching and nature trails. The European Union is examining the possibility of helping to upgrade a section of road between Charlottesville on the East Coast and L'Anse Fourmi in the North West. This will give local residents improved access to the north. It will also enable tourists to do a complete coastal circuit of the island, with a bird's eye view of many beautiful bays. In the South, a Hilton hotel complex is currently being constructed near the airport in a joint venture involving the 'Angostura' company (famous for its 'bitters'). The firm is currently seeking to diversify its business interests in the country. And for those who fear that all this activity might spoil the environment, *Vishnu Ramlogan* of the Tourism and Industrial Development Agency stresses that precautions are being taken. He estimates the maximum room capacity of the island at 3000 and says that no hotel should be taller than a coconut tree.

Mr Charles has some rather more original tourism projects in mind for Tobago. He spoke of plans to visit Texas to examine a tourist site there involving a sunken ship that had been refloated. 'You know that Tobago has changed hands 32 times. That means we have a rich culture, but we also have Dutch and French vessels that were sunk in the harbour. We could do the same thing'.

Hand in hand with such tourist development, the island's past difficulties of accessibility seem to be resolving themselves. European charter airlines such as the UK-based *Air Caledonian* and *Condor* of Germany, already fly direct to Tobago. So too does *American Eagle* which has a service from Puerto Rico. Meanwhile *British Airways* was planning to introduce a scheduled service at the end of March. The 20-minute hop between Crown Point in Tobago and Piarco, Port of Spain is operated by *Air Caribbean.* Mr Charles also indicated that a European operator had shown interest in running a new ferry link between the two islands. The current night crossing takes five hours.

Agriculture

Whilst the country's Planning Minister, *Trevor Sudama,* admits that industrial development opportunities are limited in Tobago, he sees scope for agricultural and fisheries development. Cocoa, coconuts and citrus fruit seem to grow particularly well and there is some local processing of cocoa. Tobagonian hot chocolate 'cubes', containing fragrant spices', are on sale in local shops.

Hochoy Charles acknowledged that many of his complaints are similar to those heard in other Caribbean twin- and multi-island states. He mentioned the example of Anguilla which broke away from St. Kitts and Nevis, with Nevis itself apparently contemplating a similar step. 'We feel we should be able to come up with something that satisfies the demand, short of outright secession. Tobagonians don't want to break up the Union, especially given that the global trend is very much in the other direction. Europe, after all, is trying to get together with one currency. All we are saying is that we need to be treated with respect and equality. The people *(of Trinidad)* don't understand how much they are benefiting because of us.'

This brought us full circle to Mr Boxer's 'observation' of offshore drilling. Mr Charles showed us a piece of government legislation on deep water oil concessions, citing some of the detailed locations off Tobago that were being offered to companies. If oil can be extracted from these areas, then the light on Tobago's horizon will indeed shine brightly. D.P.

Trinidad and Tobago – EU cooperation

From rural development and infrastructure to social development and economic diversification

by Peter Versteeg*

Trinidad and Tobago was one of the original Lomé Convention signatories in 1975. The twin-island state has ratified all subsequent Conventions. The current revised Lomé IV was signed on 4 November 1995 in Mauritius. Under successive Conventions, Trinidad and Tobago has benefited from preferential trade access to Europe, grant and loan funding under the National and Regional Indicative Programmes, structural adjustment monies and European Investment Bank (EIB) lending across all sectors of the economy. With Lomé IV drawing to a close, the country's challenge lies in consolidating its standing on the regional and international stages for the post-Lomé era.

Trade

The composition of Trinidad and Tobago's international trade flows reflects both the sectoral breakdown of domestic production and the country's geographical location. In 1995, some 40% of exports went to the USA and about 20% to Caricom countries. Central and South America came next (8.5%) while Europe was the market for only 6.7% of the total. By contrast, Europe is the second most important source of Trinidad and Tobago's imports providing 17.8% of the total figure in 1995 compared to the USA's 49.9%. In 1996, Trinidad and Tobago's imports from Europe totalled some ECU 297m whilst exports to the EU amounted to ECU 207m. The principal exports to Europe for that year were ethyl alcohol and acyclic alcohols accounting for 53% of the total, followed by sugar representing 14%. The main product exported by the EU was aircraft.

Trinidad and Tobago is one of 13 countries that benefit from preferential access to the EU market for sugar. Under the Lomé Sugar Protocol, the country can export up to 69,000 tonnes of white sugar to the EU at a guaranteed price agreed on an annual basis. In addition, there is a 'special preferential raw cane sugar' arrangement that allows exports of raw sugar at guaranteed prices when EU refineries face shortages. For the 1996-97 exporting year, Trinidad and Tobago sold 45,000 tonnes of sugar to the EU under the Sugar Protocol and 10,500 tonnes of raw cane sugar under the special preferential arrangement. Revenue from these exports is estimated at ECU 30m, of which the subsidy element is approximately ECU 15m. Trinidad and Tobago also benefits from the Lomé Rum Protocol.

Regional cooperation

Trinidad and Tobago has benefited from EU regional cooperation programmes to the tune of about ECU 150m under the first three Lomé Conventions. The funds have been used, among

New facilities at the UWI's Augustine campus, financed from the EDF.

* Economic adviser, European Commission Delegation, Port of Spain.

other things, to improve facilities for the University of the West Indies (UWI), to boost regional trade promotion, for the Caribbean Agricultural Research and Development Institute (CARDI) and for regional hotel training.

Lomé IV programmes totalling some ECU 105m are being implemented under the auspices of the Forum of Caribbean States (CARIFORUM), located in the Caricom Secretariat in Georgetown, Guyana. The sectoral focuses here are agriculture and rural development, human resource development, trade, tourism, and the environment. Trinidad and Tobago plays a leading role in the Regional Agriculture and Fisheries Programme and is a principal participant in the University Level Programme and the Cultural Centres Programme. A further ECU 90m is programmed under the Second Financing Protocol of Lomé IV (EDF 8) for regional integration, human development and capacity building. In addition, ECU 14m has been earmarked for the funding of the Barbados Action Plan for Drugs Control in the Caribbean.

National Indicative Programmes

Some ECU 20.8m was allocated to Trinidad and Tobago under Lomé I and II, the focal sectors being infrastructure development, human resources and vocational training. Notable activities have included the St. Patrick water supply project in south-west Trinidad (ECU 6.5m) and the Lambeau Hill water supply project in Tobago (ECU 0.5m). Other programmes have encompassed training (ECU 7.5m), microprojects (ECU 0.6m), export and tourism development and a number of rural development initiatives (rice, horticulture, forestry, goat breeding).

Funding under Lomé III and IV, totalling ECU 35m has been fully committed. Major programmes include:

– Rehabilitation of the Solomon Hochoy Highway (ECU 17.5m)

– Structural Adjustment Programme (ECU 7.8m)

– Youth Agricultural Training and Credit Programme (ECU 5m)

– Rural Electrification Programme (ECU 2m)

– Small Business Development Programme (ECU 2m)

The Structural Adjustment Programme, which focuses mainly on primary and secondary school rehabilitation, also benefited from ECU 6.2m under the Lomé IV Structural Adjustment Facility. Other notable interventions include support to the Tourism Development Programme, to the National Alcohol and Drug Demand Reduction Programme, and to Caribbean Business Services Ltd.

The Eighth EDF

Preparations are now under way for a new cooperation programme to be funded under Lomé IV's Second Financial Protocol. The framework for this was signed in March 1997 with an indicative amount of ECU 21m. There are two main areas of concentration: economic diversification/employment creation, and poverty alleviation. In the first area, attracting 50% of funding, the focus will be on supporting the Government's efforts to encourage private sector development. 35% of available funds have been earmarked for investments in social infrastructure and measures to promote employment, especially in small and micro-enterprises. The remaining funds will be allocated to actions for local community initiatives, environmental protection and the sustainable use of natural resources.

EIB lending

Since Lomé I, the EIB has approved loans of some ECU 150m for the country. The focus under the first three Conventions was on small enterprise development with lending channelled through Development Finance Limited and the national development bank. Under Lomé IV, loans of ECU 38m and ECU 45m were granted to Trinidad and Tobago for the TRINTOC oil refinery and the NGC pipeline respectively.

The EIB has already indicated that it could provide up to ECU 30m in loans on preferential terms under Lomé IV's Second Financial Protocol to assist small and medium scale enterprises development, for productive infrastructure (such as energy, water, sewerage, telecommunications and transport), and to develop operations in the industrial and service sectors.

Other cooperation

Beside the national and regional indicative programmes, the EU has granted other budgetary resources to reduce drugs and alcohol abuse, prevent the spread of HIV/AIDS, build capacity in trade unions and local government, and support NGOs in the fields of women's development, health and population issues.

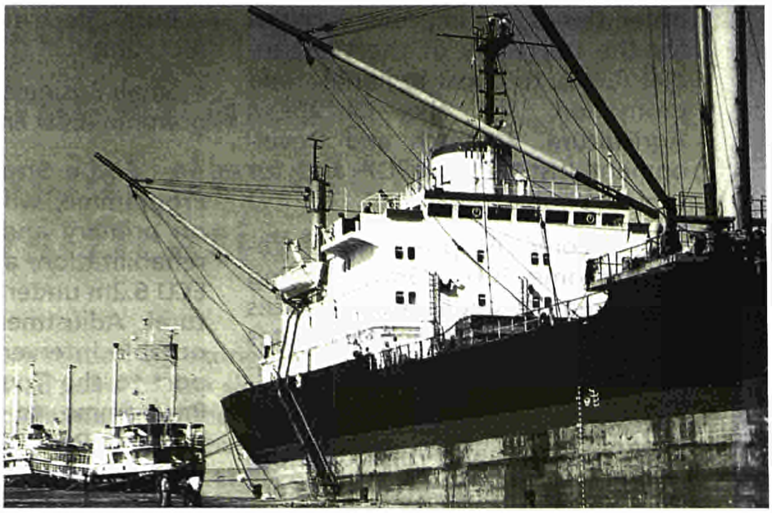
Trinidad and Tobago-EU cooperation has covered a broad spectrum of activities starting with infrastructural development, rural development and training and branching out into economic diversification and social sector development. This progression responds to the changing sectoral focus of Trinidad and Tobago's Public Sector Investment Programme, to which EIB lending and EU grant resources are expected to contribute some 2% and 4.7% respectively for 1998.

The country's future lies in ensuring that the gains derived from its bountiful natural resources and dynamic private sector are equitably shared and in simultaneously incorporating civil society and the private sector as full partners in the development process. Harnessing these resources will enable Trinidad and Tobago to build on the foundations of its cooperation with the EU over the past two decades, and to enhance its own role as a driving force for closer regional cooperation in the Caribbean and the wider hemisphere.

P.V.

Transport

Ten years on from the 'Decade of Transport and Communications for Africa' decreed by the UN General Assembly, transport conditions in Africa and in the ACP countries more generally are far from encouraging. Despite the amount of money that has been invested in the sector, particularly in road transport and, more recently, in sea and air links, communications remain poor in many areas. This hampers efforts to open up remote regions, exploit their economic potential and facilitate their integration into the global economy. So are we to conclude that the 'transport decade' was a total failure? It would be a mistake to make too hasty a judgment without further examination of the problem. Africa is clearly a difficult continent as far as communications are concerned. Physical characteristics aside, the vagaries of history have had a number of consequences: for example, the fact that there are so many landlocked countries on the continent.



It is almost certainly impossible to deal with all the intricacies of the transport sector in the 71 ACP countries in a single feature. Transport is a huge subject with a great many sub-sectors. But wider lessons can be drawn from looking at specific situations – as can be seen from the texts of those who have contributed to this dossier. These authors are mainly specialists in urban or rural roads, air transport or maritime questions – all sub-sectors that are currently being re-assessed by the international community and national governments.

There is no doubt that a great deal has still to be accomplished. Sub-Saharan Africa has about 700,000 kilometres of trunk roads that need to be maintained (out of a total network of more than 1.2 million km). Both national authorities and donor agencies devote considerable attention to infrastructures though the resources at their disposal may be meagre. Transport is a key component in many structural adjustment programmes in ACP countries. The result is that in certain states at least, it is possible to travel comfortably and speedily on modern paved roads, between major centres. Similarly, transporting goods from seaports to the remote hinterland areas is becoming progressively easier.

A great many criteria need to be taken into account in planning transport infrastructure and deciding where to invest. Variables include the topographic features of the area to be served (is it mountainous or a desert region?), technical considerations (what is needed to maintain links in an area subject to frequent and heavy rainfall?), political aspects (balancing the interests of different population groups), social concerns (access to hospitals and schools) and economic questions. The last of these is obviously crucial given the importance of good transport facilities in facilitating trade – particularly in the new context of global liberalisation.

During the 1980s, ECU 12 billion was invested in the transport sector in sub-Saharan Africa with about a fifth of this total coming from the EU through the European Development Fund. A quarter of programmable aid has been allocated to the sector under the 7th EDF alone, and a look at the most recent ACP National Indicative Programmes (NIPs) for the Eighth EDF suggests that the trend is continuing. However, the scale of the challenge should not be underestimated. The 1997 World Bank report stated that sub-Saharan countries would have to allocate somewhere between $200bn and $250bn over the next decade for transport investment.

Private-sector involvement

Private enterprise is increasingly becoming involved in the management of transport infrastructure in the new free market era. This involvement can take various forms – for example leasing of facilities, joint management arrangements or licensing contracts. Thus, airports, seaports, railways and even roads are becoming 'privatisable' sectors, at least up to a point. Maritime freight in West Africa, which has been opened up to heavy competition since the sector was deregulated in 1992, is a good example. National shipping companies in a number of countries have managed to exploit the new environment, increasing their combined share in the continent's maritime transport sector from 10% to 20%. To safeguard their achievements since 1993, shipping concerns have been demanding strict application of UNCTAD's '40/40/20' rule. This advocates an equitable share-out of maritime freight between shippers from the developed countries (40%), Africa (40%) and third states (up to 20%). This arrangement makes it possible to reduce transport costs and improve maintenance of networks, by making tariff-fixing more difficult and easing transport conditions.

The progressive transfer of the management, operation and maintenance of transport networks to the private sector has a number of advantages which may not be entirely obvious at first sight. For instance, it tends to result in higher productivity and improved service quality, leading to lower user costs and reduced public deficits. Special credit lines have been set up to encourage the private sector management of transport infrastructures – including venture capital made available by the European Investment Bank (EIB) and World Bank funding. These are 'investment loans', which incorporate significant reform measures aimed at developing private sector operations. The state generally remains the owner of the infrastructure having ceded the operation and management to the entrepreneurs.

Already, about 1200 schemes for private-sector involvement in managing transport-infrastructure have been identified in some 80 countries worldwide (including 28 in Africa). Over the last seven years, 32 ACP countries have employed various types of licencing, joint-management and leasing contracts. The continent's first railway concession, covering the link between Côte d'Ivoire and Burkina Faso (Sitarail), is featured in the dossier. So too is the work of ASECNA in the aeronautical sector. This agency is responsible for managing the airspace of eight West-African states. As for roads, one of sub-Saharan Africa's first toll routes links Hillacondji with Cotonou (going from the Togolese border towards Lagos, the former Nigerian capital). This 'Transcoastal Route', that crosses Benin, is managed by a private company. We also feature the innovative approach to road management in Zambia.

There is a pressing and obvious need for better transport infrastructure in sub-Saharan Africa and in the ACP countries in general. The structural transformation of a subsistence economy into a market one depends crucially on this sector. The potential economic gains, in terms of production and revenue, will remain just that – potential – if the networks are not adequate, and to reach this position, substantial resources are needed. There needs to be proper planning – at both financial and institutional levels – if the networks are to be properly maintained and expanded. In short, the transport sector must be an integral part of ACP countries' global development strategies. Roads, ports and other transport facilities are essential development tools, and without the right tools, you cannot do the job.

M.F.

DOSSIER

Adapting transport services to meet the needs of a changing world

The key to a flourishing economy and society

by Bruce Thompson*

Farmers, industry, commerce, tourism and their workers, as well as people in rural and urban areas, want appropriate, affordable transport. Roads, railways, ports and airports are vital for a flourishing economy, and for ensuring education and health services are available to all. At regional level, transport facilitates the flow of goods and people along import-export corridors, while bringing the people of neighbouring countries closer together. But simply building transport systems is not enough. People rightly expect transport to remain in a serviceable condition. It is, therefore, essential to build systems that are economically, financially, and institutionally sustainable, as well as environmentally sound and socially acceptable.

Appropriate transport

Decision-makers today are more conscious of the need to match transport capacity to the demands of the economy and society. Transport must also be coherent with regional development strategies, regional transit agreements and in the case of some modes, obligations under international agreements. This means that investment decisions are based on a more consistent and realistic needs-assessment of economic and social sectors, and other development policies.

The days of supply-led strategies, when roads were upgraded to unnecessarily high standards and railways expanded – often without regard to commercial demand – are almost past. The same is true of port modernisations carried out in anticipation of unrealistic trade growth, and oversized international airports built to satisfy a national 'gateway' image. These supply-led strategies had the effect of paralysing transport networks. Roads deteriorated rapidly, rail freight movements fell sharply, ports became congested and many airports and airlines were brought to the verge of bankruptcy. Transport agencies are, therefore, increasingly pursuing demand-driven strategies.

Another aspect gaining increasing recognition is the need to involve all the stakeholders – who include transport operators and unions, private sector users, local communities, farmers' associations, and key government departments. Confidence and trust is built through a continuous dialogue between these actors and transport sector institutions, leading to better identification of what is appropriate transport and a broader sense of 'ownership' in any reforms that are adopted.

Extending such dialogue to neighbouring countries, in turn, fosters respect for regional and international transport agreements. This is particularly important for landlocked states that depend on the transport policies and procedures of the transit countries. Smaller islands are similarly dependent on the policies of larger island groups or nearby continental countries. Through regular consultation, issues such as the simplification of rules governing transit traffic and customs, health and immigration procedures at borders, are being tackled, thereby facilitating regional integration.

It is essential that rural and urban communities define their own transport needs. Widely dispersed rural populations are generally served by a large number of roads and tracks – often five to seven times more extensive than the core road network. Meeting the needs of the people who live and work in these communities depends more on local consultation than on the standard method for forecasting transport flows. Moreover, non-motorised transport dominates in rural areas and the volume of motorised traffic is generally low. Design standards should reflect the requirements of these principal users rather than those of the occasional motor vehicle. Rural communities, often far away from effective government support, play a greater role in the operation of rural transport systems, particularly maintenance. Consequently, governments should concentrate on helping rural communities to keep their roads and tracks open to all traffic (particularly non-motorised) by giving priority to bridge and culvert maintenance, as well as localised road improvements.

Providing transport in urban areas is more complex. Key aspects here include a high population density, inefficient public

Involving users through Roads Boards

Governments clearly accept the rationale of involving users and beneficiaries in carrying out reforms and improving management of road networks. Several African countries, for example, Benin, Zambia and Ethiopia, have established or re-instituted Roads Boards. This enables users, who pay for road maintenance, to influence policy. They can become involved in strategies designed to ensure that road networks respond to demands, that action is taken according to agreed plans and that there is proper monitoring. Governments are also finding user involvement especially helpful when it comes to increasing user charges or other fees. Bringing together representatives of industry, farmers, construction organisations, transport service operators and hauliers alongside the road agencies, creates confidence and makes stakeholders take their individual and corporate responsibilities seriously.

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transport, insufficient provision for non-motorised traffic and pedestrians, and a greater concern for personal safety. Also, in urban areas, the differing transport needs of men and women tend to be accentuated. To respond to women's needs, there is certainly a requirement for better and more efficient public transport, particularly outside peak hours. The poor, meanwhile, can rarely afford public transport and are more likely to walk or cycle on inadequate and insecure footpaths and tracks. This non-motorised traffic accounts for 80% of journeys in urban areas. Cities must, therefore, give higher priority to providing an inexpensive and safe infrastructure for these non-motorised ways of getting around. When this happens, the mobility of the poor will be greatly improved.

Affordable transport

Governments in both industrialised and developing nations are striving to achieve the right fiscal balance in the face of competing economic and social sectors. Achieving this depends on a country's overall financial resources and trade-offs between sectors. It is necessary to take account of the long-term viability of the macro-economic framework, and to arrive at an appropriate distribution between recurrent and capital expenditure. Specifically in the transport field, the recurrent cost implications of capital expenditure must drive the decision-making process if investment in individual transport modes is to be optimised.

Worldwide experience shows that maintenance comes first. It must take precedence over investment in upgrading or new infrastructure and equipment. The basic rule is to build infrastructure to appropriate standards that can be affordably maintained. This means using the minimum realistic standards to satisfy demand while giving priority to maintenance. In some cases, this may involve reducing the service level of some parts of the network, or even reducing its size to a maintainable core. Putting maintenance first helps identify an affordable network that satisfies the country's economy and facilitates delivery of essential services to the rural and urban population.

Building and maintaining transport infrastructure, especially secondary and rural roads, can often be satisfactorily carried out by labour-based methods. These are no longer seen as purely manual activities. With simple equipment, these approaches can compete with plant-intensive methods and create long-term employment. When correctly applied, they can also lower costs.

Sustainability

Sustainable transport is essential for delivering continuous benefits to stakeholders. Without transport sustainability, economic growth will falter and people's access to education and health will decline, leading to the poor becoming poorer.

Economic sustainability

This means ensuring that the sector's financial needs are reflected in the national budget, on a long-term basis. In this respect, the transport sector is learning from the structural adjustment process. By participating actively in public expenditure reviews, transport decision-makers are able to take account of the overall fiscal constraints and influence intersectoral trade-offs, allowing them to define a medium-term strategy for financing transport.

With increasing competition between transport modes, governments and private operators are increasingly aware of the importance of having competition on a 'level playing field'. Getting prices right is vital in rationalising transport demand, particularly between railways and roads. Underpricing roads at the point of use distorts demand, while unrealistic charges may accelerate the decline of the railways. It is essential, therefore, for governments and the private sector to review tariffs and fares regularly, to promote equitable competition.

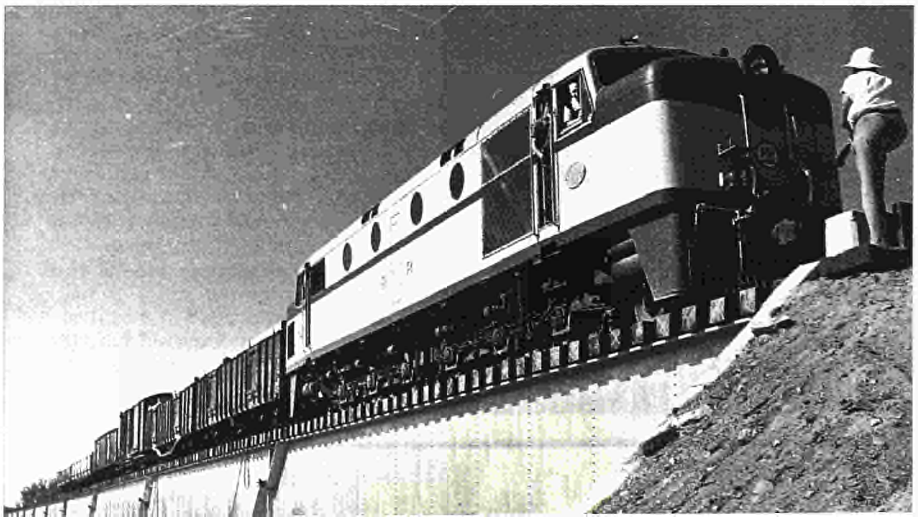
Governments are often faced with the thorny issue of subsidies. Long distance passenger trains, for example, may be commercially unviable if passengers cannot afford to pay the fares required to achieve full cost-recovery. At the same time, discontinuing the service may be socially unacceptable. In such circumstances, railways or governments may choose to provide financial support. Whatever the source, however, subsidies should always be targeted at particular groups and should not undermine commercial operations.

Financial sustainability

This depends on having secure and sufficient finance, and on using the funds efficiently. Commercialisation and privatisation enable transport networks to be operated more efficiently, contribute to better maintenance and deliver ongoing benefits to stakeholders.

If railways, ports and airports are to survive in the longer term, they must move into concessioning, involving the private sector. Railway companies are already divesting their non-railway operations and contracting more services out to private enterprise

Railway companies are increasingly contracting services out to private enterprise.



(such as ballast supply, catering, track repair and maintenance). Maintenance contracts for rolling stock are also becoming more popular with effective schemes in Kenya, Mali and Senegal. The next stage, which some railways are embarking on, entails moving to long-term concession agreements covering core rail services as well as rolling stock and infrastructure maintenance.

Maritime and inland ports present a similar picture, with the introduction of concession arrangements for cargo handling (especially containers) and the leasing of berths. Airports too have a growing number of privatised services covering areas such as baggage handling, catering and maintenance, and some are offering short-term management contracts. There is, however, considerable potential for extending the privatisation of airport services (infrastructures, operations and maintenance), particularly in French-speaking Africa.

Roads offer more of a challenge. Concessionaire arrangements are only available in a few developing countries, where traffic volumes are high enough to make them viable. It is, therefore, difficult to bring charging for road use directly into the commercial sector. However, in most developing countries, budgeted funds seldom cover more than half the maintenance requirements, and in these circumstances, road agencies have turned to raising revenue from users on a 'fee for service basis.' This income is channelled to a dedicated road fund, governed by a management board that includes significant private sector representation.

Institutional sustainability

In order to ensure this, transport needs to be managed as a business, not as a bureaucracy. As a general principle, policy and regulation should remain in the government domain. This provides an opportunity for more private sector involvement in any residual management carried out by government on a commercial footing.

Reform must start in the public sector and this first stage involves clarifying the responsibilities and tasks of different and often overlapping agencies involved in transport. Where possible, responsibility for various operations should be transferred to autonomous agencies or the private sector. This will help close the gap in remuneration between the private and public sectors which has widened over the last 20 years. Such reforms would motivate staff and raise professional standards.

Governments, however, will need to retain authority to approve operating contracts, monitor performance, and where necessary, fund obligatory services. This requires a suitable mix of skills to carry out planning, contract management, monitoring, supervision and regulation. Working in this new public-private environment means, moreover, that governments must adopt more commercial management attitudes.

The Courier

Technology advances in cargo handling facilities, are leading to an increase in competition between large and small ports.

Railways, ports and airports should be managed commercially. Railways corporations, in particular, face increasing competition from roads. The operators realise that if customers' needs are not met, their share of traffic will decline leaving them with no option but to close. Marketing improvements must, therefore, lead to better quality services, with flexible tariffs for small and large contracts that suit customer requirements. Concessionaire arrangements are proving to be a viable option.

Ports and airports authorities need full autonomy to survive in an increasingly competitive environment. Technology advances in ship and aircraft construction, and in cargo handling facilities, are leading to an increase in competition between large and small ports, which means that opera-

Road funds: managing finance for maintenance

Road funds receive revenues from road user charges, which include maintenance levies on fuel, bridge and ferry tolls, vehicle licence charges and international transit fees. The fuel levy generally contributes about 80% of the revenue. An empirical figure of US$ 0.10 per litre is set as a target to ensure operation and maintenance of the core road network. African countries approaching this target include the Central African Republic, Mozambique, Sierra Leone and Tanzania.

Road funds must have a management board with a clear mandate relating to operations and the delegation of the road fund administration. This makes it easier to counter wider government interference. Together with substantial user representation on the board, the effect is to reduce the risk of road funds being misused. User representation also makes it easier to conduct regular reviews of user charges and the funds' revenue base.

Collection, allocation and disbursement of funds must be kept simple. Ideally, the revenue should pass from collection points direct to the fund's own separate bank account. Allocations for main, rural and urban roads are best agreed at a central level and disbursed to the road agencies directly responsible for the road fund. Ensuring the smooth working of these mechanisms requires regular financial and technical audits.

tions need to be made more efficient. Authorities, therefore, must be cut loose from the multitude of government agencies, and be given the power to control charges and tariffs, labour levels and the contracting out of operations to the private sector. Commercial success also requires a management board whose members have extensive business experience and who can adapt to privatisation.

Private sector takes over railways operations

A private company has been given responsibility for railway operations in Côte d'Ivoire and Burkina Faso under a franchising agreement. With mostly private share capital, the firm has been franchised to operate and maintain the railway for 15 years. The railway property, infrastructure and rolling stock are owned by two parastatal companies.

Awarded by competitive tender, the agreement settled the crucial issues of investment, the franchise fee and staffing levels. The franchise fee strikes a balance between providing an adequate income to the two countries and being affordable to the franchisee. Commercialisation has led to a drastic cut in staffing levels. Redundant workers are being assisted by donors who are also financing railway rehabilitation.

Reforming the railways is a formidable task. This example of public-private participation pioneers a reversal of the economic decline of the railways and may well be a model for rail systems elsewhere.

Roads also need to be managed as a business, something which entails radical reforms. In general, there are too many bodies responsible for roads (as many as 650 in Nigeria, for example). The first step is to clarify 'who does what.' This means giving the districts the task of looking after rural roads, with main routes generally remaining under a central agency. Urban roads are dealt with by local authorities. Responsibility must then be matched with resources and authority, otherwise managers will not be able to perform. Whether managed by the public sector or autonomous agencies, the responsible agency must adopt commercial attitudes and systems in respect of areas such as management, accounting and auditing.

Road management and maintenance improves when the private sector is involved. Contracting out services and works to private concerns is becoming more common and, in nearly all cases, is proving more cost-effective. It also produces better quality results than when government-employed and supervised labour is used. The contracting out of design and supervision services is standard in most countries, giving road agencies the flexibility to call on expertise which is too costly to maintain at public expense. There is an additional gain from contracting out of building capacity in the local consulting and contracting industry, which is a prerequisite for institutional sustainability.

Environmentally sound transport

Transport brings enormous benefits to society, but inappropriate systems can damage the environment in which people live and work. Air pollution from vehicle exhausts, and noise pollution around airports and from road and rail traffic is steadily increasing. Towns and cities face greater congestion on already crowded streets. Ports threaten the marine environment. Whether transport can be environmentally sustainable is a moot point, but transport provision must be environmentally sound to avoid long-term damage.

Steady progress is being made in reducing vehicle emissions through improved engine design and the introduction of lead-free petrol. These direct measures need to be backed up by regular vehicle maintenance, and a willingness on the part of governments to set and enforce minimum standards. Although environmental norms and regulations are being updated, the enforcement record is not encouraging. Furthermore, the ecological consequences of urban transport must be built into urban policy, so that both motorised and non-motorised transport modes are optimally used in reducing pollution.

Measures to reduce travel and ease congestion start with integrating transport planning into urban land-use, not only for reasons of economy, but also to conserve the environment. Traffic flow can be improved in some cities by street-widening and building more roads. In others it is a question of getting the existing infrastructure to carry more traffic. Capacity can be increased through better traffic management involving bus and cycle lanes, one-way streets and synchronised traffic lights. Urban authorities, however, have to deliver a multitude of services, of which transport is just one, and their capacity for operating and maintaining such systems is limited.

With insufficient resources to tackle congestion and an inability to prevent rules being circumvented, many municipalities are opting for demand management measures. These include parking restrictions in certain areas, efforts to limit private car circulation, and curtailing the access of goods vehicles to congested areas during peak periods. Many of these measures have only limited success because of inadequate enforcement and because they are not accompanied by effective improvements to public transport. And while demand management may bring short-term benefits, more fundamental measures are needed to limit energy consumption, and thus pollution.

A generally accepted principle nowadays is that the polluter should pay. To date, few countries have introduced emission charges, preferring to use fuel taxation as a surrogate. But more sophisticated approaches are now being discussed. Singapore, for example, has demonstrated the technical feasibility of electronic pricing and similar pricing controls have been introduced in Stockholm. However, it would be premature to replicate these in many cities of the developing world. Given that the cost of fuel in developing countries is, on average, half that of the industrialised nations, the most practical option is still to charge private motorists through higher fuel prices.

Socially acceptable transport

Society has not always benefited sufficiently from transport investment – with the poor benefiting least of all. Improvements

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In developing countries, the financial burden of road accidents can be as high of 1% of GDP.

aimed at reducing travel costs and increasing access to employment, health and education services have not always made travel safer, nor created sufficient long-term jobs. Ways need to be found to make transport more socially acceptable and to spread the benefits throughout society.

Road accidents are a serious problem which should not be underestimated. In addition to the human suffering they cause, they impose a financial burden in many developing countries which can be as high as 1% of GDP per year. Excessive speed, poor driving standards, vehicles overloaded with people or goods, and inadequate maintenance add up to a fatal combination. And poor people are three times more likely to die in a road accident than those in the middle-income group. Understandably, most accidents occur in urban areas, with pedestrians and cyclists particularly vulnerable.

Government road safety units must support measures to improve vehicle maintenance standards and driving behaviour. This can be achieved by updating regulations to reflect the vehicles in use and through the uniform enforcement of the rules. To improve driver behaviour and pedestrian awareness, there is a need for higher standards in driving schools, public safety campaigns and more safety education in schools. Many developing countries have introduced seat belt regulations but have not yet tackled the serious problem of 'drinking and driving'. Improvements in all these areas will not only reduce costs, but relieve the extra family hardships that accidents cause, especially for the poor.

While rail, sea and air accidents are less common, the consequences of a single incident are likely to be more disastrous than any one road accident. Railway crashes are caused by overloading, excessive speed and inadequate maintenance. Rail companies must be vigilant when loading wagons to ensure axle loads and loading gauges are respected. There should also be regular track inspection and maintenance, particularly to prevent accidents involving passenger trains.

The risk of accident in coastal waters and port approaches is growing because of a shortage of operational aids to navigation and the unreliability of existing navigation aids. Ports authorities need to live up to the standards set by the International Maritime Organisation. Similarly, public confidence in air travel relies on good safety records. Adherence to international standards, ranging from air traffic control to airport navigational aids, laid down by the International Civil Aviation Organisation, is vital.

As private sector involvement in transport increases, employment opportunities in the public sector are diminishing. To reduce social hardship, jobs must be created in the private sector for both men and women. Jobs are required at all levels, but the greatest need is found among the semi-skilled and unskilled labour force. Small and medium sized contractors, therefore, need to to be supported, and offered training in the use of labour-based methods. Many countries have successfully contracted work to entities ranging from single-person contractors to medium-sized firms, thus creating long-term employment for the poor.

Growth in EC support for transport initiatives

Transport is receiving more financial support from the Lomé Convention in the period 1995-2000. An examination of the programming that has taken place under the 8th European Development Fund (EDF) reveals that about a third of national and regional indicative programmes have been allocated to transport (approximately ECU 2.5bn). This is almost as much as was spent between 1975 and 1990 under the first three Lomé accords.

Since the 1980s, donors have invested some ECU 12bn in sub-Saharan Africa's transport network, mostly on rehabilitating roads. About 20% of this investment has come from the European Union via the EDF. This makes the Commission one of the leading donors in this region of the world.

The Commission, alongside the EU's Member States and other donors (principally, the World Bank) has worked with ACP states to develop a sectoral approach which is demand-driven and strives for sustainability. Many countries are following this approach although at different speeds and with varying degrees of success. Experience shows that it will take time to achieve sustainable transport, and there is still much to do. But there is no doubt that those states making genuine efforts to reform, and progress towards sustainability, are proving more successful in attracting donor finance. This is bringing real benefits to their economies and societies.

J.B.H.T.

DOSSIER

The shifting paradigm

A view from the World Bank on developing Africa's transport

by Véronique Jacobs*

The effective and efficient provision of infrastructure underlines all attempts to reduce poverty. Trade is the engine of economic growth and reliable and efficient transport is a required ingredient for it to be successful. It is needed to facilitate production and exchanges; to enable farmers to produce and bring their products to markets; and to provide the underpinning for private investment. The poor state of transport infrastructure is a key obstacle to Africa's development and a major constraint to poverty reduction.

The vision

A basic cause of poor past performance in transport has been inadequate institutional incentives for improving the provision of infrastructure and services. To promote more efficient and responsive service delivery, incentives need to be changed through commercial management, competition, and user involvement. Establishing a new culture in developing Africa's transport infrastructure will therefore be at a premium. This would involve a learning process that will lead to a paradigm shift in governments' understanding of the role they should play in transport provision. Global experience has proven that adequate infrastructure is a prerequisite for the massive private investment that is badly needed in Africa. Thus, even if the public sector could manage transport infrastructure effectively, there will be a need to turn increasingly to the private sector to finance it. The vision of changing the culture of transport infrastructure provision will eventually lead to an increasing role for the private sector.

Shifting the responsibility in this way will require a rethinking of the nature of public-private partnerships and of central-local government partnerships. These could be built out of multilevel ties consisting of entrepreneurs and financial and public institutions, all of which should include local and foreign expertise and participants. While the most visible partnerships will continue to feature central governments and large foreign partners, it is essential to develop ways of involving small and medium-sized local entrepreneurs in the process of transport infrastructure provision – to give local economic actors a stake. In many cases, this will involve finding different ways of dealing with rural transport infrastructure provision and of involving local governments in the management and financing of infrastructure. The build-up of mutual trust among the public and the private sectors – foreign and national, central and local, large and small – is essential for fruitful cooperation leading to a substantial improvement of the products and services provided.

Introducing the private sector into management and financing of transport infrastructure in Africa cannot be approached as a classical private sector development case. It requires special attention in addressing issues associated with the public-private partnerships existing in the region. Transport infrastructure investments in Africa are sometimes vulnerable to political risks including governments' reneging on their regulatory commitments. Establishing an adequate legal and regulatory framework will help build trust with the business community and specify clear rules and procedures to be applied. This framework would ease the constraints on mobilising local finance by introducing risk reducing mechanisms.

Rethinking public/private partnerships

As countries around the world attract an ever-increasing amount of foreign private investment in infrastructure, Africa lags behind. Since infrastructure privatisation there is in its initial stages, an understanding of the region's private participation in its provision needs to be enhanced, and the demand and potential for successful private/public partnerships identified. The importance of this issue is reflected in the World Bank's dialogue with the governments, especially regarding the fiscal constraints most of them face. Global experience shows that capital tends to be extremely selective in choosing its markets and needs preliminary conditions which, in most cases, do not exist today in Africa.

Most African markets are not big enough to attract private investment. This lack of interest is largely attributed to low *per capita* income – combined with low growth rates which means it is unlikely there will be a substantial increase in purchasing power in the near future. On top of this, the region's integration is in its infancy. Experience, mainly in Asia and Latin America, has proved the importance integration plays in extending the possibilities of attracting investment. Transport infrastructure could have a substantial impact on regional trade, economic growth and poverty reduction.

Eliminating the pervasive restrictions on private sector participation in transport infrastructure would improve legal and regulatory frameworks, which are inhibiting the liberalisation and privatisation of Africa's infrastructure. There is a general awareness of the urgent need to establish supportive

* World Bank Group

public institutions and create a sound regulatory framework to ensure the effective operation of public enterprises. Increasing attention is given to the crucial role these institutions play in a commercial and market-oriented environment and the need to strengthen their regulatory capacity.

At a time when resources devoted to foreign aid worldwide are stagnating, the significance of cofinancing increases. The World Bank's role of assisting a recipient country in developing a viable financing plan which identifies potential cofinanciers is growing. The role of project finance in development has been expanding rapidly in some regions, although it has not yet been rooted in Africa on a large scale. For governments in the region to attract more project finance, it might be necessary for them to make commitments, in the form of concessions, guarantee mechanisms, and a business-oriented environment that will reassure the private sector of their real commitment to changes in the initial period. In order to improve its service, the Bank is searching for better ways of learning about, providing, and managing non-lending services which would help our clients to identify and negotiate co-financing projects with private financial institutions.

Revisiting decentralisation

Evidence is mounting that government programmes work better when they seek the participation of potential users, and when they tap the community's reservoir of social capital rather than working against it. The benefits show up in smoother implementation, greater sustainability, and better feedback to government agencies.

Decentralisation is a multi-dimensional process that proceeds with success and setbacks. Initiatives to decentralise the process of decision-making in Africa have evolved around three main dimensions – political, fiscal and institutional. The importance of these components is widely recognised. But their structure and internal relationship are seen as complex and therefore, they require thorough analysis. The decentralised institutions will need to build up municipal and financial competences – or find ways to contract them out – to cover the costs of providing rural public goods and services. There are three main sources of revenue: locally-generated resources, transfers from higher-level institutions such as intergovernmental fiscal transfers, and external resources (such as grants and loans). In the highways sector, the Bank estimates the road maintenance requirements and ensures that they are included in national budgets and financed. A similar approach is needed for municipal and village transport infrastructure, since local financing sources are unlikely to be adequate to meet the needs.

As local governments are permitted to raise revenues through taxes and borrowing, an appropriate system should be put in place to incorporate efficiency and equity goals. Such a system can operate efficiently by emphasising such crucial points as: transparency to make transfers clear and visible, predictability to permit strategic planning, and autonomy to ensure independence and flexibility of sub-national governments in setting their priorities and therefore establishing the demand.

The evolving role of the World Bank Group

At the country level, World Bank assistance to transport mostly takes the form of IDA lending for the sustainable development of physical infrastructure (mainly roads, but also railways and ports). This support is increasingly formulated in cooperation with other donors in the form of pluriannual sector investment programmes (SIPs). Bank assistance to transport is, nevertheless, framed into comprehensive Country Assistance Strategies (CAS) formulated with stakeholders and emphasising corporate restructuring, private participation and regulatory reform. At the regional level, the Sub-Saharan Africa Transport Policy Programme (SSATP), an initiative in which the World Bank is a main partner, assists in improving transport sector performance by promoting policy reforms and institutional changes. The programme is now widely recognised as a cooperative process to foster policy development and knowledge exchange, as well as a catalyst for capacity-building efforts.

The World Bank Group is evolving with its client countries. Their needs and emphases change and the Bank strives to provide the tools to meet their demand. The Group and its constituent agencies – including IBRD, IDA, IFC and MIGA – use a variety of instruments to support promising transport projects and programmes, such as economic and sector work, public expenditure reviews, technical assistance, adjustment operations, guarantees for mitigation of non-commercial risks, equity participation, and promotional activities.

In the end, however, the tools are only the means to reach an end – which is to improve significantly peoples' well being.

V.J.

Excerpt from an address to the UN Economic Commission for Africa by James Wolfensohn, World Bank President (Addis Ababa, January 27, 1998)

But what do we see when we look at Africa? We see that (it) is missing out. Of $300 billion in total foreign private capital flows, sub-Saharan Africa received about $12 billion. And of that, only $2.6 billion was in direct investments - a trivial (amount) in relation to the size and potential of this continent. But we also have to face facts. It is not just because the private sector is myopic that less than 1% of direct investment comes to Africa. Africa needs to set itself up to attract private investment and that means a clean regulatory environment; it means a judicial system that works; it means property rights, corporate law, predictability in taxes... In relation to governments, it means capacity-building, health care and the infrastructure necessary to go along with it. And it means corruption must be stamped out. Without these, private investors simply will not invest.

Using local resources to meet the needs of rural areas

by Jan de Veen*

The importance of transport to development is unquestionable. The massive investment in roads and motorised vehicles in developing countries in recent decades is clear evidence of this belief. However, in many developing nations, a combination of deteriorating economic conditions and a crippling scarcity of foreign exchange means that governments are increasingly unable to deal with transport problems in rural areas. One consequence has been that development planners – looking to rationalise transport-related investments and promote employment – increasingly emphasise the use of locally-available resources for improving and maintaining the infrastructure. At the same time, decentralised and participatory approaches to transport and infrastructure improvements are being encouraged.

Since the mid-1970s, the International Labour Office (ILO) has been in the forefront of efforts to promote the effective use of local resources for rural road improvement and maintenance, helping to reorient technical ministries towards the efficient use of labour-intensive methods. This work, carried out in more than 30 developing countries, has clearly demonstrated the technical and economic competitiveness of such methods for most major construction activities (clearing, excavation, etc.). Provided that the projects are well-managed and that wage levels for unskilled workers do not exceed US$4 a day, it is an effective strategy in terms of cost, quality and speed. This article looks at the approach that the ILO has developed, involving both the public and private sectors, in improving rural transport infrastructure using local resources.

Not just roads

It is also increasingly clear, however, that roads by themselves cannot solve the transport needs of rural populations. Surveys on transport demand in rural areas show that most travelling occurs off the roads – on paths and tracks within the locality, and on foot. They also reveal that the bulk of transport movements are related to domestic activities and involve women. Within the framework of its Employment-Intensive Programme (EIP), the ILO therefore began supporting projects that respond to the actual transport needs in rural areas. These entail the introduction of accessibility planning tools and an approach to implementation which encompasses a wider range of transport interventions. The latter include improvements to paths and tracks, the provision of intermediate means of transport, and the better location of essential rural services and facilities, to complement conventional interventions involving roads and motorised vehicles.

Initially, ILO work on the use of labour-based methods for road improvement and maintenance emphasised the establishment of systems and procedures, and the training of staff to allow efficient implementation by the relevant government agencies. During the last decade, the development of a local contracting industry, capable of mobilising and utilising these local human and material resources, has become an important way of promoting employment and improving efficiency. Development projects using labour-based road contractors illustrate that local businesses can make an important contribution to job creation, skills development and economic growth. At the same time, progress can be made in the areas of worker protection and conditions of work for temporary employees.

Labour-based road projects in dispersed rural areas can provide an excellent opportunity for local contractors to progress from small-scale building works into road rehabilitation and maintenance. The initial capital investment required for this kind of work is significantly smaller than for equipment-based approaches. Relatively simple from a technical standpoint, labour-based methods are particularly suitable for small local firms. The latter have limited mobilisation costs, know the prevailing conditions and traditions, and are consequently well-placed to make good use of locally available human and material resources. Small firms are also more likely to generate local employment, utilise materials available in the vicinity, and provide a continuing resource for building, maintenance and gradual upgrading.

Work carried out by the ILO and the World Bank has shown that constraints on the use of labour-based techniques by the private sector have more to do with the general problems faced by small-scale contractors than with any basic difficulty with the techniques themselves. Contractors face a variety of problems related to obtaining credit, keeping an adequate cash flow, being paid on time and operating within very demanding contractual regulations. These problems exist whatever the technology employed. Any agency aiming to develop the capacity of small-scale contractors must, therefore, help them overcome such difficulties. Accordingly, contractor development projects in this field should involve and train the business community and the responsible government agency in the joint implementation of labour-based roadworks, while developing a supportive policy environment and introducing simple and effective administrative and contractual procedures. The keystones of such a strategy are institution development, business management and technical training, demonstration and the introduction of transparent and streamlined procedures (such

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as for payment, certification and contract awards).

If programmes of this nature are to be successful and sustainable, it is vital to establish a relevant training programme for both public and private sector trainees. Management and technical training for higher and medium level supervisory staff (or, in the case of small contractors, the contractor himself or his site agent) is absolutely indispensable. The programme will also need to train high level staff in the supervising agency to prepare for and manage the bidding process, review bids, negotiate contracts, and supervise work in progress. Furthermore, in the pilot stage, tools and light equipment of appropriate type and quality should be procured, with mechanisms established to make these items available to the contractors. Productivity and cost data need to be collected in order to set acceptable unit rates. Finally, steps should be taken to ensure adequate local and external funding to replicate the pilot operation on a larger scale.

Working conditions

There are risks in using employment-intensive methods. Simply to introduce them without considering labour issues, may lead to abuse and exploitation, thus jeopardising the wider-scale application of such programmes in the long term. In this context, the gradual introduction into contract documentation of a number of the ILO's fundamental standards – dealing, for example, with minimum working age, minimum wages, insurance, and equal treatment of female and male workers – will be of the highest priority. When the private sector is involved, particular efforts should be made to safeguard basic labour standards. Strategic use of the tendering and contract system will enable the promotion of improved working conditions for the large numbers of unskilled, temporary staff employed in these programmes by small firms.

Labour-based road projects implemented through the private sector should aim to develop and introduce simple contract documentation with appropriate clauses on the treatment of workers, and should encourage the formation of contractors' and workers' associations. ILO-supported contractor training programmes have already resulted in the creation of labour-based road contractor associations in Ghana, Lesotho and Sierra Leone.

In order effectively to address the most common access needs of rural people (to water, firewood, farms, markets, health facilities, grinding mills, schools) a wider scale of transport intervention is usually necessary. Decisions about such interventions should not come from the top-down, but rather with the active participation of the rural people involved, and after access needs have been identified through household surveys. The resulting investment decisions could include funding work on tracks/footpaths, intermediate transport and services, to complement transport by motorised vehicles and investments in rural road construction. Through field projects, an Integrated Rural Accessibility Planning (IRAP) methodology has been developed and tested for this purpose. Based on an assessment of access problems faced by rural households, IRAP is a tool for local-level planning of infrastructure investment and the production of development plans.

In general it is found that access problems can be approached in two complementary ways: by increasing mobility through an improved transport system; or by locating facilities and services closer to the people. Both can result in important savings for the beneficiaries. Projects in Malawi, Tanzania, Laos and the Philippines have now introduced the IRAP methodology. The operational system to translate the plans into action should include the signing of participatory and contractual agreements with community-based organisations, economic interest groups, small contractors and village development committees. All these local stakeholders have their economic and social interests and should therefore play an important role in the design, programming, implementation and maintenance of the works to be undertaken. This is all the more important because the investment funds available for rural infrastructure at local level are usually extremely limited. A much better operation and maintenance of local infrastructure can be ensured when the stakeholders have been involved from the beginning.


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Labour-based strategies can be effective in terms of cost, quality and speed.

Huge potential

The project experience shows that the potential for labour-based technologies is huge, particularly in rehabilitating country roads and for all types of maintenance in urban and rural situations. The changing socio-economic environment in many developing countries in the 1990s strongly underlines the need to create productive employment and to give priority to programmes that utilise local resources for infrastructure construction and maintenance.

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A number of factors influence the choice of technology for any given construction project: the design; the site conditions; the availability and motivation of the workers; the quality standards to be applied; the required speed of construction; and, finally, the costs of the various approaches. The decision in principle as to whether manual workers or heavy equipment should be employed in excavating and shaping the road can be taken following a broad analysis of these factors. It should be recognised that labour-based methods can achieve high quality and high productivity when the labour force is complemented with carefully selected light equipment for operations that are difficult for manual workers to carry out unaided (such as rock excavation, compaction and hauling of materials over medium or long distances). The technical performance of labour-based methods can be boosted substantially if this is done, at only modest extra cost.

A labour-based road project carried out using the private sector, in a country where no domestic capacity exists in this area, is complex. Because of this, three to five years should be allowed for it to be developed into a large scale programme. A relatively long support period is also needed because of the financial exposure of the small contractor. While investing capital in light equipment to complement labour-based operations, such operators are highly vulnerable to abrupt fluctuations in workload. The projects must therefore incorporate certain safeguards to guarantee an essential minimum of work for a specified period to firms that are performing to expectation. Contractors should be encouraged to diversify their activities as much as possible. Buildings, small dam construction and agricultural sectors could offer a varied and flexible workload for efficient labour-based contractors.

Capacity building essential

Worldwide experïence also indicates a growing need for institution and capacity-building in this field. Both international and local consultants, and contractors, will need to know how to design and implement different technology options. Government agencies must be able to monitor and control different technological approaches. An analysis of the lessons learned from implementing the different projects and programmes should allow one to develop various models for labour-based road contracting for countries with varying levels of experience in private sector works. One must recognise that if institution and capacity-building are neglected, and the working environment is not modified to allow the effective use of the new methods, the results will inevitably be inferior, leading to failure in the longer term. Policies on technology choice and on creating an enabling environment for labour-based road contractors to compete effectively in an open market economy will need to be developed and implemented. At the same time, initiatives are required to expand knowledge of alternative technological approaches within universities and learning institutions.

As mentioned earlier, the growing involvement of the private sector in this work increases the risk of worker exploitation, unless relevant labour regulations are developed and applied. It is also necessary to improve the relevance of national labour laws to the type of employment provided in this field – involving large numbers of rural people, many of whom have not been formally employed before. Worker and employer associations and organisations will have an important role to play here. A soon-to-be published ILO guide (see box), sets out the current experience of how labour issues are being dealt with in employment-intensive infrastructure programmes, and gives guidance on how progress on standards and working conditions can be made with the involvement of the social partners.

Despite growing recognition of the access problems faced by rural people in developing countries, rural transport interventions are still heavily focused on roads and motorised vehicles. There is clearly a need to raise awareness of other initiatives that could be taken to provide people with better access to essential facilities and services. Improvements in the location of such basics as water supplies, schools and health services, combined with the upgrading of footpaths and the local manufacture of simple means of transport, will go a long way to address the real transport needs of rural people – and usually at substantially lower cost than the construction of even limited stretches of rural road. Finally, increased participation by stakeholders at all stages of the process is the key to sustainability.

J.d.V.

DOSSIER

Meeting the road maintenance challenge

by Jean-Philippe Lanet*

The rapid growth in road construction that took place in many developing countries between 1960 and 1970 brought about considerable expansion of road infrastructure which subsequently, from the 1980s onwards, fell into disrepair through lack of maintenance. The damage is often so severe that ordinary maintenance will no longer suffice and if roads are to be fully restored, rehabilitation or even reconstruction work is necessary, at a cost three to five times higher than that of preventive maintenance.

The consequences of this poor state of the roads are borne directly by the road user and the consumer. In Africa, each dollar saved in the road maintenance budget represents an additional expense of two to three dollars on vehicle operating costs. The increase in transport costs can also have a considerable impact on the price of some consumer products. Road infrastructure deterioration is a constraint upon economic development and actually makes countries more impoverished.

It is not always easy to understand how such a situation can come about, but one or two explanations can be advanced. Road networks have been extended immoderately without any real understanding of the subsequent maintenance requirements and the corresponding funding. And despite the sharp increase in traffic in most countries, road maintenance has remained low down on the list of priorities for budget allocations. Lastly, the urgency of the situation has not always been fully realised, whether by local decision-makers or by the donor community. Institutional weaknesses together with a lack of public awareness have been factors in the delay in implementing durable, in-depth reforms.

This has also had an effect on donor policies. Thus, most of the road projects launched during the past 20 years (mainly capital works) have had very few long-term effects and the sums invested have often been eroded. Studies conducted in 85 countries by the World Bank have shown that a quarter of the roads situated outside urban areas, and a third of gravel roads, will have to be rebuilt. Once it became clear to donors that their plans had failed, they decided to make their aid conditional upon reliable road maintenance systems.

Rehabilitating and protecting existing infrastructure

The aim must be to rehabilitate badly damaged roads and protect more recent roads from a similar fate. This requires further moves to be made on several fronts:

– *Defining priorities.* Few countries are able to muster the resources to cope with road maintenance requirements. They have to make choices, which usually means cutting down heavily on capital works in favour of road maintenance. Furthermore, as external financing is limited, they have to catalyse more funds at local level.

– *Clarifying responsibilities.* Road services, which are often public monopolies, are overloaded with responsibilities and have to do planning, control and performance of work all at the same time. The services must therefore be reformed in depth and everyone's role must be more clearly defined. In many countries, the reforms have particularly aimed to separate the performance of work from the other functions, by making greater use of the private sector. This new role-sharing should enable the road services to develop their capacities to plan and manage the road network, define maintenance strategies, and constrain levels of service to what is affordable.

– *Improving management of human resources.* This includes more extensive training and enhanced career development to provide better incentives to employees.

The African example

In Africa, as in many countries in other continents, road transport grew rapidly after the

In most countries, road maintenance has remained low down on the list of priorities.

The Courier

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The Road Maintenance Initiative (RMI)

'First rebuild your policies before you rebuild the road' – this is the philosophy behind the Road Maintenance Initiative. The aim is not to finance roadworks but to help set up efficient, reliable, sustainable institutions.

Launching the RMI

The initiative is a key component in the transport policy improvement programme in Sub-Saharan Africa (SSATP). The aim is to facilitate cooperation between the African countries and donors with a view to sustainably improving road maintenance in Africa. The RMI is based on two assumptions:

– The main problem in road maintenance is not technical but rather political and institutional;

– To make reforms sustainable, it is essential to develop national consensus on the importance of road maintenance.

Two phases

During the initial phase (1989-1991), six regional seminars raised awareness in all African countries. The second phase supports concrete projects for institutional reforms in Cameroon, Kenya, Madagascar, Tanzania, Uganda, Zambia, Zimbabwe and, since 1994, in Mozambique, Malawi, Togo and Ethiopia. The RMI has an open approach and is also interested in reforms undertaken in other countries such as Burkina Faso. The RMI supports all activities conducive to a better road maintenance policy. For instance: national seminars bringing together representatives of administrations and road users, or *ad hoc* studies conducted by local consultants, or again, guided study tours to other African countries.

Road commercialisation

The results of experience in this field have been collected by Ian Heggie in the World Bank Technical Paper No 275: *Road Management and Financing, An Agenda for Reform.* He suggests commercialising roads, which means considering them as goods subject to a market discipline, making a direct or indirect charge for using them and defining a mechanism to simulate price-setting by matching supply and demand. Commercialisation is based on four interdependent building blocks of reform:

– Involving road users so that they can take part in decisions on levels of service and charges;

– Stabilising road financing by a mechanism to ensure an adequate, steady flow of funds;

– Clarifying responsibility in the area of network management;

– Improving the management and efficiency of the bodies in charge of road maintenance.

Gérard Paget, Director for Regional Subsidiaries of Scetauroute Group, France. Former RMI Team member, World Bank.

Second World War, and today it carries nearly 90% of travellers and freight. Roads tend to be the only form of access to most rural areas. Deteriorating carriageways are consequently a cause of great concern on this continent, requiring in-depth reform of the institutions in collaboration with donors. There has been a considerable amount of thinking, particularly in connection with the Road Maintenance Initiative (see box), which has led to the road commercialisation concept – in other words, considering roads as goods subject to market mechanisms and putting them on a fee-for-service basis. The efforts of the past 15 years have enabled considerable headway to be made in many areas. For instance, road funds have been set up to finance maintenance, based on the three principles of road commercialisation, joint management and careful, transparent financial management.

Once the idea of financing road maintenance by the users was adopted, management structures comprising representatives of the authorities and of road users were set up in several countries. This enables users to be involved in maintenance management and ensures that funds are properly used.

The importance of international cooperation

In view of the road maintenance crisis in the developing countries, the international community must coordinate its action better and focus its efforts on specific objectives: adapting road programmes to each country's needs; facilitating road research; developing the interchange of scientific and technical data particularly through the Internet, bringing decision-makers, engineers and technicians from various countries in contact with one another. The role of international organisations such as the World Road Association (PIARC) or the International Road Federation (IRF) must be developed to address the needs of developing countries better. This is one of the main aims of the PIARC C3 Committee, which has drawn up an action plan along these lines.

ISTED

ISTED, a non-profit-making body, provides a forum for ideas, information and action at the service of its partners in the public and private sectors in the areas of public works, development and the environment. It aims to support French expertise at international level and to disseminate scientific and technical information.

Will the road maintenance challenge be met? There is no miracle solution. Each country must be determined to set up the necessary reforms to remove one of the main strangleholds on its economic development. They must take action, launch projects, and not be daunted by the scale of such reforms. Donors, for their part, have proved in recent years that they could be generous in their support for those countries that resolutely undertook sustainable road maintenance reforms. Naturally, it is a slow process because they are often very large-scale reforms but that is the price that must be paid if they are to be sustainable. In the end, meeting the road maintenance challenge means winning the wager laid on development.

J.-P.L.

DOSSIER

Road transport research at the OECD

Progress through international innovation

by Partick Hasson*

The Organisation for Economic Cooperation and Development (OECD) is an international organisation that represents the 29 most developed nations in the world. Its predecessor, the Organisation for European Economic Cooperation (OEEC), was founded 50 years ago as part of the Marshall Plan for the reconstruction of Europe. As far back as 1961, the OECD provided for regular interaction and exchange among national road researchers from its member countries. This early cooperation led to the formal establishment of the Programme in Road Transport Research in 1968. For the past 30 years, the Programme has operated on three-year cycles, having been renewed 10 consecutive times by the OECD Council. The most recent renewal was in December 1997 and this was accompanied by a specific work plan for 1998-2000 that details the projects and activities to be undertaken. Also in 1997, the title was changed to the *Programme of Research in Road Transport and Intermodal Linkages* (RTR) to better reflect a strategic framework in which roads are viewed as an integral part of the wider transport system. The Programme is part of the Transport Division in the OECD Directorate of Science, Technology and Industry.

An important difference between OECD road transport research activities and those of other international organisations is the fact that the Programme focuses on issues relevant to its limited number of member countries. This is not to say that its products are not relevant or useful to others, but simply that the Programme is designed by OECD members in response to their own stated needs. As such, its ultimate goal is to contribute whenever possible to the development of seamless transport systems in OECD member countries by assuring intermodal linkages between roads and other modes. The 'linkages' referred to here are not limited to 'concrete and steel' linkages (i.e. infrastructure) but also those of a wider social, institutional and economic nature.

Cooperation brings results

Since 1968, the Programme has become a true knowledge bank through a variety of mechanisms, including: an international network of experts and specialists in key transport issues; two operational international databases on documentation and traffic accidents; regular and cumulative enhancements of the research and development fields covered and policy challenges addressed; strategic communications with non-member countries; and cooperation with other OECD Directorates and international organisations active in related areas. Over the years, more than 3000 scientific, engineering, and economic experts have participated in and contributed to the investigative activities of the Programme.

The main driving force for the Programme has been the recognition by member countries of the common challenges they share in implementing key transport and infrastructure policies and programmes. Whether considering the performance of road transport systems and road facilities, the maintenance of existing infrastructure, traffic safety, energy or environmental impacts, road and transport administrators throughout the OECD can identify common ground. Thus, the Programme provides a productive and positive forum where these issues can be addressed cooperatively.

It is often noted that research and development does not always receive adequate attention in the budget or priority-setting cycles of individual countries. Restructuring and downsizing of public research institutions has taken place in some states and at the same time the private sector does not seem to have risen fully to the challenge. In a climate where needs outstrip resources, participants in OECD studies and cooperative research programmes can obtain results that may either be applied immediately or adjusted conveniently in their countries to improve road transport. Through participation in the OECD studies and seminars, member countries can gain an in-depth understanding of research performed in other countries – that can serve as a benchmark for their own research programmes. Moreover, the Programme's two databases assure the systematic exchange of experience and research results so that all members can benefit directly in terms of cost savings for research and improved systems.

Over the last 30 years, the Programme has undergone a natural evolution of priorities in order to remain current in meeting the emerging challenges of the OECD countries. At present, the Programme is vigorously addressing a variety of issues under the framework of the 1995-1997 three-year programme. These include the following projects:

- Safety Problems of Rural Roads
- Implementation of Intelligent Transportation Systems
- Trilateral Logistics (TRILOG)
- Transport of Dangerous Goods through Road Tunnels
- Dynamic Interaction Vehicle Infrastructure Experiment
- Performance Indicators for the Road Sector
- Motorcycle Accident Investigations: to create the basis for appro-

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priate injury and accident reduction measures[1]

A practical working method

The organisational framework is simple and clear. Leadership is provided through a policy committee – the 'Steering Committee for RTR' – comprising senior road and transport managers and administrators from member countries. Day-to-day management is accomplished by a small Secretariat team at the OECD HQ in Paris. This arrangement assures focus and prioritisation that is responsive to the real needs of the transport agencies in the member nations.

The heart of the working method centres on flexibility in the approach used to accomplish a specific project – i.e. scientific expert groups, joint research projects, conferences/seminars – and networking to capture the expertise available in the OECD countries on a given topic. Through the Steering Committee, the RTR can reach into the network of professionals to multiply the resources and capabilities available for a project. Through this mechanism and the various research fora, the goals shared by all the participating countries are accomplished. The cooperative research projects and policy reviews are well-defined and carefully directed to assure results-oriented completion within a strict time schedule.

The 1998-2000 Programme

Every three-year programme of work includes 'activity centres' that help to focus the RTR research efforts. The activity centres have changed gradually over time and reflect OECD members' priorities. The 1998-2000 work programme includes the following three activity centres:

– Sustainable Multimodal Transport Strategies

– Economic Performance, Transport Infrastructure and Management

– Transport Safety and Environment

The Programme also includes several continuing activity areas – namely two international databases, outreach activities with non-OECD countries, and research policy initiatives – that are ongoing. Though some projects carried out within these areas may change over time, the general themes do not.

Sustainable Multimodal Transport Strategies

The RTR role in this area centres on aiding member countries in their efforts to meet domestic and international multimodal needs. The Programme helps to contrast and compare transport problems in different member states as well as in a regional context and to identify multimodal solutions. International cooperation through the Programme enables countries to identify efficiently the best policies and practices for obtaining the maximum benefit from transport infrastructure investments. For example, one issue currently important to many members is how to tackle road congestion and its associated environmental and social effects. The Programme will therefore study ways of, and share experience on, influencing the level, location and timing of road traffic demand. The review and analysis will distinguish between policies aimed at reducing overall demand for mobility, those aimed directly at restricting road traffic demand, and those aimed at making alternative modes more attractive. Similarly, the Programme is contributing to the development of implementation strategies for intelligent transportation systems (ITS) that include consideration of the social and governance issues associated with ITS implementation in a multimodal framework.

The Programme is also interested in the international dimensions of intermodal transport. The RTR seeks to stimulate the exchange of concepts and experience about multimodal management with the aim of establishing a clear set of suggested policies that can encourage greater levels of private sector development, standardisation and use of technologies, and practices that improve the overall level of integrated transport efficiency. The Programme coordinates and augments this work, and other activities, through a multimodal freight advisory group. The ultimate goal of these efforts is to develop multimodal policy recommendations that will influence transport infrastructure investment criteria in member countries

Economic performance, infrastructure and management

The RTR Steering Committee recognises that transport networks, including roads, represent huge national assets. It is acknowledged that network managements protect these very significant national investments, and that their work has major implications for trade, investment and economic performance in general. From this standpoint, the RTR investigates the management of construction, maintenance and rehabilitation of road networks, especially in the light of political and budget pressures. There is great interest among member countries in using the Programme to obtain a better understanding of how asset management systems can be employed in making road management decisions, exploring related institutional issues, and suggesting approaches that help optimise management efficiency in road organisations.

On another front, the Programme places high priority on the fairly clear link between transport infrastructure development and economic productivity. However, setting transport development priorities based on the identification of a project's economic impact is not an easy or precise task. The Programme is therefore making progress on the effects of transport infrastructure on regional and/or peripheral development by reviewing current research in transport economics, including concepts and evaluation methodologies for determining the economic impact of transport development.

The performance of public administrations at all levels is increasingly under scrutiny. Road administrations, like many others, are accordingly looking for sound and practical ways to measure their performance and communicate

[1] Detailed descriptions of these and other activities can be found on the OECD internet homepage at *www.oecd.org*.

Traffic congestion and the related issues of roadside noise and air pollution – a growing concern for OECD countries.

this to the general public and political leaders. The RTR has responded to this need by releasing a report that identified 16 main indicators for monitoring and evaluating road administration performance. The RTR has now initiated a pilot country field test that is intended to assess the applicability of the indicators in order to: identify organisational learning potential; establish benchmarks and observe trends; inquire into reasons for not achieving set objectives or targets; and assess data collection and analytical procedures. 16 countries, the World Road Association (PIARC) and the World Bank are participating in the field test.

Transport safety and environment

Because transport can affect every aspect of life from employment and economic productivity to the environment, traffic safety and other social considerations, the Programme has always placed high priority on road safety and the environment. The road safety initiatives are a response to what is an enormous challenge – every year, there are 500,000 road deaths and 15 million accident injuries worldwide. About a third of these occur in OECD countries. The annual cost, within the EU, is estimated at ECU 162 billion – equal to about twice the Community's total annual budget! The programme therefore seeks to contribute to a more resolute policy approach in implementing safety measures and to provide for focused research on specific groups as needed.

The RTR is managing a joint research project on motorcycle accident investigations. This is designed to create the basis for suitable injury and accident-reduction measures by improving the scientific evidence available to support the introduction of appropriate technologies. The Programme is also considering the mobility needs and safety problems of ageing societies. By consolidating and disseminating current successful policies and practices, and making recommendations for multidisciplinary research programmes for national and regional implementation, the Programme hopes to contribute to alleviating some of the problems in this area.

The RTR, in close cooperation with the World Road Association (PIARC), is also performing a joint research project on the Transport of Dangerous Goods through Road Tunnels. This includes participation by 14 OECD members, 6 PIARC members, and the European Community. The goal is to review current national and international regulations, propose methodologies related to risk assessment and decision processes, and suggest risk reduction measures. The project costs – approximately $1 million – made international cooperation an imperative for accomplishing the work. The funds are being donated by the participating countries. The project is managed by a small Executive Committee, a large Scientific Expert Group, and a part-time project manager, with consultant support available for specialised tasks.

Like safety, the environmental impacts of transport infrastructure, traffic demand and mobility requirements all pose greater challenges for OECD countries. One result of the growing demand for travel and mobility is an increase in health, economic and social concerns – related to air quality, roadside noise and traffic congestion. One goal of the Programme is to identify and evaluate measures that reduce the impact of roads on the environment. It accordingly includes a proposed air quality project. This will consider how atmospheric pollution modelling can make use of information from air quality assessment and measuring. This should allow a comparison of the costs and benefits of different approaches (both management and technical) employed in mitigating the problem. In addition, because the road traffic noise prediction model chosen can significantly affect the solutions implemented, and therefore the decisions on what protection is needed, the RTR will evaluate these models in view of their effect on policy-making and in the assessment of noise impacts on quality of life.

The Programme also includes a life-cycle analysis project. This will focus on extending traditional environmental impact assessment to infrastructure projects and technologies over their entire 'life-time' – covering construction, operation, maintenance and demolition. Various environmental indicators – such as the use of natural resources and noise pollution – will be taken into consideration. The project will result in a basic methodology that can be used to weigh essential environmental concerns against appropriate infrastructure development.

Research policy

The RTR Steering Committee undertakes special projects in several areas that are directly relevant to the conduct of research. For instance, in 1993, the USA hosted a seminar at which recommendations were developed that should be considered in strategic planning for road research programmes. As a follow-up, France hosted a seminar where the emphasis was on the need to evaluate research programmes as a basis for developing and implementing new programmes. The latter event resulted in a series of principles to be considered when evaluating a research programme. Through efforts such as these, the RTR can contribute to improving the quality of both national and international research projects and programmes.

International databases

A major aim for the RTR is to exchange technology, information and knowledge in a systematic way. One of the main ways we accomplish this is through two international databases. The International Road Research Documentation (IRRD) scheme assembles and disseminates road-related research literature as well as information on research in progress. It is a unique, world-wide database that is managed semi-independently – financed through subscriptions and royalties – with the Secretariat as overall coordinator. The principal languages reported in the IRRD are English, French, German and Spanish. The database includes nearly 400,000 bibliographic records plus some 45,000 records describing research in progress. The IRRD is available globally online through the Science and Technology Network (STN) and on the TRANSPORT CD ROM produced by SilverPlatter. The CD ROM is also now available on a 'pay-per-view' basis on the Internet.

The International Road Traffic and Accident Database (IRTAD) was established for the collection and systematic exchange of aggregate accident data from 27 OECD Member and other countries. It is administered by a German host organisation – BASt. There are two main reasons for maintaining this database. First, the value associated with statistical analysis as a critical part of planning road safety policies. Second, the value added to road safety assessment using international benchmarks.

Outreach activities

The RTR has been called upon to provide advice or information to non-member countries for nearly as long as the Programme has been in existence. Following the fall of the Soviet Union, the demand has increased. In this area, RTR involvement so far has included a number of road safety conferences in Asia, Latin America, and Africa and a series of 14 workshops on various road-related topics in Central and Eastern Europe. OECD member countries also receive regular requests for information and assistance to which they respond independently.

In late 1996, the Advisory Panel for Outreach Activities was formed to prioritise RTR technology-exchange activities with non-member countries. This is done by ensuring that the activities take advantage of the inherent strengths of the Programme and that they can be accomplished with the limited funds that are available. A good example of where the Panel has established sound priorities was the Information and Documentation Seminar held in July 1997 in Prague. Some 100 policy-makers, librarians and information specialists took part and the outcome was a series of meaningful conclusions and recommendations that are now being implemented.

Conclusion

The Programme has been responsive in meeting the needs of both OECD members and non-member countries for more than 30 years. By employing a flexible approach, it has been able to maximise the use of the network of road and transport professionals available to address projects identified by the Steering Committee. Close contact is kept with many international organisations and associations working in related fields in order to achieve synergies and avoid duplication of work. Those reponsible for the Programme are keen to maintain and enhance such collaboration.

This continuing cooperation has resulted in a large number of publications on various road transport subjects. A catalogue of these publications is available on the OECD internet homepage (see footnote 1) or by writing to the OECD Secretariat.

Looking to the future, there should be even more opportunities for the OECD to contribute to the increasingly complex road and transport needs of member countries. Building on previous efforts, the three-year work programme established by the Steering Committee will open up new avenues for international cooperative research, especially in the area of linkages between road transport and other modes. The Programme thus offers participating countries a major opportunity to explore the road and transport issues that are are so crucial in an era of globalisation.

P.H.

DOSSIER

The central theme of development policies

by Pierre-Yves Peguy*

Transport and development – two words separated by a single conjunction that express a specific reality for the developing countries. In grammar, conjunctions offer many advantages, not the least of which is allowing us to establish a relationship or contrast between words, concepts and ideas, at least in formal terms. That is what happens with the conjunction '*and*' in the context of the question of transport and development. What meaning does it give to those two terms? Is there a relationship between them which has not simply been created by their juxtaposition? Before considering these questions, which go far beyond strict grammatical analysis, we should start by clarifying what we mean by '*transport*' and '*development*'. The first term can as well refer to infrastructural networks and means of locomotion as to the economic activity represented by the transporting of goods and passengers. Development today is still the subject of much debate, among economists in particular. While leaving that debate open, we can consider both the economic and spatial dimensions of development. The first of these is not a new addition to the analysis: it has been the subject of many studies, both theoretical and empirical, both micro – and macro-economic. Development refers to growth, understood as an increase in national wealth as it may be defined by the nation's accountants. The second, spatial dimension has, by contrast, long been forgotten in the standard economic analysis. This is no place to discuss all the reasons for this omission, but it is worth mentioning that the introduction of space challenged the very existence of the general equilibrium. This characteristic refers to the spatial translation of development.

The issue now is to consider the meaning of the conjunction, transport and development, through economic analysis. A causal sense has often been conferred upon it, exceeding the mere pairing that their juxtaposition might suggest. In other words, a summarising formula might be 'transport *therefore* development'. Economic analysis, however, has resulted in a refining of this relationship, recognising transport as being behind certain effects which tend to unbalance development. The relationship 'transport *but* polarised development' has replaced the relationship 'development *because of* transport'. Nor is that the end of the semantic shift in this conjunction. On considering the perverse effects of transport, one might have preferred a relationship of the 'transport or development' type, inviting a decision, a choice of one of what have now become two conflicting terms. At the end of this analysis, it will in fact become apparent that the firmest relationship between the two takes the form '*neither* transport *nor* development'. Without transport, development is impossible, and the particular task of the person making the decision is to implement a sectoral policy.

Transport as a development factor

Transport is often considered as a or even *the* factor behind the growth of a region, country or continent. In other words, without an infrastructure the area in question has no possibility of *take off*. This notion, very widespread in the minds of people both in the free-market countries and in the developing ones, is often advanced as justification for the need to end the isolation of hitherto inaccessible areas. The creation of lines of communication would have structuring effects in terms both of development and of the localisation of activities and population groups.

The building of a road or railway, the propagation of means for moving about, makes it possible to export the produce of local production operations to other markets, within either a close or distant radius, such as the city or the international market. These outlets allow the initiation of a 'virtuous circle', characterised by intensified production, increased incomes for the population, diversification of consumption and the possibility of accumulation.

The exported goods may be raw materials or products on which processing operations have been carried out. The lines of communication, by removing the constraints of distance, allow the distribution throughout the territory of a country of manufacturing units whose purpose is to add value to raw materials. This profitable combination of transport and development has long been the dream of planners, who have made provision for the distribution of poles and lines of communication within the area that they hope will advance the development of the country.

The inadequacy or absence of such infrastructures and the existence of bottlenecks frustrate this kind of profitable circular system. The low density and poor quality of rural roads results in prohibitive transport costs. Studies undertaken by the Transport Economics Laboratory (LET, Lyon), the National Institute for Transport Research and Safety (INRETS, Arcueil) and the SITRASS teams have shown that, in 1996, transport prices per tonne/km in sub-Saharan Africa could be as high as ECU 0.30 for journeys of less than 50 kms, reflecting reduced-tonnage consignments in rural areas, as compared with prices of the order of ECU 0.05 per t/km for longer journeys. Nor is this situation specific to this type of axis: an international comparison between the countries of Asia and French-speaking Africa found that long-haul trucking was twice as expensive in Africa as in Asia. The imme-

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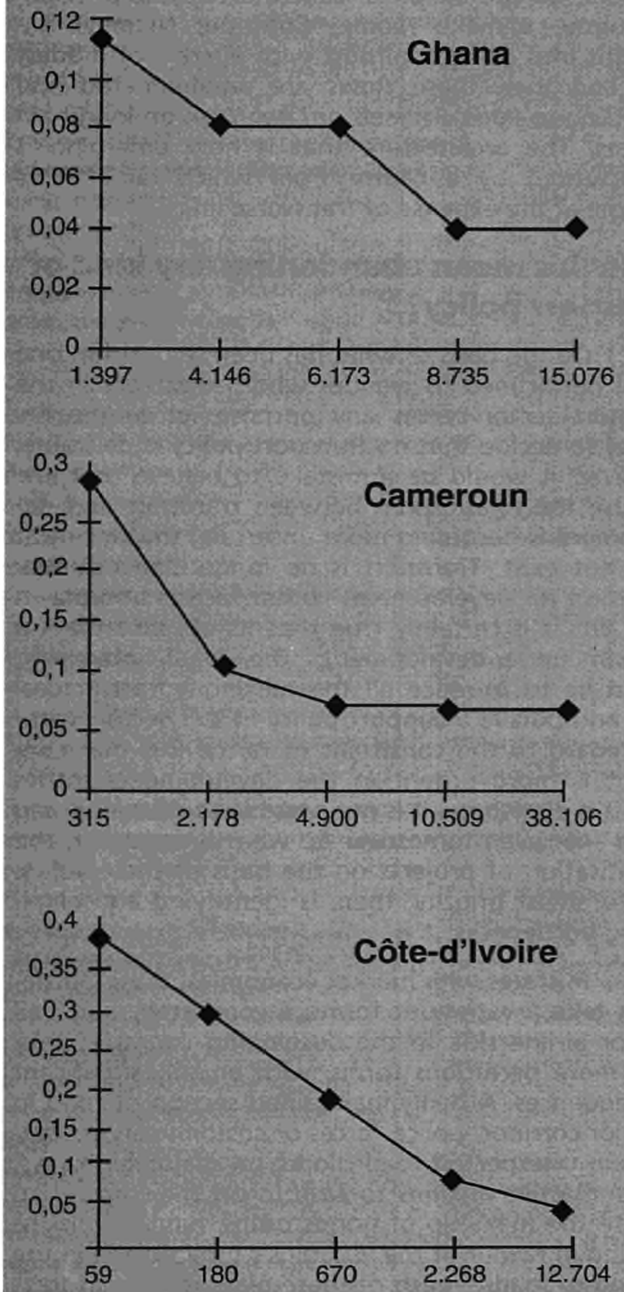
diate consequence of these excess costs is to raise the price of the exported products and, consequently, to lengthen distances artificially.

The shortage of transport facilities and of intermediate means of transport (IMT) (bicycles, mopeds, barrows, animals, etc.) helps to perpetuate the isolation of certain population groups. In Malawi, the retail selling price of an imported bicycle, in 1988, represented 650 days' paid work at the rural minimum wage, while for a bicycle assembled in sub-Saharan Africa the figure was nearly 1000 days. In some regions of Burkina Faso, the price of a bicycle can be 1.8 times the annual income of a household. These excessive costs and the scarcity of means of transport are actually becoming major obstacles to development.

Price per tonne/kilometre (PTK) in ECUs, based on 1996 t/km (TKM)

Vertical axis = PTK, horizontal axis = TKM



As the diagrams show, the average unit price per km in Côte d'Ivoire of moving one tonne of goods over 59 kms is ECU 0.4. However, for a trip of 12,704 kms over the same network, the price to be paid would be ECU 0.045 per t/km, or an average of one-ninth of the cost.

Transport is regarded not only as an input that is essential to the global product but also as a factor that creates accessibility to the most essential goods and services: healthcare, education and knowledge. Being remote from transport, and so very often isolated, the poor are kept at a distance from opportunity and innovation. Roads are not just built between any two points in the area: on the regional or national scale, before connecting two rural areas, the infrastructure endeavours to connect the rural area to the village, the village to the minor town and the minor town to the capital. And it is from these successive levels and, *a fortiori,* from the capital that progress and knowledge are propagated towards those rural areas. In more general terms, the city is perceived as the crucible of modernity, and the road as the channel through which innovation is distributed.

Transport as a source of perverse effects

Transport can be the source of radical imbalances, in economic, social and also spatial terms. The opening of the local economy to the outside world, made possible by the construction of a transport infrastructure and the arrival of carriers and less taxing means of locomotion, may prove the source of deep-seated economic imbalances.

The availability of transport not only allows one to export local products – it also makes it possible *to import products,* whether similar or different. In other words, local production may find itself up against competition from external production. The consequences of this confrontation are not the same, depending on the nature of the imports. Where products have been similar, price competition has exerted its full effects. Dietary habits have been radically changed by it. Asian rice has supplanted local rice in the diet of the Sahelian peoples. Supplementary products have found new outlets in these local markets. But the origin of these imports does have an effect on development. At both national and international level, this competition is reflected by a more or less marked specialisation by regions or countries. For some of them, this specialisation takes the form of an increased dependence on the outside, the tangible sign of which is an unbalanced, negative composition and structure of the trade balance.

The short distance between areas made possible by infrastructures and the development of means of transport has led to the spread of new lifestyles and a drift to the city. The consequences are significant, both socially and spatially. The introduction of the market economy with the principle of monetarisation of trade has profoundly changed social relationships. New social categories have emerged, sometimes imported from other countries, even usurping the power and influence of the traditional local authorities. From the spatial standpoint, this availability of transport has resulted in imbalances in the localisation of population groups and activities. It gives rise to two effects: the opposition effect and the polarisation effect.

The opposition effect derives from the fact that two unequally developed regions see the differences between them widen when they are brought into contact. This effect takes many forms in the developing countries. The concentration of activities at certain points within the territory tends to set those points apart from the remainder of the area, which goes into economic decline and increasingly becomes depopulated as transport conditions improve and people migrate to where the work is. The building or improvement of lines of communication allows local products to be not only exported but also imported. These areas of increased accessibility find themselves in direct competition with more productive regions, and the outcome of this confrontation will not necessarily be favourable to them. As a result, the cities of the developing countries have seen unprecedented growth. For 20 or 30 years, gigantism has been a feature of South America and Asia: Mexico City has nearly 25 million inhabitants, Sao Paolo 23 million, Calcutta and Bombay nearly 15 million each. The African continent is in the process of closing the gap in this race to urban growth. In 1990, West Africa had 2500 cities, including 90 with populations of over 100,000, as compared with 600 cities and 17 with over 100,000 inhabitants in 1960. Projections for 2020 show 6000 cities, of which 300 will have more than 100,000 inhabitants. In more general terms, it would seem that the rise of the transport system has not just followed in the wake of a differentiated development of areas but has actually initiated it in a great many cases.

The polarisation effect originates in the opposition effect. It relates to the principle of the increasing economies of scale that characterise a great many activities. In simple terms, it means that an increase in inputs is reflected by an even greater increase in output or, from the cost standpoint, a greater decrease in costs. The city, as a focal point of activity and population, cannot be understood without reference to this principle. Nor is transport any exception to this rule. Any standardisation of flows allows the transport system to be made more efficient. Thus, the greater the flows, the lower the unit costs of transport. The studies undertaken by the LET and INRETS show that the price ratio per t/km between international road transport and local road transport in French-speaking Africa was on average 1:7.

Taken to its extreme, the logic of standardisation of flows would result in there being only a single road within the country. While things do not go as far as that, in reality one is seeing the increasing dominance of a few corridors and a small number of poles on a national or regional scale, or at international level. In West Africa, the major corridors such as Abidjan-Ouagadougou, Lomé-Ouagadougou, Cotonou-Niamey, Dakar-Bamako, Abidjan-Bamako and Pointe Noire-Brazzaville play an increasingly structural role at the expense of secondary roads. It is on highways like these that transport costs are lowest, but it is also here that the most cost-effective public investments take place – in the sense of the internal and social profitability of the economic calculation – leading, by accumulation, to further reductions in costs.

This self-sustaining polarisation effect is not confined to road or rail infrastructures. The 'hub and spoke' strategy of airlines follows the same logic for regional and international services. In West Africa, for example, all the air links from the hinterland (Ouagadougou, Bamako, Lomé, Cotonou, Niamey) are brought into Abidjan airport with aircraft of modest size, and then these flows are amalgamated and passed on to Paris, Brussels or New York on long-haul services. The architecture that is now emerging is characterised by a centre from which radial links emerge, at the expense of transverse links.

Does this mean abandoning any kind of transport policy?

On the basis of what has been said so far, one might be inclined to wonder whether activity in the transport sector serves any purpose, or in the extreme, to decide that no transport policy is desirable. However, it would be a mistake to believe that just because the relationship between transport and development is becoming more uncertain, that means it does not exist. Transport is no longer *the* essential condition for development – other factors also play a part. But it is certainly true that its absence plays a part in under-development. The ideal, obviously, would be to produce all the missing infrastructural links and pursue a support policy in this sector, without regard to the constraint of rarity. But that constraint is more urgent in the developing countries than it is elsewhere. It is not possible to do everything today – or even tomorrow. So what is needed is the prioritisation of projects on the basis of their utility. The foremost priority, then, is identifying and eliminating bottlenecks.

In states with market economies, these bottlenecks take a variety of forms: a congested road, rail link or airline slot. In the developing countries they take more pernicious forms, with equally significant consequences. A badly maintained section of road in a major corridor, police forces or customs services setting up unexpected road blocks on major highways, stationmasters anxious to cash in on their power to dictate the make-up of goods trains, haulage unions arguing in favour of the 'Buggins's turn' system in the placing of loads – each of these plays its part in forcing up the cost of transport.

Thus, the World Bank considers that a reduction of one dollar in the road maintenance budget causes an increase of two or three dollars in vehicle operating costs. In sub-Saharan Africa as a whole, these studies estimate that the additional costs associated with inadequate road maintenance are as high

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as $1.2 billion per year. Along a corridor like that from Abidjan to Ouagadougou, the incidental expenses resulting from impromptu tolls can amount to ECU 150 for a consignment of 40 tonnes invoiced at ECU 1280, or more than 10% of the total value! Apart from these unlawful levies, carriers based at the port of Abidjan have to pay various charges to the port authorities and haulage unions without receiving any genuine service in return. Some monopolies, too, have been paralysed by the absence of any competitive pressure. The Congo-Ocean-Railway (CFCO) has seen the tonnage it carries fall by over 60% in 26 years. Endogenous factors associated with the management of the business play a major part in this trend. A number of private incomes and 'perquisites' have developed within the enterprise. Operators exploit their positions in the hierarchy, to a greater or lesser extent, in an endeavour to increase their discretionary budgets. So it is no surprise to find that the escorts hired by the loaders to accompany their wagons on the journey are themselves the children of railway employees. By the same argument, it is even less surprising to learn that the chief loaders or forwarding agents immobilise the most reliable trucks in various sidings to meet future demand, all with the connivance of the station-master.

The results of these practices are not always apparent to those who perpetrate them, be they employees of state-owned enterprises, port authorities or government departments. In any case, all of them act in accordance with the 'free ride' principle, a concept developed in economics to cover collective assets. Collectively, they all want the enterprise or port to work well, but no individual has an interest in ensuring that it does. Why would one operator stop collecting an informal tax or increasing his discretionary budget when his colleague carries on doing it? In the case of the CFCO, where the transport service provided has deteriorated in terms of both cost and quality, some operators in the Congo, the Central African Republic or Chad have resorted to new transport strategies. Some loggers, for example, have opted to get their timber out by other means, such as by road through Cameroon. Yet it is the population as a whole that bears the excess costs of these bottlenecks, in the form of the re-routing of transport flows to other corridors, higher consumer prices for imported products, less competitive exported products and stagnating or falling government revenue. There are more than enough reasons here to undertake a transport policy based on training and a knowledge of the sector, despite the imbalances that may be caused.

P.-Y.P

DOSSIER

Involvement of users in the management of roads – a public private partnership

The Zambia Roads Board experience

by Raymond Jhala

In this abridged article, the Chairman of the National Roads Board of Zambia tells Courier readers about the innovative system developed in his country to ensure effective road maintenance.

Involvement of users in the management of roads is one of the Road Maintenance Initiative's (RMI) four basic building blocks for development of a sustainable road sector in sub-Saharan African countries. Without this particular building block, sustainability may be far more difficult to attain. The RMI sets out the specific objectives of road user involvement as follows:

– to create a sense of user ownership and thus win public support for adequate user fees to fund appropriate road maintenance;

– to ensure that proceeds from the fees are only used for the intended purpose and not diverted to other uses;

– to ensure that maintenance programmes are user-oriented and affordable; and,

– to ensure that the money is used efficiently.

Crisis in the Zambian road sector

In 1987, about 40% of the primary road network in Zambia was in good condition. By 1990, the percentage of good roads had declined to 20%. The value of the network was initially estimated at US$2.3 billion but this figure had declined, in the intervening years, by more than US$400 million, due to neglect of maintenance.

The deterioration of Zambia's roads and the consequent loss of asset value, was due mainly to inadequate funding. Road maintenance and other expenditures were financed from general tax revenues – in competition with several other and obviously much more pressing demands on the public purse. In the years up to 1993, maintenance allocations had declined to only about 15% of requirements. And there was no clear price put on roads, their provision being considered a social service.

Inadequate funding was further complicated by the unsatisfactory institutional framework within which roads were managed. Poor conditions of service, a lack of clearly defined responsibilities, ineffective and weak management structures and a lack of managerial accountability, all contributed to poor use of the meagre funds available.

Policy reforms

Policy reforms were debated and formulated at the Zambia Road Maintenance Policy Seminar held from 16-19 February, 1993 in Lusaka. Participants included high level representatives of the key ministries and donor organisations as well as a broad representation from the private sector. The recommendations led to the establishment of new institutional structures.

The policy reforms implemented so far include an autonomous Road Fund with a dedicated Road Tariff as its financing instrument, and the National Roads Board. The Fund was established under the Finance (Control and Management) Act with a fuel levy as its main instrument. The levy was introduced on 1 May 1993 with 10 kwacha (about one US cent) being added to the price of a litre of petrol/diesel. This levy was subsequently increased in stages to K40 and, since 1997 it has been charged at 15% of the wholesale price. In 1998, it is proposed that all road user charges (transit tolls, weighbridge fines and licensing fees) be channelled to the Road Fund.

The National Roads Board was established under the Roads and Road Traffic Act in early 1994, to administer and manage the Road Fund. The Act specifies that the Board should include seven members, nominated by each of the following non-governmental bodies:

– the Zambia Chambers of Commerce and Industries;

– the Automobile Association of Zambia;

– the Zambia National Farmers Union;

– the Transport and Truckers Associations;

Repairing roads in Lusaka.
A vital component of the new system is an autonomous Road Fund.

– the Engineering Institution of Zambia;

– the Copperbelt University; and,

– the Chartered Institute of Transport (Zambia)

The Act further specifies that, in addition to these seven Board members, there should be five *ex officio* members – nominated by the ministries responsible for Communications and Transport, Works and Supply, Local Government and Housing, and Finance, and from the National Commission for Development Planning. It is worth noting that these *ex officio* members have the right to participate in Board proceedings, but not to vote. This move to a user-dominated Board represents a major policy change in Zambia – a deliberate attempt to hand over ownership and responsibility for roads to the private sector.

Initially, there were problems in collecting the fuel levy. There were also misunderstandings about why the Road Fund was introduced, and for what purposes the levy's proceeds should be used. About three months after the Board was inaugurated, it recommended and obtained approval from the Committee of Ministers for the levy to be increased to K30. This and subsequent decisions have progressively boosted the Road Fund's income which now stands at about US$1.3 million a month. The pressure, which used to be on financing, has now transferred to the preparation of acceptable spending programmes.

Operation of the National Roads Boards (NRB)

The NRB is made up of the Chairman, Vice-Chairman, five members and five *ex-officio* representatives from the public sector. The Chairman and Vice-Chairman are elected by the Board.

The strength of the NRB lies in its efficient, dynamic and proactive secretariat consisting of an executive secretary, an accountant, an engineer, and a personal secretary. It is a very slim but efficient set-up. Our strategy is to work with and through the existing organisational framework. The Cabinet has given the responsibility for coordinating the Road Sector Investment Programme (ROADSIP) to the NRB. To ensure that it can perform this function and discharge the extra duties assigned to it, the Government has agreed that it can charge the costs of its operations against the Road Fund, provided these do not exceed 5% of revenue.

One of the NRB's first tasks was to formulate policy guidelines and procedures for disbursing funds. These had to be approved by the Board itself and by the Committee of Ministers dealing with the Road Maintenance Initiative. The guidelines have been invoked by the Board to reject funding applications for road construction. In the face of severe pressure, it has been firm in its refusal to support construction at the expense of maintenance and rehabilitation.

As regards financial management, the NRB is aware that large amounts of money are involved in the Road Fund. Calls for tender to open bank accounts are issued at the beginning of each year and, following an evaluation of the offers received, six accounts are opened with separate banks.

The cardinal principles of the NRB are transparency and accountability in transactions. This has been achieved through the following measures:

– Continuous dialogue with key players, stakeholders and road users; to explain our mission, direction, programme, problems and progress.

– Inviting the implementing agencies including District Councils, to participate in various committees to discuss and formulate action plans for road maintenance; instituting a 'bottom-up', participatory planning procedure for maintenance at District, Provincial and National level.

– Calling for tenders before awarding any contracts for road maintenance work and procurement of materials and services.

The Auditor General and a private auditing firm audits the Board's Accounts quarterly and annually.

An important element in the strategy to involve road users in the management of roads, and to win their support, was the launching, at the outset, of a supplement in the two daily newspapers. This was designed to inform the public about the establishment of the National Roads Board. It has been followed up by monthly press releases, to keep the public abreast of Board activities and of what is happening as regards funding for road maintenance. Another initiative designed to keep the public up to date in this area was the launching of a weekly radio programme.

One source of the National Roads Board's strength has been the major donors' unwavering support for institutional and policy reform.

Road maintenance and rehabilitation

The NRB has launched a user-driven National Programme of Road Maintenance in Zambia (NPRM). This was directed through the nine Provincial Road Engineers and the 74 District Councils in the country. Under the NPRM, the Board pledged K7 billion (ECU 4m) for phase I of road maintenance up to December 1995 and a further K18bn (ECU 10m) for phase II covering 1996. In 1997, the Board commissioned road works to the tune of K22bn (ECU 13m).

The NRB has a deliberate policy of developing local capacity in the field of road maintenance. In 1995, it had problems obtaining contractors in some provinces. The situation improved in 1996, thanks to the policy of encouraging entrepreneurs to enter the market and now there is coverage for most of the country.

A National Task Force under the Chairmanship of the NRB was constituted to prepare a 'draft bankable document to access donor funding' in connection with the launch of the five-year Road Sector Investment Programme. The Task Force provides a good example of private-public sector cooperation. Ten of its members, comprising private sector consultants and senior government officials, worked for six months to produce a draft document which was then presented at a national workshop entitled 'Roads 2001 – the Way Forward'. This event was attended by

175 participants representing all the key players and stakeholders.

The official communiqué issued from the workshop underlined the importance of private and public sector participation in funding road maintenance, seeing this as a pre-requisite to 'economic take-off'. The ROADSIP was launched with rehabilitation works in the capital, Lusaka. An agreement has been signed with the World Bank for an initial $70 million and other donors have made pledges of up to $400 million. One third of the funding for ROADSIP will come from local resources – road users in Zambia are willing to pay!

Conclusion

Through its National Roads Board, Zambia now has three years of experience with the involvement of users in the management of roads. During that period, we have seen nothing less than a revolution in institutional structures and in the way roads are managed. And the 'output' of all this work – in terms of improved infrastructures – is now beginning to be seen. In Zambia, we have managed to take the first and most crucial step towards developing adequate and sustainable road services. It may be that road networks in neighbouring countries are in a better condition than they are here, but it seems that we have a head start when it comes to arrangements for sustainable financing and management of the road network. And the key feature here, is the commitment of both the public and private sectors. It is a cooperative system which is both extraordinary and unique.

R.J

DOSSIER

Moving towards railway restructuring in the SADC region

There has been increasing recognition in recent years of the need to inject an entrepreneurial element into railway operations. Rail networks are expensive to run and while it may be difficult to imagine wholly privatised systems operating without any public subsidy, this does not mean that private sector disciplines should be neglected, or efforts to achieve commercial viability abandoned before they are even begun.

Many of the railways of sub-Saharan Africa are in a particularly parlous state, having been starved of investment – and even basic maintenance funds – for many years. In their present condition, it is unlikely that private interests would consider outright purchase, but governments and railway managements are increasingly looking at other ways of attracting the business community into railway operations. The buzzword today is 'concessioning'. This is a system which hands certain railway operations over to private companies without ownership of the network being transferred. One such arrangement, already up and running, involves the line between Abidjan (Côte d'Ivoire) and Burkina Faso (see the article which follows).

The concessioning concept has also taken hold in Southern Africa. The Southern African Transport and Communications Commission (SATCC) has an obvious interest in this subject, since many of the region's key international transport links are railways, and in 1996, it commissioned a study – with USAID help – on railway restructuring operations. This was followed up by a workshop in Pretoria in September of the same year. The following were among the conclusions reached by the workshop participants:

– Some form and degree of privatisation is essential for SADC railways to achieve sustainable, commercial viability;

– the key factor that makes privatisation essential is the need for continuous, assured managerial autonomy, which is not possible when the government retains the authority to make management appointment, operational, business and investment decisions for the railway;

– Concessioning is the preferred privatisation approach.

The authors go on to highlight different types of concessioning, acknowledging that 'the optimal form and extent... may differ from one railway to another'. Various possibilities exist. At one end, there could be fully integrated concessions in which a private company takes on all aspects of the railway operation from line maintenance to the running of passenger trains. Alternatively, specific railway functions, such as the freight business or infrastructure provision, could be put out to tender. Another possibility is vertical integration where a firm takes on all aspects of running a particular line. An idea which SATCC is enthusiastic about, is single concessions on lines that cross national borders. Governments understandably see their railways as important strategic assets, and might be particularly hesitant about ceding control of these key links. On the other hand, such a system would allow many of the costly border delays on the vital rail corridors to be eliminated.

One concern is that governments may view concessioning, first and foremost, as a way of boosting revenue. Such an attitude, railway experts suggest, could threaten the whole process. In going down the concessioning route, the government's central objective, they argue, must be to achieve an efficient and sustainable railway operation.

Railway concessioning is currently in its very early stages in Southern Africa, but the idea certainly seems to be building up a head of steam. South Africa, with its more highly developed network is expected to be in the forefront, but significantly, it was Malawi that recently broke new ground by publishing notice of a call to tender for a railway concession... on the Internet!

Abidjan-Ouagadougou

The story of a railway concession

by Abdel Aziz Thiam*

The first railway concession awarded in West Africa involves the rail link between Côte d'Ivoire and Burkina Faso. Sitarail was set up in an attempt to reverse the decline of the railways, after more than half a century of state domination in the sector. From Dakar to Cotonou and from Douala to Maputo, African railways are (with only a few exceptions) in a poor state.

Like other modes of transport and other economic sectors in Africa, the railways were badly hit by the serious recession that struck the continent in the 1980s. The deterioration in the condition of the various rail networks has accelerated over the last two decades. In fact, the railways of Africa have had very little in the way of upgrading – at least in respect of the 'permanent way' (i.e. the tracks) – since they were first built in the early years of this century. In West Africa, the only significant new developments since the independence period have been the construction of the Yaoundé-Ngaoundéré line in Cameroon (1974), the Transgabon service linking Libreville with Franceville and, in Burkina Faso, the government-backed opening of the Ouagadougou-Kaya link in 1985. The idea behind this last scheme was to open up the area containing the Tambao manganese deposits but because of a lack of resources, the line had to stop at Kaya – and it does not actually reach the Tambao deposit.

Whichever route one looks at – Dakar-Bamako, Cotonou-Parakou or Abidjan-Ouagadougou-Kaya in West Africa, the line linking Ethiopia with Djibouti in East Africa and many other rail routes in central or southern parts of the continent, the thing that most railways have in common is their decrepitude. There are sections of track that are 50 to 70 years old and have never been renewed by the authories. As a result, derailments are common and traffic flow is seriously disrupted.

And yet no-one today would dispute the vital role of railways in the economic development of the countries in question – especially of those regions through which the permanent way passes. This is particularly the case in West Africa, where there is evidence of a high degree of mobility among the workforce and where economies are closely interdependent. A natural 'additionality' has always existed between the Sahel, with its agro-pastoral tradition, and the vast consumer markets of the coastal areas. For many years the mainstays of trade were cotton, salt and, above all, livestock from the Sahel which were exchanged for gold, ivory and kola nuts from the coast. These trading activities formed the basis for a powerful development dynamic in the region. Landlocked countries such as Burkina Faso, Mali, Niger and Chad, located more than a thousand kilometres from the nearest harbours, were heavily dependent on the coastal countries with their port and rail infrastructures. Unlike roads, railways were established early in these countries as important tools for the smooth flow of trade goods.

The imperial powers, enthusiastically building railways in all directions, were concerned to establish lines of communication with the interior and provide themselves with tools to pacify their colonial subjects, whose constant rebellions represented an obstacle to their 'civilizing' mission. In this context, the government inspector, Fouquet, wrote in a report in 1912 on the subject of plans for a railway: 'It will be a powerful civilizing force, enabling us finally to subjugate to our activities and influence those sectors of the population that have hitherto resisted our authority.'

Traditionally, the railways were designed to draw the resources from regions of agricultural or mining production to the ports for export. During the period of the 'barter economy' in Africa, all routes led to the seaports where the materials were shipped out to be processed elsewhere. After many countries gained their independence in the 1960s, priority in infrastructure was given to opening-up potentially rich areas. A race developed between countries with access to the sea, all striving to provide the best 'corridor' to the landlocked countries.

The traditional approach.

Work on building the rail link from Côte d'Ivoire to Burkina Faso began from the port of Abidjan in 1904. For many years, it was the only method of access to the Côte d'Ivoire interior and to the Sahel which lay beyond. Dimbokoro was reached in 1910, Bouaké two years later and Ouagadougou in 1954. Thus, it took no less than 50 years to complete this link.

The first section, connecting Abidjan with Azaguié in Côte d'Ivoire, was brought into operation in 1905, providing early confirmation of the railway's economic vocation. From July that same year goods traffic increased from a hesitant beginning of 38.5 tonnes to reach 83.4 tonnes three months later. For the most part, the goods carried were everyday consumer products such as rice, palm kernels, gin and fabrics. The locomotives used had a powerful haulage capability.

From the era of independence after 1960, the operation was entrusted to an inter-state body, the RAN (the Abidjan-Niger Railway Authority), which worked hard to increase traffic. As a result, the period 1970-1980 would turn

* Managing Director, Sitarail.

out to be one of the best in the history of the network. Major investments were undertaken and a new access of dynamism and efficiency made the RAN the 'jewel in the crown' of West Africa's railway system. The company particularly focused its efforts on developing passenger traffic, providing a direct service between Abidjan and Ouagadougou which took 20 hours. Traffic reached its apogee in 1978, with high-technology rolling stock carrying almost 900,000 tonnes of freight and more than 4 million passengers.

Decline set in in 1979, as traffic volumes fell back. This was largely due to the economic crisis that hit Côte d'Ivoire following the fall in prices of its main export products – coffee and cocoa. Burkina Faso, most of whose imports passed through the port of Abidjan, was affected even worse. This period was also characterised by significant new road construction resulting in competition for rail transport. Railway income fell steadily and those responsible for managing the system found it difficult to adapt to the problems of the period. In short, the RAN, with its 5200 employees, did not know how to react to the crisis.

At the same time that the RAN's ambitions to develop traffic on its existing routes were being thwarted, projects to expand the network from both Côte d'Ivoire and Burkina Faso collapsed. There were plans, for example, to extend the line to Guinea via Man in Côte d'Ivoire's cacao-growing region and then on through Nzérékoré and Kankan to Mali. The wider scheme included a major east-west link from Bamako through Bougouni, Odienne, Sikasso and Nielle to Ouagadougou and then onwards to Niamey in Niger via Dori and Tera. But these projects would never see the light of day. And worse was still to come. In 1985, political disagreements arose between Côte d'Ivoire and Burkina Faso, following a change of political system in the latter. In 1989 the two countries opted for separate management of their railway systems.

It was against this background of a management crisis and of political difficulties that the two rail companies began their operations. In short, the now separate national companies started up in the worst possible conditions, with virtually no funds, poor rolling stock and against a background of squandered resources. In 1993, only 250,000 tonnes were carried on the route and 75% of income generated was absorbed by the wage bills. The debt owed by the Abidjan-Ouagadougou railway reached a critical level of ECU 150 million.

It was an untenable situation, but it was to take three years before attitudes on both sides would become more conciliatory. Neither state had the resources to make the investments required to keep the railways operating efficiently. At the prompting of their financing partners, the World Bank and the French Development Fund, the two countries agreed to study a plan for the survival of the railway – that was otherwise facing inevitable demise. A concession arrangement was seen as the most appropriate solution, and on 12 December 1994 this was provisionally awarded to the Sitarail group. The operation of the network was entrusted to the company for a period of 15 years, renewable every 5 years. Two investment companies – SIPF in Côte d'Ivoire and SOPAFER in Burkina Faso – were set up to manage the administration and accounts of the assets transferred.

(Drachoussoff, Brussels)

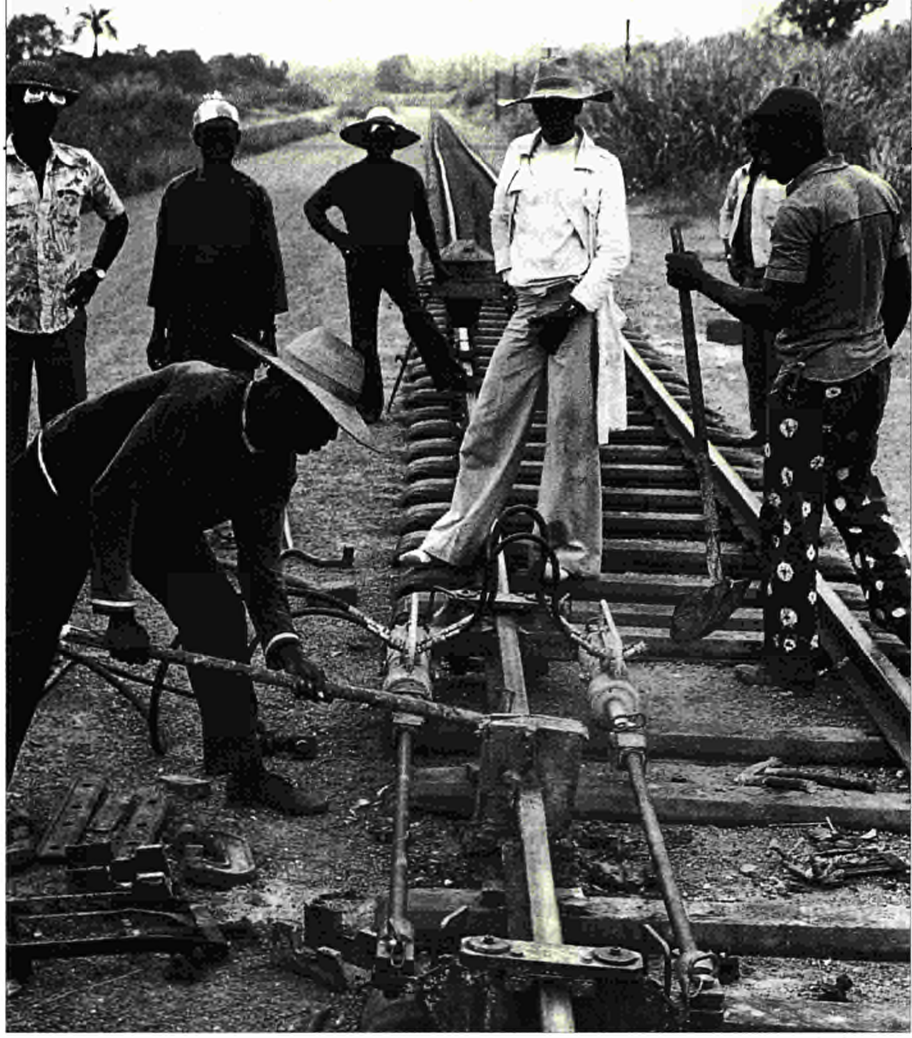
In the 1970s the RAN focused its efforts particularly on the development of passenger transport.

After two years of decline the Abidjan-Ouagadougou network is slowly recovering, though the inheritance is a difficult one. The rolling stock is obsolete and the deficiencies of the network require heavy financial investment: ECU 25m to rehabilitate existing, and acquire new, rolling stock and ECU 34m to improve and renew the fixed infrastructures. Of this total of ECU 59m, Cote d'Ivoire is responsible for ECU 26m, Burkina Faso for ECU 19m and Sitarail for ECU 13m.

Economic integration

When Sitarail began operating in August 1995, it confronted a serious problem. Of its 20 locomotives, only eight were fit for use. The company therefore decided to increase its haulage capacity by buying new rolling stock from South Africa. It also reduced its workforce by 40%, got the machinery turning again and set out to regain the confidence of customers – who had long since abandoned the railways. During the first year of operation, it carried 410,000 passengers and 485,000 tonnes of freight (an average of 110 trains a month). The following financial year saw further increases, to 444,000 passengers and 744,109 tonnes of goods. Thanks to an emergency investment programme that enabled some sections of track to be renewed, Sitarail increased its monthly average to 140 trains.

Trade flows between the two countries have become more balanced. 85% of the tonnage moved from Côte d'Ivoire to Burkina Faso is in the form of hydrocar-


Drachoussoff, Brussels

The defective state of the network calls for substantial financial investment.

bon fuels, containers, cereals, fertilisers and clinker (the basic material for the big cement works in Ouagadougou). This type of traffic is expected to remain important and there are hopes of expanding trade in fuels with Mali once a major hydrocarbon project there has been finalised. This will entail supplying Mali from stocks held at Bouaké, by railway, with a view to tackling the fraud that has been discovered in the current trading arrangement. In 1996, Côte d'Ivoire suffered losses of about ECU 6.5 million as a result of this fraud.

There have also been substantial increases in the volume of iron and steel products such as sheet metal coils and pylons transported to Burkina Faso (notably to the towns of Bobo Dioulasso and Banfora). Although there is less return traffic to the coast, as mentioned, the situation is improving. Côte d'Ivoire is still largely dependent on the Sahel countries for poultry, live animals, dried fruit/vegetables and cotton. As far as the demand for protein is concerned, national production is inadequate to meet the demand, and the gap is filled through imports of meat and livestock. It is estimated that Côte d'Ivoire produces 19,500 tonnes of beef products, 6000 tonnes of small ruminants and 8000 tonnes of pigmeat annually (31,500 tonnes in all) while overall demand is 101,000 tonnes of meat. Much of the balance that must be met by imports comes from the country's Sahel neighbours, with a growing proportion coming in from Burkina Faso by rail.

Impact on the private sector

After three years' operation, the Sitarail experience offers an encouraging example. Despite the difficulties encountered, it has succeeded in breathing fresh life into the rail network and, consequently, in helping to revitalise the economies of the two countries concerned. Since it began operation, Sitarail has paid a wage bill of more than ECU 8.5 million, settled its taxes and repaid outstanding debts.

In addition, the railway renaissance has boosted the support enterprises that specialise in repairing rolling stock (goods wagons and passenger coaches). More of these have been set up and they are increasingly diversifying into other specialised and more sophisticated aspects of railway activity – such as overhauling of locomotives and lifting gear. Their expertise has also been extended in areas such as accountancy, tax administration and training. In Abidjan, the main centre of activity, and in Ouagadougou, a number of medium-sized enterprises, many set up by former agents laid off by the railways, have become involved in subcontracted works such as scrub clearing on the line, level crossing manning and providing personnel for other railway operations.

Other enterprises, both local and foreign, have been given the task of restoring railway installations. Overall, some 200 companies, with an annual turnover of almost ECU 3 million, and scattered throughout the territories of the two countries, are involved in the railway business. Other than highly specialised replacement parts, that can only be procured abroad, Sitarail obtains its supplies locally from contractors selected by tender. The total value of these purchases amounts to ECU 4.6 million.

After nearly 20 years of decline, the Abidjan-Ouagadougou railway is enjoying a new lease of life. Inspired by this example, many other African states are now showing an interest in privatising their railways. Indeed, how could they fail to be interested, given the underdeveloped state of most of their rail networks? With overmanning and chronic financial deficits, the railways are experiencing ever-increasing difficulty in performing their public service function.

In an era of privatisation in Africa, the railways will have a leading part and they should be ready to embrace the challenge. The prospects can be bright, and the third millenium should see the building and consolidation of large-scale regional systems. A.A.T.

Perspectives for air transport in developing countries

by Ludolf van Hasselt*

For many years civil aviation has been treated as an infant industry, in need of strict protection by governments from the harsh effects of competition. Detailed rules on routing, capacity and tariffs, agreed between governments in bilateral air services agreements, limited the ability of air carriers to compete, or to react to consumer demand. Logically, this led to inefficiency, high fares and a maze of anti-competitive arrangements between them. Much has changed in the last two decades. The deregulation of the important US domestic market, followed by the completion of the internal market for civil aviation in the EU and, more recently, the beginnings of liberalisation of regional markets in Latin America and the Caribbean have changed this situation. Also, the active policy pursued by the US government to change rigid bilateral agreements into more flexible open skies agreements has contributed to a fundamentally different regulatory structure. In these more flexible operating environments, aviation has been able to develop from a government-controlled industry into a market-oriented and competitive sector of the economy.

Strangely enough, not all regulatory relics are being reconsidered. Since air carriers were viewed more as an instrument of politics than as a commercial enterprise, the rules prescribe that they have to be owned and controlled by the state, or at least by national interests. These provisions continue to influence developments in the aviation industry and are an important reason why, even today, it is impossible for carriers to enter into cross border mergers like any other industry, or to set up subsidiaries in other parts of the world. They have to rely on more fragile alliance arrangements with no, or only very limited, capital investments. In this way, the industry has found a way round the foreign investment restrictions but no alliance can give the same measure of integration and control as a full merger.

There is little doubt that liberalisation and deregulation have contributed significantly to an unprecedented growth of the air transport sector. In the last decade, scheduled passenger traffic has increased on average 5.1% per annum. The total number of passengers carried worldwide on scheduled services is approaching one and a half billion, while the number of freight tonnes carried is now in the order of 25 million. This would not have been possible in a tightly regulated and government-controlled operating environment.

Trends

However, not all regions of the world share in this development. Europe, North America and the Asia/Pacific regions together account for some almost 90% of the total world scheduled air traffic, the Latin American and Caribbean regions represent 4.8%, the Middle East 3% and the whole African region just 2.3%. Within these regions, Asia/Pacific had the highest rate of growth during the last five years, until the economic problems started, while Africa had the slowest traffic growth (9.7% as against 3.3%)[1].

The limited participation of African carriers in the total reflects, of course, the economic situation of the region and these low growth figures have widened the gap between Africa and the rest of the world even further. Fortunately, the International Civil Aviation Organisation (ICAO) is forecasting a better than average performance in this region for the next three years. This is due, in part, to the better economic outlook in Africa – the IMF predicts a 4% annual growth this year, – and also because efforts towards restructuring of air carriers are beginning to pay off.

The African region

If we focus a little closer on Africa, and use it as an example for the situation faced by most developing countries, there can be no doubt that air transport is a vital element of its internal and international transport network. Since alternative means of transport are mostly underdeveloped and very costly to build up, most states in the region have to rely on transportation by air for their national economic development and integration.

This may be one of the reasons why the African market has not been liberalised. Governments continue to give protection from competition and exert strict control over airline operations. As a consequence, the markets are fragmented and route networks underdeveloped. Privatisation of carriers is not well advanced; many African airlines are subject to political influences and continue to have unstable management. They lack the capital needed for investments in new and efficient equipment and are unable to attract new funds. Maintenance and investment in airports and air traffic management services are long

* ICAO, Montreal.

[1] Statistical data: ICAO publication The World of Civil Aviation, published annually

Africa accounts for just 2.3% of the world's scheduled air traffic.

overdue and this has a negative effect on safety. As a result of all these problems most carriers are in a day-to-day struggle for survival. They cannot create the necessary critical mass to benefit from the growth of world markets and are not attractive as a partner for one of the large European or American carriers. With the notable exception of Kenya Airways, which has entered into an arrangement with KLM, air carriers from this region are not part of global alliances[2].

Therefore, there is an increasing gap between the stagnation of the air transport sector in Africa and the rapid developments taking place elsewhere in the world. This gap will widen even further, because the expected growth of air transport in the years to come will force carriers worldwide to spend a lot of money on measures to limit the negative effects of this growth. For each of the next three years, the number of aircraft movements is expected to increase by 6.6% and for the years following, no slow down is foreseen, leading to a doubling of passenger numbers within the next 15 years. Urgent action is required to limit the effects of this growth on the environment and on safety. The investment required already creates a heavy burden for air carriers in the developed world, who complain bitterly about the rise in all sorts of costs. For carriers in developing countries this may simply mean the end of their participation in international air transport.

Environment

The environmental impact of civil aviation is under severe political scrutiny in many parts of the world. Unless the impact each aircraft movement has, in terms of noise and emissions, is substantially reduced, it will become politically impossible for many governments to accept a large-scale increase in traffic. Such a development would inevitably lead to frictions and create major problems for the air carriers of the world.

In order to reduce the noise impact of aviation, ICAO adopted, some 20 years ago, standards that envisage a gradual phasing-out of noisy so-called 'Chapter 2' aircraft. These include the B-727, DC9 and older variants of B737 aircraft. These aeroplanes – some 4000 in total – will not be permitted to operate after the year 2002 unless they are upgraded to the less noisy 'Chapter 3' standard. Under pressure from public opinion, these measures are now considered insufficient by many in the developed world, and in particular in Europe, where the noise problems are the most severe. European governments, therefore, not only envisage more stringent rules for the upgraded Chapter 2 aircraft, but will also press for even higher standards than Chapter 3. This may be justifiable from an environmental point of view, but for carriers in developing countries, who are the main users of these older generation aircraft, it means heavy investments in upgrading equipment, and more depreciation of their current fleet. These costs do nothing to improve their balance sheets, but have to be incurred just to be able to continue operations into the European market.

Also in the area of emissions of poisonous gases, mainly NOx in the upper atmosphere, ICAO is charged by the world conference on climate change – held in Kyoto last year – to develop measures to reduce the impact of aviation. Again, from an environmental standpoint, it is only logical that the aviation sector should make a contribution to the task of reducing environmental problems, but for developing countries, it implies investments, without adding any new economic opportunities.

Safety

The expected growth in aircraft movements also leads to considerable safety concerns. Although statistically, air transport is the safest mode, an additional ef-

[2] It has been reported that South African Airways is a potential partner in the STAR alliance.

fort will be required from governments and airlines to prevent an increase in accident rates in a situation where many more aircraft crowd the skies.

ICAO's work largely concentrates on developing standards to ensure the safe operation of aircraft, but it is the responsibility of the states to ensure the application of these standards in practice. It has become increasingly clear, however, that many developing countries do not have the means to ensure compliance with the safety standards, as this requires qualified, and therefore expensive inspectors, and a well-organised and independent administration. In an effort to strengthen the application of the minimum standards set by the Organisation, it was decided at a conference of Directors General of Civil Aviation in November 1997 to give ICAO an executive role in ensuring that states effectively oversee compliance with these standards. This mean that from now on, teams of ICAO inspectors will audit the safety oversight function of the Member States of the Organisation.

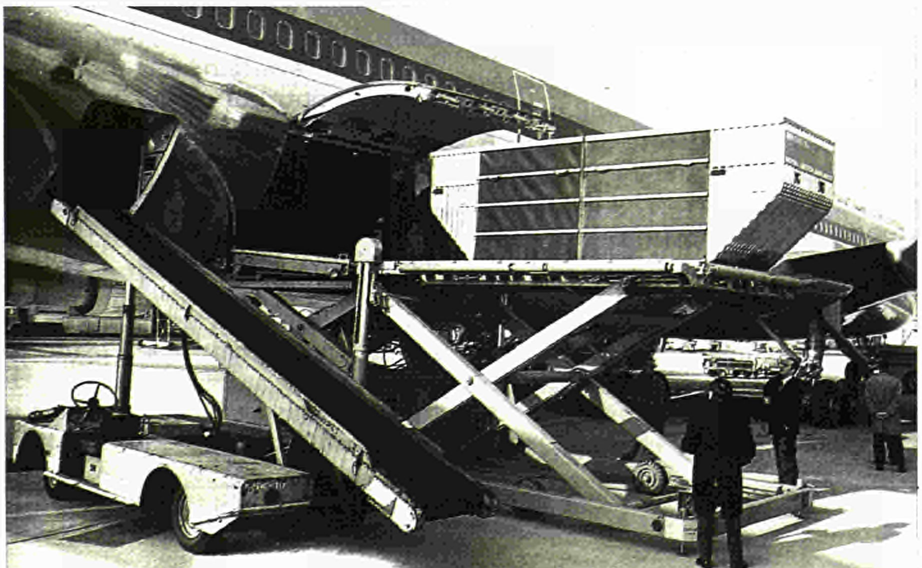
From a safety point of view, this new ICAO activity is necessary, but it will undoubtedly have financial implications for a number of countries that do not have the means to comply in full with their international obligations. It will also have severe effects on the carriers who will ultimately have to provide the funds for more stringent application of safety standards.

There will be other cost factors resulting from the expected growth of air transport. For example, air navigation charges will rise because of the introduction of satellite-based air traffic control systems capable of meeting future demand. Airport charges will go up to meet the costs of airport expansion programmes. Insurance will be more expensive to cover much higher liability limits. Then there are possible environmental charges, increasing costs for selling and marketing via computer reservations systems and costs for security. It is clear that if they want to maintain their current market share, airlines from developing countries will be forced to make very heavy investments. Without such investments, their services to and from developed countries will be severely restricted and ultimately they will be reduced to regional operators only.

How to attract the necessary funds

Carriers in developing countries find themselves, as a result of these developments, in an impossible position. They are required to make major capital investments in order to meet more stringent environmental, safety and other standards that are being developed, but they are in no position to attract the necessary funds. They are – in most cases – government-owned and controlled, but the authorities do not have the resources to make these investments. They operate in a protected and regulated environment, which disqualifies them as partners in one of the global alliances. Finally, they suffer from government interference and have to meet many national policy goals that are rarely financially attractive.

Urgent action must also be taken to liberalise the operating environment in developing countries.



Many governments in Africa realise that something must be done, and this is the reason why a significant number of them have announced plans to privatise their air carriers. This would allow the carriers to restructure, become more commercially oriented and attract new funds, or an airline partner. However, privatisations alone may not be enough to meet future challenges. Foreign investors, before they are prepared to invest their money, will want to have full control over such a carrier. Under the current regulations this is not possible; the rules dictate that substantial ownership and effective control has to remain in the hands of the state, or of nationals of the country in question. It may be necessary, therefore, to reconsider these rules for developing countries and allow carriers that are 100% owned and controlled by foreign investors to operate as a national carrier. This subject has already been discussed in ICAO and recommendations were developed for alternatives to the existing ownership and control provisions.

Furthermore, changing the ownership structure alone will not be enough to attract investments. Urgent action must also be taken to liberalise the operating environment in developing countries. What has already been done in the Caribbean and South American regions must also be done in Africa. By opening up the market on a regional basis, the carriers become more competitive and can develop more attractive route structures.

Finally, the EC may be able to give a helping hand in this development. It has gained experience with liberalising the internal market, it has funds to help in the restructuring process and it has a moral obligation to help carriers in developing countries to make the investments it intends to impose upon them for safety, environmental and other reasons. A good air transport system is not a luxury, it is essential for the development process.

L.v.H.

Maurice Rajaofetra, Director-General of ASECNA

'Africa's skies are guaranteed safe'

The Agency for the Security of Aerial Navigation in Africa and Madagascar (ASECNA) has 16 Member-States and monitors 16.1 million km² – an area 15 times that of Western Europe. It is regarded as one of the best-run international public bodies in Africa. Its area of activity covers six flight-information regions and the organisation now supervises 10 traffic control centres, 57 control towers, 25 international airports and 76 other airports. Not surprisingly, the volume of air traffic in the sub-region is continuing to grow with successive increases in 1994 and 1995 and a further 2% growth in 1996, to more than 155,000 aircraft movements. In the same year, passenger and freight figures also revealed an upward trend with increases of about 4% and 8% respectively. The actual figures were six million passengers and 148,000 tonnes of freight carried in 1996. The growth is due, at least in part, to the progressive deregulation of air traffic in Africa.

The organisation which Maurice Rajaofetra has directed since 1987 is now financially independent and has made important progress in technical terms, making use of the surveillance satellites which cover its area. In addition to the political benefits of this joint operation, ASECNA has been able to obtain financing from regional credit systems, EDF funds and the European Investment Bank at highly advantageous rates. Among other things, this has enabled the organisation to establish a reliable navigation system for which Member-States do not have to pay any annual fee. In this interview with The Courier, the ASECNA Director General (a former head of Air Madagascar) explained the workings of the organisation and his role in it.

– ASECNA has now been around for 30 years and it has its own international brand image. This has been due to its ability to centralise operations – with a single command for greater flight safety – and to set up what is required to expand air traffic in Africa. The modern world, however, requires greater rigour than in the past and this has led to more economic pressures. It is becoming increasingly costly to manage small areas of airspace. Navigation systems in future will increase in efficiency and profitability as the areas they manage become larger and more homogeneous. ASECNA has always been aware of this which is why it has long been committed to setting-up a new worldwide system, the CNS/ATM. This commitment has borne fruit and we now have the ambitious Telecomm project, which I shall come back to later. In fact, the trend is increasingly towards privatisation of aerial-navigation agencies at a time when air transport is being deregulated. This also has economic advantages.

■ *On the eve of the new millenium, the talk is increasingly of new navigation systems. Could you tell us something about this?*

– In the early 1980s, the International Civil Aviation Authority (ICAA) recognised the ever more obvious limits of the aerial-navigation systems of the time and the fact that there was a need for civil aviation in the 21st century to be greatly improved. Studies of the subject resulted in the setting-up of new worldwide communication/navigation/surveillance (CNS) systems and systems for air-traffic management. From the outset, ASECNA took an active role in work aimed at establishing these and it has every intention of continuing to participate in deliberations and in setting-up the various mechanisms chosen by the ICAA.

■ *In layman's terms how would you define these new systems?*

– The process of guiding an aircraft to its destination safely

and effectively has been subdivided into three separate functions: communications, navigation and surveillance. The first, communications, involves the exchange of information between aircraft and the air traffic controller. Navigation gives the precise position of the plane, and surveillance is the collation of all the information generated by the first two functions, which facilitates the task of tracking the aircraft's relative position. These three functions are the basic support services provided by air traffic management (ATM), whose principal objectives are to speed up air traffic and guarantee the safe and smooth running of all the various stages involved. The new idea is to use satellites to enhance reliable, high-performance and consistent management of the skies.

■ *Satellites appear to have revolutionised air traffic operation. Will they make flying safer?*

– Absolutely. Satellites will be used to convey information between pilots and controllers. We will be able to bypass the ground-based navigation aids which, in some countries in Europe and the Americas, are even now unable to deal with the increased traffic. The result of this is that airports have reached saturation point, and planes are kept too long, either in the air or on the ground, awaiting their slot. All this means that both time and money are wasted. Safety is also compromised because too many aircraft are in too small a space. From a technical standpoint, using our former technology, it is difficult to provide proper coverage over 16 million km^2 of airspace, particularly when the land below is largely virgin forest or desert. There are problems in installing, and notably in maintaining equipment, so keeping it operational under such conditions is no easy task. We don't have the same constraints with the new satellite system.

■ *How do you see the situation evolving as air traffic volumes to Africa increase?*

– There is going to more competition, and quality of service and cost will make all the difference. Suppliers will be more numerous and there will be new equipment options depending on the kind of navigation that is desired. Air-space managers will have to be very competitive, because their customers will have several choices. You are probably already aware that with the progressive deregulation of air traffic, especially in our continent, aeroplane movements have increased from 78,000 in 1960 to 148,000 in 1994. Passenger numbers are up from 1.4 million to 5.2 million while the amount of freight carried has gone from 59,000 tonnes to 140,000 tonnes. Expansion in these areas is constant and there are more aircraft to guide. This is the challenge facing us, and we will meet it by bringing on-line the systems that are currently being installed.

■ *What components of this new system have been set up in your Member-States?*

– We have already tested the ADS automatic surveillance system. This concept is probably the most important application in air-traffic control for our type of airspace, where the reporting of positions is often the only means of surveillance possible. The trials began in ASECNA's flight-information regions in October 1994, and are currently being concluded. They have been carried out with the assistance of Air Afrique aircraft, the UHF network, the Sita Aircom satellite and ASECNA's own X25 network.

■ *What is this network*

– The introduction of CNS/ATM systems led ASECNA to include the 'Telecomm' project in its 1992-1996 procurement schedule. This resulted in the setting-up of a data-transmission network called X25 and to the validation of an operational-data-transmission and processing system for aerial navigation and meteorology, which we have been able to install at our main centres.

■ *Did the organisation fund the project itself?*

– It is co-financed using ASECNA's own resources and a subsidy from the Aid and Cooperation Fund (FAC). The novelty is that, nowadays, the 16 Member-States no longer have to pay any annual fees. ASECNA is currently financially independent. It can meet its obligations without having to approach the Member-States for funds. The various services and aeronautical royalties enable us to fulfil our commitments.

■ *The investments you have spoken about are pretty substantial. At a time when other inter-state structures in Africa are practically on their knees, how have you managed to abolish the fee system whilst still guaranteeing the Agency's smooth running?*

– It is based on an understanding between all those involved in the sector – airlines, Member States and ASECNA staff. First, we tackled the problem of waste. This set in train our financial recovery. Investments are made in line with airlines' requirements and the royalty levels are determined on the basis of actual cost. Following an internal audit of our accounts, we gained the confidence of our customers and of potential donors who took note of the 'clean-up operation'. As a result, the donors have shown their faith in us and have provided us with the means to implement our expansion policy.

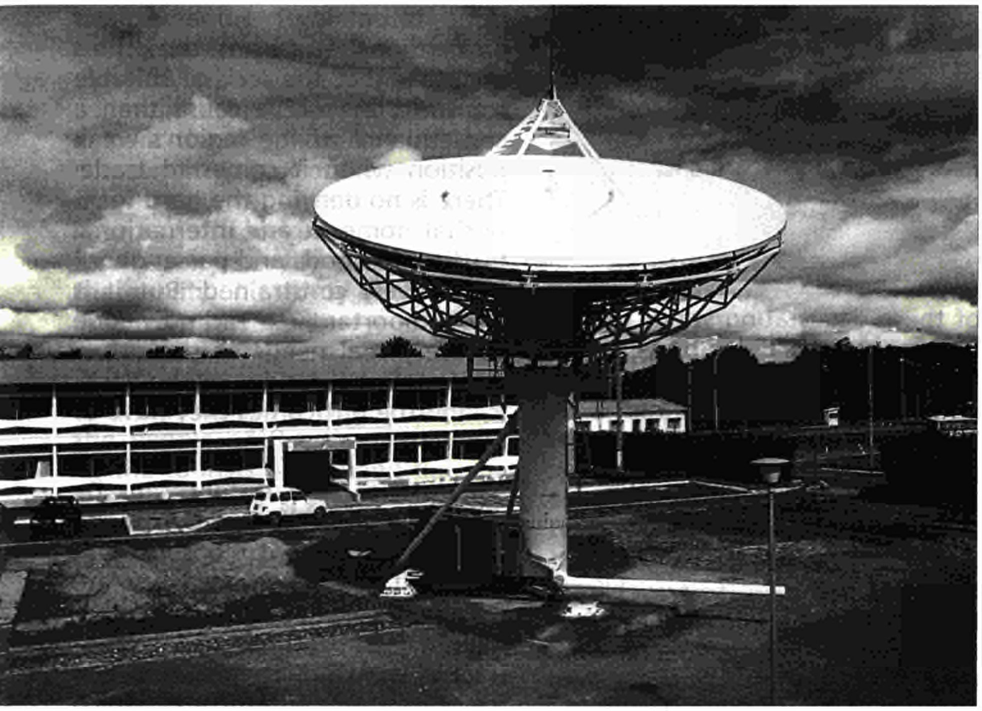
I should point out that ASECNA is not just a company which sells services; it also purchases them.

■ *From what you said earlier, telecommunications would appear to be a key priority.*

– Telecommunications play a fundamental role in aerial-navigation safety. Recognising this fact, ASECNA has set up a satellite-based aeronautical telecommunications network. Following the inauguration of the *Ivato* land station in June 1997 and of the *Diré A0m-Tman* (Chad) and Bouar (Central African Republic) stations in December, this network now covers all flight-information regions controlled by us. It enables us, on an ongoing basis, to provide reliable links between airports and aircraft in the skies. Initiated in

'Air traffic movements have increased from 78,000 in 1960 to 148,000 in 1994.'

(UK Central Office of Information)



The EDF-financed Antananarivo land station (Madagascar).

Central and East Africa with aid from the European Development Fund, we have been able to set up land stations in Bangui, Brazzaville, Douala, Libreville, Ndjamena and Niamey. The Dakar and Abidjan land stations have also been established, with EIB financing.

■ *The continent has suffered a number of plane crashes. Do the new technologies enable you to counter claims that Africa is a high-risk area for air travel?*

– It is important to understand that crashes are not just caused by air-traffic control, but also by the condition of the aircraft and by pilot error. The setting-up of the land-station programme demonstrates our will to expand VHF coverage of airspace managed by the Agency and to reduce HF coverage. The VHF technique is used to support exchanges between controllers and pilots in the air, providing better sound quality compared with the HF system. VHF is still the best way for the controller to monitor airspace and he can be confident that his information is transmitted. The same goes for the controllers' crews. I would even go so far as to say that, for the area which we manage, the satellite system is the only one we can truly rely on. In the past, owing to space-coverage problems, it was not possible to speak of aviation control – we relied more on in-flight information rather than aerial control over a sizeable part of our airspace. The new technology has enabled us to improve conditions and we are moving increasingly towards a situation similar to that in Europe or the US.

■ *Civil aviation appears to be at a turning point. Do you anticipate this sub-region taking further advantage of the new technologies that are coming on stream?*

– As I have indicated, for ASECNA, the transition towards CNS/ATM systems has already begun and the sub-region will soon be using these new methods. We also need to be in a position to control our development – in terms of what we consume and use, but also as regards participation in the long-term supply of certain items through partnerships or joint ventures. Technology transfer is actually taking place in some parts of the region and should be encouraged with the advent of the new systems. Also, eight Member-States – Benin, Burkina Faso, the Central African Republic, Equatorial Guinea, Mali, Senegal, Chad and Togo – have made us responsible for managing their national aeronautical activities. This means we can diversify our services further towards airport management, maintenance and grading of flights, among other things.

■ *Given the changes that are taking place, are there likely to be redundancies among the agency's 54,000 employees in the longer term?*

– This aspect has not escaped our notice and we are planning a slow reconversion of our staff. Moreover, with the new worldwide regulations covering noise pollution, the fleets of some African airlines will become obsolete and will have to change. This means a high level of investment, and we believe that those countries facing other financial constraints as well will not be able to meet these charges. It is likely, under the terms of the 1988 Yamoussoukro Declaration, that the trend will be towards the setting-up of a joint operations. This is one way to safeguard the survival of national-flag carriers and develop an intra-African network of air transport. We know that, nowadays, to go to Zambia or Angola from Dakar, you have to go via a European capital and then come back to Africa, which is a preposterous state of affairs. Also, the end of apartheid in South Africa will enable us to expand our network further. ■

Interview by M.F.

The Caribbean and the Pacific

When nature calls the tune

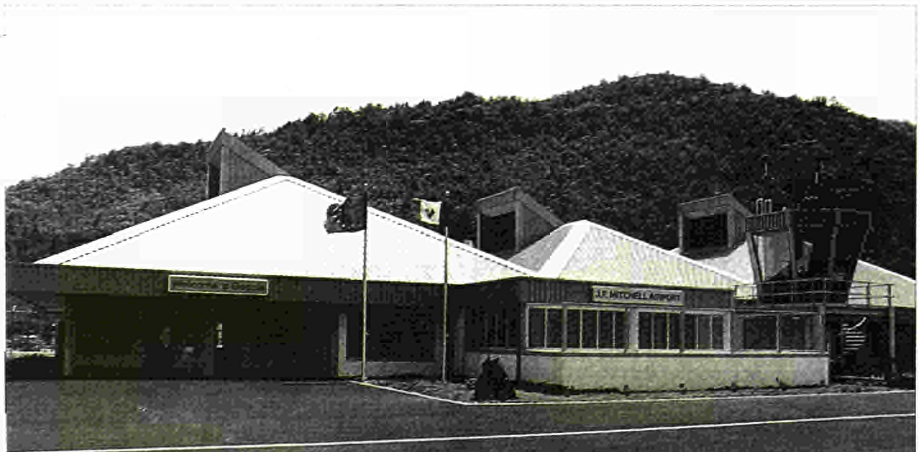
Few today would question the importance of transport infrastructures for the economic performance of developing countries. The lack of adequate transport services in most ACP states is one of many factors that holds them back, and is an obstacle to improving the socio-economic situation of their populations. The acuteness of this problem in Africa means that a concentrated effort is needed at every level to make up the ground lost in the sector since the end of colonial rule – while, at the same time, boosting the process of regional integration.

In the Caribbean and Pacific regions, made up mainly of small island countries, the situation is somewhat different. Transport issues have to be perceived in the light of the specific economic, social and physical features confronting these islands.

Looking first at the Pacific nations, these are mainly archipelagos that are widely scattered over the ocean. They are seen by many as the closest thing to 'paradise' and have a relatively wide range of natural resources. But for the people who live there, not 'everything in the garden is lovely'. While some islands are of volcanic origin, others are so low-lying that they could be dangerously exposed in the event of a global rise in sea levels. And many are susceptible to cyclones. The exact route of these devastating winds cannot be easily predicted but we know that they occur every year and, sooner or later, one or other Pacific island finds itself directly in the path of a fierce tropical storm. These isolated spots of land are also a great deal further apart than many people imagine. For example, if you want to travel from Bougainville (Papua New Guinea) to Apia (Samoa), the distance involved is 4500 kilometres! They are also a very long way indeed from the other continents. Even 'nearby' Australia, a key trading partner for the Pacific states, is no less than 3200 kilometres from Fiji.

A further aspect is that the islands are relatively lightly populated. The only exception here is Papua New Guinea which has some four million inhabitants (two thirds of the ACP population in the region). At the other extreme, Tuvalu has a population of barely 10,000.

Broadly speaking, the economic activities of these small countries are commensurate with their size. In these circumstances, is it worthwhile providing them with transport facilities that allow them to cover long distances quickly? This question has long exercised the minds of the various donors. Can substantial investments be justified when the volume of transactions is so low? Some experts argue that they cannot, but others maintain that the lack of suitable transport is more a cause than a consequence of the region's weak position when it comes to trade. There is no denying the hard reality that domestic and international traffic – in goods and passengers – is relatively constrained. But it is also important to acknowledge the very real needs of the urban and rural populations of the Pacific, and the difficulties they have to confront.



Béquia airport in the Grenadines.
Improving the functioning and safety of transport infrastructures.

The huge distances to be covered and the limited size of the markets combine to ensure that transport services in the region are extremely expensive – so expensive, in fact, that many people are unable to afford them. Small and medium-sized enterprises, which import or export products, are penalised for the same reason. Shipping is costly, and airfreight even more so, and this is a real disincentive to companies which have to devote a significant share of their turnover to moving their goods. In addition, the options available are likely to be very limited and what services there are (cargo vessels, flights etc) may be infrequent and irregular. The effect of all this is to disrupt delivery times and create problems with product storage and preservation of perishable items. A country like Vanuatu, for example, experiences serious difficulties in exporting its copra and beef. Taken together, these obstacles make inter-island trade particularly problematic.

At a macro-economic level, transport costs relating to the import of everything from capital equipment to simple consumer products have a major effect on overall prices in the region. In short, the cost of living is high because of the expense involved in importing vital goods. For this reason, improving sea and air links has naturally become one of the central concerns of both national and regional authorities in the South Pacific.

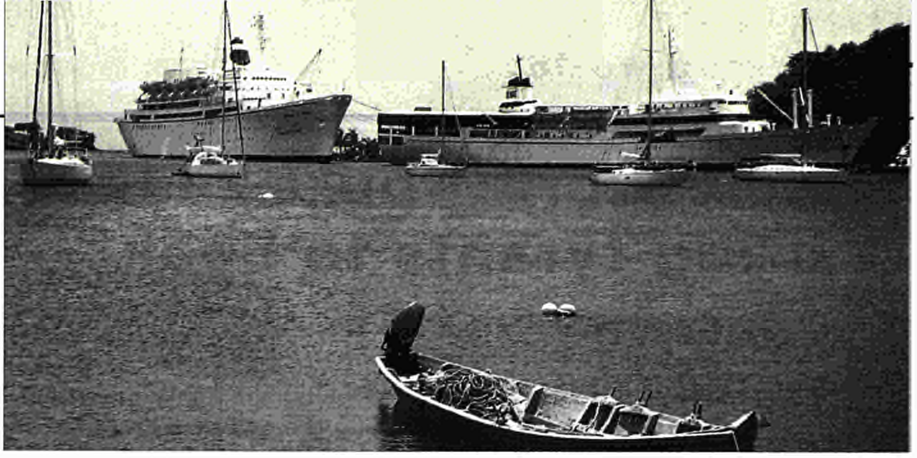
The art of the possible

The problems facing the countries of the Caribbean bear a close resemblance to those encountered in the Pacific (geographical remoteness, restricted markets, inadequate transport and communications, natural disasters) even if the distances involved are somewhat less. Tourism, one of the region's most important sources of foreign currency and jobs, is very heavily dependent on the quality and safety of the available transport services.

Air and sea are the forms of transport most widely used by the people of the Caribbean and by the tourists who spend time on the islands. Air travel is regarded as the most popular and effective mode, and virtually monopolises the attention of the government authorities and the various multilateral and bilateral cooperation institutions when it comes to considering transport policy issues. The volume of air traffic has increased significantly in recent years. This has made it imperative to improve the efficiency and reliability of airport installations so as to ensure safer and more dependable services. Not surprisingly, virtually all the Caribbean states would like to be at the 'top of the league' in terms of airport facilities and connections but questions of profitability have meant that ambitions cannot always be realised. Despite this, aid and loans on favourable terms from institutions such as the Inter-American Development Bank and the World Bank have enabled a number of sites to be upgraded. The European Union, for its part, has financed several airport building or improvement projects using resources earmarked for regional development. One such example is Béquia airport in the Grenadines. A runway, terminals and a control tower have been built, and the infrastructure has now been operational for more than five years. Other modernisation and enlargement projects are at the planning or execution stage in several states in the region.

As for the provision of aviation services, the two Caribbean companies that share the bulk of the market, *Air Jamaica* and *BWIA*, have underperformed financially in recent years. However, because of their vital importance to tourism and the income generated by this sector, government plans for their recovery and support have already been conceived. The exact nature and scale of the assistance which will be made available to the two operators remains to be seen. Arguably, the best thing would be to go for a partnership or even a full merger of the airlines, but the whole issue is sensitive and it is currently the subject of sharp debate. Providing effective air transport services, both internally within the Caribbean and in the long-haul sector, is a subject that is fraught with difficulties, given the background of intense competition. And when we hear that the government of St Lucia, anxious to create a link with the USA to sustain its tourist industry, has had to find nearly a million and a half dollars to avail itself of the services of *American Airlines* – at the expense of the main local airlines – questions clearly arise about the amount of cohesion that actually exists at regional level.

Sea transport networks, in both the Caribbean and the Pacific, need also to be strengthened to provide more regular services between the various islands. Shipping is, after all, an essential complement to air transport as well as being the only viable method of tranporting bulk goods. This is especially true for the small and isolated islands of the South Pacific, which could not survive economically if cut off from the rest of the world. Despite the programmes already undertaken, there is still a shortage of freighters and associated equipment (containers and cranes) for moving products such as bananas from the Caribbean. In response to this problem, some ports have been fitted out to accommodate high-tonnage shipping, while others have been built



The shipping network is still an essential complement to air transport in island countries.

to meet the requirements of the vital fisheries sector. Ferry services have been developed to carry local passengers and tourists. The establishment of sea and river access routes and an increase in the number of disembarkation points should significantly increase traffic. It should be mentioned that the state of the roads in some islands is so poor that it is sometimes preferable to travel by sea when moving from one coastal town to another within the same country.

Ultimately, the answer to the specific transport problems of the Pacific and Caribbean islands lies in improved coordination of activities at regional level. This applies to arranging airborne or seaborne coverage of internal and external routes, but also to the provision of infrastructures to meet the special needs of these regions. It is also essential to provide easier access to transport services for the local inhabitants, who are often impoverished, and so boost the process of integration in these regions. K.K.

CLOSE-UP

New world court aims to bring tyrants to book

by Alan Martin*

Brutal rulers thinking of committing grave human rights abuses may soon have to weigh up the risk of being charged by a proposed International Criminal Court (ICC). This is the message being sent by governments and human rights organisations negotiating the final points of a UN-sponsored treaty to set up the ICC.

The 'international community', frustrated at the sight of known war criminals escaping justice, has made it clear it wants action taken, says *Harriet Ware-Austinson*, parliamentary officer for the London-based human rights group *Amnesty International*. 'In several countries where serious crimes were committed, no-one was brought to justice', she pointed out. 'The world just stood back and said, "Sorry, we can't do anything." '

Up to now, the UN Security Council has established special tribunals to deal with atrocities committed in places such as Rwanda and the former Yugoslavia. But the aim now is to establish a permanent judicial body to investigate and prosecute such crimes worldwide. The product of more than three years of negotiation, the ICC is expected to be modelled on the Nuremburg Tribunals which tried German war criminals after the Second World War. Life imprisonment will be its stiffest penalty. Enforcement may not always be easy, and this is one of the issues still being discussed.

Designed, in the words of a British Cabinet Minister, 'to catch out the Saddam Husseins or Pol Pots of the future', the court will be established after a final diplomatic conference in Rome in June, when more than 100 countries are expected to ratify the treaty. Funding and location have yet to be decided.

'This is a historic opportunity to qualitatively strengthen human rights and international law,' said *Richard Dicker*, assistant counsel for the New York-based *Human Rights Watch*, and director of its international court programme. 'It would hold accountable under the highest standards of international law those accused of genocide, crimes against humanity and war crimes,' he said. 'It would bring justice to victims and limit the sense of impunity all too often associated with such crimes over the past several decades.'

'The court has to be able to hold the most powerful agents of the most powerful nations responsible for their actions'

But despite widespread support for the ICC, fundamental issues have yet to be resolved. 'The stakes are very high and many outcomes are still possible,' said Dicker. 'We're still not sure what kind of court will emerge from the negotiations. Will it be a real court, empowered to carry out the task the international community needs it to do, or will it be a sham?'

The most contentious issue is whether the court should have the independence to initiate investigations and prosecutions of suspected war criminals, or whether it should be subject to the authority of the five permanent members of the UN Security Council (China, France, Russia, the UK and the USA). If the latter option prevailed, said Dicker, 'it would be a devastating blow to the court and its impartiality. It would just become a permanent *ad hoc* tribunal that can be turned on and off like a faucet to suit their economic and political needs.'

Richard Dicker is not the only one worried about the ICC's possible emasculation by Security Council members. 'If cases are referred there, some countries might cast their veto to protect themselves and their friends,' said *Maurice Mendelson*, a professor of international law at University College, London. 'It would be unlikely, for example, that Russia would turn in Slobodan Milosevic' (the Yugoslav President).

The UK recently won praise from human rights organisations when it broke ranks with fellow Security Council members (particularly France and the US) and sided with NGOs calling for an independent court. A Singapore-brokered compromise being discussed would allow for a Security Council veto on investigations, but only if all five permanent members agreed. In return, recognised bodies, such as international human rights organisations, would also be able to petition the court to launch investigations.

On completion of the talks, the court will have immediate jurisdiction over states that have signed the treaty. But investigations could proceed in other countries if requested by the Security Council, under its UN Charter obligation to maintain international peace and security, said a British Foreign Office official. Not surprisingly, according to Dicker, some of the most ardent supporters of the ICC have been countries – in Latin America and Africa in particular – which have been through transitions from authoritarian rule and have an intimate understanding of how impunity undermines the rule of law.

'The court has to be able to hold the most powerful agents of the most powerful nations responsible for their actions', said Richard Dicker. A.M.

* Journalist working with Gemini News Service on a fellowship funded by Canada's International Development Research Centre. Article from Gemini News Service, 9 White Lion Street, London, N1 9PD, UK.

The EU listens to the indigenous peoples

About 30 of them had come from all over the world to spend two days in Brussels, debating issues about their situation. Some wore traditional dress, as if to strengthen their assertion of a frequently misunderstood identity. They talked about their communities' expectations and how they hoped their problems would be handled at international level. The visitors in question were representatives of a wide variety of indigenous peoples invited by the European Commission to take part in a seminar organised in March. Described as a consultation, this event also brought in observers from other international institutions. The lessons learned at the meeting, which focused on the subject of 'indigenous peoples and development cooperation', will help the Commission to finalise a document it is currently preparing on the subject. This will shortly be submitted to the Council of Development Ministers, with a view to adopting a policy resolution.

According to United Nations estimates, there are about 300 million indigenous people living on the planet, unevenly distributed in 70 or more countries. They include pygmies, bushmen and Masai in Africa, Indians in Latin and Central America, Inuits in Greenland and many other indigenous races in Asia, the Pacific and elsewhere. The great majority of indigenous groups are to be found in developing countries and almost all are engaged in a struggle – to emerge from social, economic and political marginalisation in the states where they live, and to obtain a greater say in the administration of their own development, resources, environment and way of life. Many of their basic rights are consistently violated, and while trying to avoid an approach which would result in them being labelled 'victims', their proud aspiration is to gain the right of self-determination.

A revival of interest worldwide

Indigenous peoples are united and organised in a way that gives them a stronger voice at every level. Internationally, their problems have received particular attention over the last 10 years. Within the UN, efforts have increased to establish a regulatory framework covering, among other things, their rights to intellectual and cultural property, territory and the protection of their living environments. In 1989, the International Labour Organisation adopted Convention No. 169 concerning Indigenous and Tribal Peoples. This text recognises the right of the people concerned to be entirely free to decide their own priorities for the development process. The intention is that they should participate in decisions which affect their lives, beliefs, institutions and spiritual well-being and the lands they occupy or otherwise use. They are in future to be involved in formulating, implementing and evaluating aid programmes which affect them directly. The major UN summits, such as the human rights conference in Vienna and the environment meeting in Rio, clearly referred to the rights of the indigenous peoples. And the UN is keen to intensify international cooperation – to enable solutions to the problems of indigenous groups to be found, in close cooperation with the people most directly affected. 1993 was proclaimed the 'International Year of Indigenous Peoples' and the period 1994-2004 is the 'International Decade of Indigenous Peoples'.

The EU, for its part, has long-standing relations with many countries whose territories are home to indigenous groups. Never previously, however, has a clearly defined policy of development cooperation been instituted by the Commission for the benefit of these groups. It is true that some EU development programmes and projects benefit indigenous people directly or indirectly. For example, use has been made of special budget headings for the tropical forests, human rights and cooperation with Latin America through the NGOs. But all these activities have taken place outside a political framework that is specific to these peoples. The European Parliament has, on numerous occasions, expressed concern about the critical situation of indigenous societies. However, it was primarily at the instigation of the Danish and Spanish governments that the question came to be addressed by the EU. The subject appeared for the first time on the agenda of the Development Council, meeting in Luxembourg in June 1997. At the request of European ministers, the Commission will present a strategy document on aid for indigenous peoples in the framework of development cooperation policy of the Union and its Member States. The Commission is anxious to obtain as much input as possible, in the form of ideas and suggestions from those most directly concerned, and this is why, prior to finalising its document, it sought the views of experts from indigenous groups themselves. Indeed, it would have been against the concept of participative development to exclude them from the project. A preparatory workshop organised by the Saami Council and the Inuit Circumpolar Conference, two organisations of indigenous peoples, gave the experts an opportunity to consult with each other before meeting their European counterparts. A draft document, prepared by the Commission's services, was also sent to several other organisations, and the main comments received by way of feedback will be incorporated for discussion by the Council.

It is by no means easy to obtain an overview of the problems of indigenous peoples. The Commission therefore decided to focus, as a priority, on the indigenous populations of the developing countries. These groups are particularly vulnerable to discrimination, which is likely to be more serious when set against a background of poverty. Before coming up with proposals to meet their needs, however, it is necessary to determine more exactly who the 'indigenous' people are.

Problem of identification

A clear and precise definition of the expression 'indigenous people' is not easy to obtain. Indeed, a single, rigid definition could hardly do justice to their diversity, history and culture. The World Bank, UNDP and ILO (in Convention no. 169) have all endeavoured to provide a definition, without really succeeding in obtaining a clear answer. In some regions of Africa and Asia, where identifying indigenous populations can give rise to political problems, the concept appears particularly blurred. Indigenous groups themselves are hostile to any definition that might be imposed from outside, and very reasonably claim the right to self-identification. Even so, it is important to have available a provisional reference which enables international organisations to identify beneficiary groups and thus improve the targeting of their activities. At present, the definition that seems to enjoy the broadest support is the one outlined by *José Martinez Cobo*, United Nations Special Reporter. He has stated that: *'Indigenous communities, peoples and nations are those which, having a historical continuity with pre-invasion and pre-colonial societies that have developed on their territories, consider themselves distinct from other sectors of the societies (now prevailing in those territories, or parts of them) ... and are determined to preserve, develop and transmit to future generations their ancestral territories and their ethnic identity, as the basis of their continued existence as peoples, in accordance with their own cultural models, social institutions and legal systems.'*

Most 'peoples' who are seen as 'indigenous' fall within the scope of this definition – which is not to say that they necessarily meet all the criteria set out. And despite the fairly broad range of criteria selected, the use of this text may prove difficult in practice. The Commission's draft document therefore suggests a maximum of flexibility and adaptability for specific cases. The indigenous experts have called on the EU to exercise great caution, since indigenous peoples are not a homogeneous group and some believe it would be a mistake to attempt to impose a universal definition at all costs.

Guarantors of biodiversity

In most cases, indigenous populations live in forest regions or zones that are rich in natural resources. An Indian expert queried whether, in the final analysis, the availability of these resources was such a good thing. For, as he put it, it is precisely the existence of the resources that has given rise to envy and created problems. Driven by entirely economic motives, some multinationals, with cooperation from governments, are seeking to exploit the zones in a way that is little short of anarchic. The indigenous peoples have, for a long time, lived in complete harmony with their natural surroundings. Their way of life and social, cultural and spiritual practices have ensured the preservation of biodiversity and the conservation of natural resources. Global recognition of this important role is increasing but it still needs to be underpinned by consistent policies. Indigenous peoples are fully aware of their ecosystems, and manage their lands in such a way as to preserve the equilibrium of nature. They are genuine scientists in their deep understanding of the medicinal and nutritional values of many of their resources. But their immense knowledge has been regularly plundered and illegally exploited down the years – which is why they are now demanding rights to intellectual property and respect for their environment. Although international conventions have been signed in these areas, there is still a long way to go before concrete results are obtained. All these points were included in comments made to the Commission by the indigenous peoples' representatives.

What form of cooperation?

As regards cooperation with the EU, the indigenous experts put forward a number of proposals, some new and others based on past experience. They were almost unanimous in wishing to set the priorities for their own development – although some preferred the term 'living plan' in this context. Cooperation should help reinforce their capacity for self-development. Words beginning with the prefix 'self-', such as self-determination, self-identification and self-development, should, they believe, be more prominent in legislative texts. Some representatives demanded the elimination of the 'middlemen' (NGOs and national governments), arguing that the EU should favour a more direct form of cooperation with the indigenous peoples. Others stressed what they saw as a lack of consistency between words and deeds on the part of some European countries. As one expert from Guatemala forcefully put it, how is it possible to declare one's respect for the rights of indigenous peoples while, at the same time, signing agreements which allow the 'barbarous' exploitation of their forest heritage? Consequently, the indigenous peoples want to be included in all negotiations, agreements or conventions which affect their lives. In this context, they claim the 'right to say no' in the event of disagreement, and call on the EU to take this message on board. The programmes devised by the EU should take due account of the cultural dimension and respect traditional beliefs and practices. Reasserting their cultural identity, representatives of the indigenous peoples believe that economic development cannot be dissociated from culture and the environment. Other recommendations focused on access to education, the role of women, access to the land, food security and human rights issues.

Another essential concern of indigenous peoples is the institutional strengthening of their representative structures, especially in ACP countries, to enable them to take effective action at local, national, regional and international level. They are looking to the EU to back their efforts in this area. There was a call for special budget headings to be created; together with a permanent consultation mechanism (forum or secretariat) for the indigenous peoples within the EU. It is important to note that several of the proposals coincided with stated objectives and recommendations of the Commission, whose attitude to the involvement of people in their own development process has evolved significantly. Clearly, not all suggestions can be taken into consideration – indeed, some were mutually conflicting. But the issues aired at the meeting will provide important guidelines to assist the Commission in presenting a comprehensive document on the subject of indigenous peoples to the Council. K.K.

The ILO – working to rebuild the social fabric

This abridged article by Carlos García and Paolo Barcia is published as a follow-up to the Dossier on conflict prevention in our last issue. The authors work for the International Labour Office, the ILO's secretariat.

The promotion of social justice, employment, democracy/respect for human rights, and international labour standards are the founding objectives of the International Labour Organisation. It was set up in 1919 by countries involved in the First World War with a view to safeguarding social peace and encouraging economic and social development. In 1944, the ILO adopted documents underlining this mission and its aim of preventing future conflict, but it has updated its approach in recent years in order better to support populations involved in conflict.

Societies making the transition from a situation of conflict to a process of economic and social development face many challenges. For instance, they have to give official form to peace treaties, reintegrate former combatants, displaced persons, refugees and other social groups affected by the conflict, and reconstruct a labour market and strategic economic framework.

The ILO has a multitude of tasks in this area. For example, given that conflict weakens institutions, and this in turn can exacerbate the conflict itself, the ILO gives priority to strengthening such institutions. This is particularly so for ministries of social affairs and labour, workers' and employers' organisations, other labour-market institutions and bodies responsible for rehabilitation and reintegration. The ILO also sees it as important to give a voice and support to the social partners, enabling them to take an active part in peace negotiations, in the initial stages of reconstruction, and in the planning of further development.

The Organisation and its secretariat, the International Labour Office, are active in many other areas besides the formulation of social and employment policies and the inclusion of these in peace agreements. It also supports vocational training and skills improvement, helps provide access to income-generating activities based on genuine labour-market opportunities, and promotes employment for women.

Certain conditions are obviously needed if reintegration programmes are to achieve long-term success. Joint analysis of the causes of conflict by the parties involved, and their agreement on a national reconciliation programme, to include a campaign to reintegrate all the people concerned, is therefore desirable. Similarly, governments must make a clear-cut commitment to a reintegration policy and to an economic and social development strategy specifically designed to promote jobs. Another essential element is an agreement with the international community (particularly with donors), regarding reintegration policy and programmes, and the mechanisms for coordinating actions involving a large number of partners. Many other aspects could also be mentioned, such as an adequate institutional framework for implementing the programmes and the full participation of former combatants, affected and displaced populations, and host communities in drawing up and running programmes at local level.

A new cycle of negotiated settlements

In Africa, at least, the most common outcome of armed conflict in the early decades after independence seems to have been *'winner takes all'*. The experience of Zimbabwe (formerly Rhodesia) with the Lancaster House agreements set in train a different approach involving a new model for negotiated settlements. This approach is now widely followed in the post-Cold War context, with the establishment of democratic structures requiring concerted political, diplomatic and sometimes military involvement by the international community. It also entails complex negotiations between the parties to the conflict, with a view to the signing and implementation of peace protocols.

Such agreements are usually built around three main components: the political component (transitional power, new constitution, elections, etc.), the military component (ceasefire, withdrawal of foreign armies, new national army, monitoring/disarmament/demobilisation of the various factions, etc.) and the socio-economic component (national-reconstruction and reintegration programmes, etc.)

The International Labour Office becomes involved in the context of the international community's efforts at establishing peace. It concentrates on providing technical assistance for reconstruction and the socio-economic reintegration of groups affected by the war – in particular, demobilised military personnel. With its experience gained in regions such as Central America and Cambodia, the Office has been called on to intervene in Africa in such countries as Angola, Mozambique, Liberia, Eritrea and Northern Mali. Its mission has been to devise policies and strategies to promote employment and reintegration, and to formulate and implement operational programmes. Other projects are currently being prepared for Sierra Leone and the Democratic Republic of Congo.

To capitalise on this wealth of experience, an action programme *(skills and entrepreneurship training for countries emerging from armed conflict)* has been set up. This assists in organising discussions between decision-makers, protagonists and partners in development, and in formulating a

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Social reconstruction is a process which includes vocational training and, vitally, training for women.

wide range of intervention tools appropriate to the specific context.

Common factors

All conflicts (and thus, all peace processes) occur because of the existence of different geopolitical, economic and ethno-cultural contexts. However, experience shows that certain common factors can be pinpointed. The general principles which should characterise any reintegration strategy are: national reconciliation (total reintegration of former combatants is possible only in such a context): active participation by the various partners (public and private, political and social forces, NGOs and churches); absolute and total non-discrimination (programmes must be open to everyone, irrespective of military faction, ethnic origin, religion or sex); and, respect for international conventions, particularly the Convention on the Rights of the Child, and international labour standards.

The fact that involvement needs to be ongoing suggests that there needs to be a close link between medium and long-term policies and short-term emergency programmes. Moreover, any reintegration programme must concentrate on creating opportunities for employment and self-employment, and the development of income-generating activities.

Such integration programmes are generally built around a 'central core' which involves short-term training in those areas regarded as the most stable and buoyant, and the promotion of micro-enterprises and self-employment. Upstream, this 'core' is linked to studies of target-group profiles, analyses of promising gaps in the market, the supply of training and services, and information/orientation services. Downstream, there are mechanisms for providing technical and financial support to those wishing to set up their own businesses (management training, toolkits, loans, etc.) as well as monitoring structures.

The approach entails setting-up a network of varied training providers (public and private, formal and informal) with whom the coordinating structure will establish intensive training programme contracts (500 hours on average). This is generally accompanied by support for the technical capabilities of the partners – for example, introductions to objective-based teaching, training of trainers.

Training of this type is aimed either at meeting the requirements of such jobs that already exist on the modern employment market (sectors and enterprises which, in time of peace, would already be creating new jobs), or at self-employment and the establishment of micro-businesses (if appropriate, supplemented by 'Start your own business' assistance).

The impact

The ILO's new-generation projects are at different stages of development. Those in Angola and Liberia, interrupted when civil war recurred, are just getting off the ground again. The programme in Northern Mali (PAREM) is also relatively recent. For the time being, therefore, an objective impact evaluation is only possible in Mozambique. Here in early 1997, more than 70% of the 9326 former military personnel benefiting from the project already had jobs (paid work, self-employment and micro-businesses).

C.G.& P.B.

Project cycle management revisited

by Dr. Hellmut W. Eggers

Seven years ago, I sat down to prepare the first draft of the 'Basic Format' for the Project Cycle Management Method (PCM). This was part of my duties as head of the evaluation division in Directorate-General VIII (Development) of the European Commission - but I hasten to add that it was not my own invention. I was simply pulling together the threads of best professional practice the division had gleaned from across the globe. We were helped in our task by the OECD working group of heads of evaluation, by other development agencies already practising the 'logical framework approach', by Commission colleagues and by our ACP partners. That was how the sapling of PCM first reared its head in a sceptical environment.

During the first year, this sapling had to weather the storm of critical scrutiny from both Commission and ACP services – but it held its own. In January 1991, it emerged, a good deal stronger, in a circular letter signed by the Director General and addressed to all DG VIII services and delegations, for operational application. In due course, DG VIII set up a help-desk to support the introduction of PCM into development cooperation practice. It also launched an important training programme in which more than 6000 Commission, EU Member State and ACP officials as well as private consultancy personnel have so far participated.

In 1996, PCM application was evaluated by an independent consultancy. It found that the method had been very well received, especially in the ACPs, but that continued efforts were needed to exploit its full potential. Following on from this, a new training programme was due to be launched at the beginning of 1998, directed at staff from the Commission external relations departments and services in the EU's partner countries (not just ACPs but also in Latin America, Asia and the Mediterranean). In seven years, the sapling has grown into a vigorous young tree and there is no doubt that PCM is here to stay.

As for me, I retired from the Commission in 1993. I continue, however, to follow and nurture the tree's development, doing PCM consultancy work and organising seminars in the EU. I have devoted the best of my professional energies to this field and should like to present *Courier* readers with my views on what PCM *is* and what it can do.

What is PCM?

PCM is an instrument for improving development projects and can also be used to improve development programmes and policies. It is designed to enhance the benefits for the target groups served by projects, programmes and policies. It is the fruit of experience.

In the mid 1980s, DG VIII decided to take an overall look at the effectiveness of its actions. The evaluation unit reviewed all the major evaluation reports available at that time (a large number) as well as reports of the Court of Auditors on DG VIII-managed projects and programmes. The broad conclusion was sobering. Judged, above all, on the basis of their viability, about a third of all projects/programmes had been broadly successful, a third had mixed and often disappointing results, and the remaining third had largely failed. The evaluation unit cross-checked these mediocre conclusions with those of other aid agencies. Their performance proved to be remarkably similar.

Shaken but not discouraged, DG VIII decided to try to pinpoint the key reasons for this state of affairs. Again, the evaluation unit reviewed its past work, this time with annual overviews of all completed evaluations. This effort coincided with an extensive two-year review of the sustainability issue in development cooperation, carried out by the evaluation working group of the OECD's Development Assistance Committee (DAC). The conclusions of this collective soul-searching were as follows:

– There was a general tendency to confuse the *project* with the *people* that were meant to profit from its implementation and functioning;

– In many cases, vitally important aspects were overlooked in project preparation, implementation and follow-up; and

– All too often, decisions were taken without being subject to the required decision-making discipline appropriate to each phase in the cycle.

It was obvious that these three key weaknesses had to be tackled. The DG VIII evaluation unit undertook to transform them into positive guiding principles, and came up with the following:

– Always express the project purpose in terms of *sustainable benefits for the target group;*

- Devise a 'basic format' setting out concisely the vital aspects which, if not considered, *will almost certainly lead to the project's failure;*

– Devise a mechanism to guide *sound decision-making* throughout the project cycle.

These three principles, dealing directly with the root causes of project failure, are the cornerstones of PCM.

The Project Purpose

The first and most basic principle of PCM concerns the definition of the Project Purpose, also known as the Specific Objective. It is, *without exception,* to be conceived as the creation of *sustainable benefits for the target group.* In everyday language, this means that after the project is finished, those targeted by it should have a better quality of life than before, and that this improvement should continue for a reasonable period (using a 'human' scale, say one generation – so if 50 years seems a lot, then 10 years is surely insufficient). It is true that defining the target group can be difficult, especially if conflicting interests are involved, with some groups perhaps even affected detrimentally by a project. The 'sustainability' of the benefits must take such conflicts, if they exist, into account.

The principle also implies that one recurring and fundamental mistake must be avoided at all costs. This is the confusion so often found between the *project* and the *target group*. The project is a means to an end, not the end itself. Surely this goes without saying, one might say, but the evidence suggests otherwise. All too often in the real world you find roads without traffic; hospitals without patients, staff, or medicines; and factories without water, electricity, workers or a market. Thus, for example, the purpose of a given water supply project must not be 'the installation of a supply system', but rather 'the consumption of a sufficient quantity of potable water by the population of province X over a period of at least 30 years'.

The first PCM principle, its very 'centre of gravity', is the *only rigid element* of the method. If you cannot express the project purpose in terms of sustainable benefits for the target group, forget it, because it will not work. DG VIII's Manual on PCM repeatedy underlines this. It is disappointing, therefore, to find that project purposes drawn up by its services for inclusion in financing proposals in recent years do not always respect the principle.

The Basic Format

The second PCM principle concerns the criteria that *must* be observed if the aim of bringing sustainable benefits to the target group is to be achieved. DG VIII has made a major effort to identify these criteria. The essential questions were: When preparing and implementing a project, what aspects (the 'criteria') are absolutely essential to ensure a flow of sustainable benefits to the target group? From practical experience, what are the questions that *must* not be left unanswered if the project is to succeed? After thorough investigations over several years, and detailed discussions with professionals around the world, DG VIII finally established the list of criteria – set out in a 'Basic Format' of less than 100 words.

In structuring this format, the input of the logical framework ('logframe' or LF) analysis has been decisive. It is not surprising, therefore, that these two technical instruments, the 'Basic Format' and the 'Logical Framework' should partly overlap. In fact, the overlap is useful. It is also inevitable, since the Basic Format is employed in formulating terms of reference for studies and reports along the project cycle, while the Logical Framework serves for checking the project's internal logic and summarising its contents. It should also be mentioned that LF analysis, through its techniques of establishing *problems and objectives 'trees'*, has largely contributed to the problems and objectives analysis under the Basic Format.

The criteria making up the 'Basic Format' are grouped under the following main headings:

– *Background:* presenting the policy guiding the project, the beneficiaries concerned and the problems to be solved;

– *Intervention:* spelling out the objectives of the project and notably the kind of sustainable benefits to be created, and the activities designed to achieve the objectives;

– *Assumptions:* alluding to the risks to be faced and identifying the circumstances and events considered essential for the project's success but that *it cannot influence;*

– *Implementation:* containing the concrete project description – means to be employed, their cost, procedures to be applied, the implementation timetable;

– *Sustainability factors:* policy, technological, environmental, socio-cultural, management and economic aspects that are designed to ensure project survival after completion;

– *Monitoring/evaluation:* allowing the project to be kept on track and be reoriented, if necessary.

The 'Basic Format' is the first of the three technical tools of PCM. It guides the formulation of the Terms of Reference all along the project cycle. It should be employed with *common sense,* never with rigidity. After all, the complexity of real life can never be captured in less than 100 words! Only the Terms of Reference can do justice to the uniqueness of each project at each stage of the project cycle.

Project phases and the decision-making mechanisms

The third PCM principle requires the application of the *same basic criteria* as expressed in the 'Basic Format', throughout the entire project cycle. PCM distinguishes six phases of this cycle:

– The formulation, within a given policy framework, of a *project idea* (for example: 'given the demand structure and human resource situation in our region, it seems a good idea to build a school for professional education and training');

– If the idea seems reasonable, then proceed to the second phase of *pre-feasibility* (if not, abandon the project). Pre-feasibility involves a rapid study that does not pretend to be comprehensive, conducted using the same basic criteria. The *only* objective here is to answer the basic question: 'is it reasonable to undertake a feasibility study for the suggested project?' Accordingly, the pre-feasibility study should only go into the detail necessary to make this judgment – and no further. If the conclusion at this point is negative, the (considerable) costs of the feasibility study can be avoided, as the project will be abandoned at this point.

– If the conclusion of the pre-feasibility study is positive, the *feasibility study* will take place, applying terms of reference based, again, on the same criteria. This time, the study will be detailed, containing all the information needed to decide if the project should go ahead, and to allow implementation to begin *without any further studies.* Should the study conclude that the project is not feasible (this will happen only rarely as the two preceding phases should already have separated the wheat from the chaff), then it must be abandoned. It is better to lose the cost of the feasibility study than to finance a bad project.

– If the conclusion of the feasibility study is positive, then the project can be set out in a *financing deci-*

sion, using the formal documents that exist for this purpose (fourth phase).

– The project can then be implemented (fifth phase). The implementation will be monitored periodically, measuring the actual progress against that foreseen in the feasibility study. Monitoring is done by the project team itself, which does not question the project's objectives. Corrective action should be taken by the team, if required, in the light of monitoring results.

– The last phase is evaluation. This will involve the project team and outside expertise that has not been involved in the earlier phases. Again, applying the same basic criteria, evaluation will question the entire project design including the problem analysis *and the objectives*. Evaluation, though regarded as the last phase in the cycle, does not necessarily only occur on the completion of the project ('end-of-project evaluation') or some years later (ex-post-evaluation). It can also be carried out during implementation ('concomitant' or 'on-going evaluation'). This exercise is designed to allow for project reorientation if required. Evaluations undertaken after implementation will permit improvements to be made in the design of subsequent projects of a similar nature.

The 'Format of Phases and Decisions' is PCM's second technical tool. It sums up the phases and decision-making mechanisms as described above. Again, *common sense and flexibility* are the watchwords. It is clear, for instance, that the third in a series of ten similar water supply projects will omit the first phase altogether and possibly the second, while the feasibility study will be based heavily on prior studies.

This flexibility, however, does not mean one should ignore the need to structure all the terms of reference throughout the project cycle, in accordance with the Basic Format. It is disappointing to learn, therefore, that DG VIII has produced a new structure for the 'end of appraisal reports' to be produced by delegations at the end of the third phase (feasibility). This could lead to extra work of doubtful utility and may well introduce confusion into the application of PCM. I personally believe that it could be a serious methodological error.

The Logical Framework

The Logical Framework is the third technical tool of PCM. It is not identical with PCM, being only part of the Method. It is unfortunate that six years after the official introduction of PCM, there should still be people in the relevant fields that have not understood this simple point.

The LF is a matrix presenting four columns and four rows:

The *columns* contain:

– the Intervention Logic (linking inputs via activities to outputs, the project purpose and the wider development goals)

– the Objectively Verifiable Indicators (which express the intervention logic in terms of figures);

– Sources of Verification (specifying, where these indicators can be found); and,

– the Assumptions (containing the events and circumstances that condition project success but that the project cannot influence).

The rows indicate, from bottom to top;

– the project activities;

– the project results;

– the project purpose; and,

– wider development goals to which the project is meant to contribute.

The logical framework analysis, devised by a US consultancy, first appeared in the late 1960s. It was rightly hailed as a major improvement in project preparation, implementation and evaluation and has profoundly influenced the formulation of PCM. However, not surprisingly after three decades, certain weaknesses have been discovered by those applying the instrument over the years. One should not turn a blind eye to these drawbacks of the logframe, which may be summarised as follows:

– It tends, in many cases, to turn into a purely bureaucratic exercise, undertaken reluctantly because 'those who hold the purse-strings require it'. The logframe is prepared as an afterthought when the substantive work has already been done. It does not influence the project design and turns into a rigid, liturgical routine involving filling in a matrix.

– There are times, even with simple projects, when it it is not up to the task. No matter how conscientiously one tries to complete the matrix, important aspects fall by the wayside. The logframe becomes a 'lackframe'.

– It tends to solidify a design once it has been laid down, thus limiting flexibility in implementation. True, this is the wrong way to use the logframe – so it is the workman rather than the tool which is ultimately to blame – but the tendency has been observed frequently and is therefore obviously a problem. The logframe becomes a 'lockframe'.

PCM recognises these weaknesses. It therefore tries to limit the use of logframe analysis in *up-front project design* while observing the fundamental logic of that analysis which has always been, and remains, a powerful tool. It seems preferable, however, to conceive the project design *first* by devising terms of reference (TR) for studies to be undertaken according to each of the six project phases. These TR are to be structured along the lines of the 'Basic Format'. The internal logic of each study can then be checked by completing the matrix. As a 'checking mechanism' and a means of summarising the project design all along the project cycle, the logframe approach remains unquestioned in PCM. A well-designed project will always be easy to express and summarise in terms of the logframe approach. If it is not, then there is something wrong with the design and one must go back to the drawing board.

These, then, are PCM's three fundamental principles, its three technical tools and the rules for their use. The remaining question is simple: *What for?*

What can PCM do?

PCM must respect its single rigid principle: to contribute to the sustainable benefits that projects are designed to create for their target groups. If it does not do that, it has no right to exist. It will contribute to such benefits if it is *correctly applied* to project preparation, implementation and evaluation. The all-important question will thus be: *What must be done to ensure such application?* A first, obvious answer is the need for *training* of Commission officials (including those in delegations), EU Member State staff, consultancy personnel and other stakeholders. It was mentioned earlier that more than 6000 people had already undergone such training, in seminars lasting from several hours to several days.

I have not had the opportunity, so far, to support that training effort. I have, however, since retiring from the Commission, continued to help spread PCM in a series of EU countries, holding seminars for up to 45 participants in various languages and addressing audiences from different backgrounds. I have developed a series of teaching materials and rules for working group activities, that are at the disposal, free of charge, to interested professionals.

Normally, the seminars last two and a half days. I present the three main principles and the three technical tools of PCM. Next, the participants form three working groups. The first practical exercise involves each group drawing up terms of reference, using the 'Basic Format' (the second PCM principle), for the feasibility study of a real-life project taken from the portfolio of the organisation where the seminar is being held. This project is presented by one of the participants. Each working group selects a speaker who, after discussion within the group, presents the results of its work. The speaker must also justify the group's 'decision' to proceed with the third phase of the project, under the third PCM principle. The second exercise consists of filling in a logical framework, on the basis of the feasibility study, using the same project. Each group decides, in the light of this exercise, whether the project should pass to the fourth phase, in line with the third PCM principle. The third exercise involves reformulating, in accordance with the first PCM principle, a series of project purposes (the projects again being taken from the organisation's own portfolio). Speakers are once more selected by the groups, it being understood that a different participant must be the spokesperson each time. In this way, each of the PCM principles and technical tools is put to the test, using practical examples of projects handled by the organisation whose staff are taking part in the seminar. The clear practical significance of PCM is thus highlighted, and quickly become evident to the participants in their own working environment.

A 'project' to introduce PCM

As mentioned earlier, DGs I and VIII are launching, in early 1998, a major 'PCM Training Action' for Commission employees and partner countries' staff. Will this lead to the introduction of PCM with its key objective of enhancing the benefits for the target groups? If we want a realistic, and therefore useful, answer to this question, PCM needs to be applied *to the process of its own introduction.* In other words, the training will only be part – true the most important one – of a project (entitled, perhaps, 'The Introduction of PCM into Development Cooperation Work of DGs I and VIII'). Taking this approach, the answer will be: *Not yet!*

Indeed, the 'Training Action', as the name implies, is an *activity* in PCM parlance, that will lead to a *result.* In everyday language, this means that it will bring about an improvement in participants' knowledge and skills. This is obviously necessary, but is not enough in itself given that the ultimate purpose of the 'project' must, under the first PCM principle, be the creation of sustainable benefits for the target groups of development projects.

Recognising that the first phase of this 'project', the formulation of the 'Project Idea', is completed, we are now entering the second phase – pre-feasibility. Like all studies under PCM, this should be structured using the 'Basic Format'. It would certainly appear necessary to carry out a pre-feasibility study to be able to reach a well-informed decision on whether to move to a feasibility study for introducing PCM in the various partner countries. Clearly, the administrations of these countries will be the first to be interested in, and to take such decisions on, the launching of both pre-feasibility and feasibility studies. We have not yet reached that stage.

I believe we can say at this stage that, in applying PCM to its own introduction, there will be procedural as well as structural adaptations. Some have already been introduced, for instance, the establishment of certain sectoral guidelines and the organisation of a 'Quality Support Group' in DG VIII. So the situation is already evolving and the 'motivational climate' appears favourable. The position, however, should be reviewed once the 'Training Action' – a *sine qua non* for the effective introduction of PCM – is underway. It is vital that this action succeeds.

Conditions for success

I may be forgiven for considering PCM 'my baby'. I am happy to see the active interest of countless people in the development cooperation community in its continued growth and well-being, and am sure that it will soon come of age. But, like many an ageing parent, I am unable to follow its development without considerable emotional involvement. So, for what it is worth, here is a double warning – two 'don'ts' that I believe are fundamental:

– Don't be tempted to fall back into the routine of the logframe tradition. Logical Framework Analysis and PCM are *not the same thing.* Teaching only the logframe would, in my view, be a recipe for failure.

– Don't view the 'PCM Training Action' as simply another *ad hoc* course to be completed and then 'filed' at the back of one's mind. That would kill the mutual learning philosophy, the participatory approach and the positive debating culture that are the very essence of PCM. PCM thrives on controversial discussion. It should come under constant critical review and should be further improved by all who use it. It is a motivation-building instrument – and can only work if it becomes everybody's baby.

H.E.

ANALYSIS

Is ACP economic sovereignty just 'virtual reality'?

by Yves Ekoué Amaïzo

The OECD-led proposal for a Multilateral Agreement on Investment (MAI) has run into difficulties because of disagreements among some of the key negotiating parties. The author of this article, who is responsible for special programmes at the Vienna-based United Nations Industrial Development Organisation (UNIDO), offers a sharp critique of the proposals (in their present form) from a developing country perspective.

The issue is apparently cut and dried: free movement of goods and services in world trade, and free movement of capital, have helped sustain global economic growth. In developing countries, this growth, expressed in terms of higher *per capita* GDP, has been fuelled essentially by aid, direct foreign investment, investment in securities, remittances from nationals working abroad and, of course, export income.

The huge growth in net financial flows to the developing countries over the last 20 years, reveals the increasingly predominant role of *private investment* (see Table 1). Resource flows originating in the private sector rose to $244bn in 1996 – 86% of total net flows to developing countries, though admittedly, these resources were not evenly distributed. Sub-Saharan Africa accounts for only 5%. East Asia/the Pacific (44.5%) and Latin America/the Caribbean (30.5%) received the lion's share.

Global investment in decline

In global terms, however, savings and investment fell over the same 20-year period (see Table 2). While Asia could boast record growth figures (from 26.5% to 31% for savings and from 26% to 32% for investment), all other regions saw a significant fall. This was particularly true of Africa, whose savings level dropped from 29% over the period 1974-81 to 18% in 1990-95. There was a similar reduction in investment (from 32% to 21%). The currency crisis in Asia, which began in late 1997, suggests that we can no longer put our faith in ongoing rapid investment in that part of the world. It may be that the worldwide declines and, more particularly, those in the industrialised countries (essentially OECD), have spurred those responsible for the MAI to seek a framework for stimulating investment.

A closer examination shows that huge profits were generated by the productive sector in the G7 countries between 1980 and 1995, resulting in a return to pre-1970 performance levels. But there was no correlation between profits and investment over the same period. Profit levels in the productive sector of the G7 group (originating from income on capital) were 31.5% in 1980 rising to 34.5% in 1995. Meanwhile, investment, as a percentage of GDP, fell from 17.5% to 16%.

In 1994, the industrialised countries received twice as much direct foreign investment as the developing nations, with leading multinationals taking maximum advantage of the liberalisation of investment regimes during the 1990s. Generally speaking, US firms led the way. Japan's transnational companies came a long way behind in second place, almost level with the UK (followed by Germany, France and a few of the developing countries – notably in Asia and Latin America). Delays have occurred in reaching consensus over the content of the MAI which, one should recall, is an OECD, not a US initiative. A key reason for this is that nowadays, investors not only invest, but also aspire to 'leadership', and there have been internal disputes about influence within a group of about 100 transnational companies (supported by their respective governments).

Table 1: Net flows of financial resources to developing countries (in billions of dollars)

	1970	1996
Direct public aid (grants)	2.0	31.3
Direct foreign investment	2.0	109.5
Portfolio investments	0.0	45.7
Other flows	6.0	98.1
Total flows	**10.0**	**284.6**

Table 2: Savings and investments (as percentage of GDP)

	1974-1981	1990-1995
World savings	24.9%	22.5%
– industrialised countries	23.1%	19.9%
– developing countries	26.6%	25.7%
World investment	24.7%	23.5%
– industrialised countries	23.2%	20.4%
– developing countries	25.9%	27.4%

As far as the World Trade Organisation (WTO) is concerned, two aspects are worth noting. First, investment rules and practices are not uniform worldwide. Second, transnational companies face problems arising from the risk of operating in regions where profit levels are low. Also, the smooth running of business is hampered by state interventionism – which is an obstacle to investment.

To complement the existing legal framework for trade, transnational companies and OECD countries have argued that a multilateral system should be set up to eliminate the undesirable effects of state intervention in investment. The OECD took the initiative and drafted the MAI which would be a genuinely unified world investment system, based on existing codes. By limiting the field of action to investors, and investment in the context of more global trade promotion, the objective of those who devised the Agreement is to monitor the establishment of a *global charter on investment*. Its primary aim will be to provide protection for investors, and to create a motivating global framework which favours them. A charter of this kind should promote optimum allocation of world savings circulating in the form of investment. But it does not contain any reference to the importance of creating jobs or to the distinction between investment which generates employment and that which does not.

Conditions imposed from outside

Negotiations on the MAI began in 1995. The aim was that agreement should be reached by 1997, but there has been a delay. Paradoxically, it is not the proposals relating to rights and obligations, which are heavily weighted towards the operation of market forces, that are behind the delay. This concept of 'market forces', defined with the investor very much in mind, already appears to give priority to the most influential multinationals. In fact, the OECD seems to have been forced into a rethink – which could delay the MAI by a year – because it failed to incorporate into the text, the spirit of the American *Helms-Burton Act*. Among other things, this seeks to prevent foreign firms from investing in Cuba. Thus, it is disputes over influence behind the scenes within the OECD that are holding up the accord.

In principle, the MAI's objective is to *liberalise* investment systems and protect investors, but there is a risk that the ultimate objective of unification, standardisation and optimum allocation of world savings may not be achieved. The approach of the aforementioned *Helms-Burton Act*, for example, involves an exception to the principle of trade and investment liberalisation, based on political considerations. Also, the provisions of the North American Free Trade Agreement (NAFTA) call into question certain sovereign rights of states where the exercise of such rights would make it impossible for a transnational company to recover at least its investment costs in a given market. The reality is that by giving the interests of transnational companies precedence over state sovereignty, the MAI would make it easy for national savings to be withdrawn from a country. And those nations that have most influence are keen to ensure that this has little chance of happening to them in reality. So there is a basic contradiction as regards the objective. This largely explains the lack of transparency surrounding the drafting of the text. The MAI will certainly not be initialled by the US representatives, if the Helms-Burton Act and the unspoken stipulations of NAFTA are not, somehow or other, taken into account in the recast MAI.

In all probability, the Agreement will be influenced by the world's most powerful countries. The text has reached its current (October 1997) form through the combined efforts of market interests and the various OECD governments, without any real involvement by legislators, let alone the citizens or civil society of the OECD states – which are, for the most part, democracies. Indeed, without the insight and bold approach of the US consumer protection movement, whose efforts have been reported by parts of the French media, the scope for collusion between public and private-sector leaders in ACP countries implicit in the current text would not have been identified. Meanwhile, the MAI provisions on the treatment and protection of investors appear not to be running into any official opposition from the authorities in the 29 OECD countries.

A 'no-fault' system

The WTO aims to standardise the process of world trade liberalisation with texts covering trade and services, intellectual property, investment and counterfeiting. It was this approach which broadly inspired the proposal for the MAI. Although the WTO Director General, *Mr Ruggiero*, suggests that the Agreement could form the basis of a 'Constitution' for a unified global economy, no one doubts that collusion between countries and a few multinational companies could herald the emergence of a new form of governance in the world, based on the *preeminence of the right to use one's capacity to influence*. This would involve new forms of hierarchy within the OECD itself, and it is the difficulty involved in achieving consensus on this point which is holding back implementation.

The MAI is founded on the postulate that further world growth requires trade liberalisation, linked in turn to the pioneering role of investors. The view is that to enable the latter to fulfil their role better, the main obstacles must be eliminated and they should be protected as much as possible. By accelerating the flow of assets owned or controlled by investors, it is assumed that an increase in global wealth will be promoted. Accordingly, so the argument goes, all that is needed in ACP countries is for the state's interventionist role to be limited – even in areas of 'public interest' – by bringing them into the new system. The state's job would be to provide the flanking measures, based on a *no-fault principle* and designed to guarantee the absolute right of investors.

To sum up, any loss of earnings (whether of profit, or even where the return on investment is unsatisfactory) could be covered by a legal provision. This would be within an international framework reserved exclusively for this purpose, and based on the 'right' to exercise influence – which is a long way from the principle of equality before the law. If the MAI is ratified by ACP countries, the elevation of the interests of multinational undertakings which this implies will automatically render obsolete, the principles of the Lomé Convention. The operation of the market will come first.

In reality, should ACP states without any particular economic influence become insolvent, their leaders, whether democratically elected or not, could be forced as a last resort into surrendering their land, the resources that lie beneath it, their waters and their air space to voracious market forces. And there is certainly no guarantee, even with the employment that might be generated, that this system based on dependence and the loss of sovereignty, would enable poor states lacking influence to demonstrate to their people that they have become participants in growing global wealth. In fact, they would increasingly be obliged to absorb any losses experienced by the investor, distributing the impact of this within their own countries – while it is not at all certain that any profits from investment would be shared out in the same way among those involved in producing the fruits of growth.

Is the state to blame?

The MAI's 12 chapters deal exclusively with ways of protecting investors, whatever form the investment takes (money, securities, property rights, etc.). For states, there is no mention of rights, just obligations. This imbalance, in which multinational undertakings would be protected at the expense of states, will help consolidate the dominance of wealthy countries over intermediate and (more particularly) low-income ones. By dividing the world in two – the investors and the others – the MAI officially sanctions the right to transfer property to, and concentrate it in the hands of, a few financial oligarchies with unlimited influence.

Indeed, there is a kind of consensus that states have been collectively guilty of discriminating against multinational undertakings. This ill-founded generalisation, and the absence of a genuine representative role for civil society in drawing up the MAI, casts doubt on the real intentions of the authors of the text. In the final analysis, it should be recognised that when states resort to so-called 'discriminatory practices', they do so on behalf of their own taxpayers and for reasons of general public interest.

Removing a state's ability to defend the public interest, with national fiscal provisions which effectively legitimise a form of expropriation by international companies, is analagous to reversing the burden of proof in a court of law. The government would be required to guarantee that it is not placing obstacles in the path of a multinational's interests before it could legislate for the public interest. In the event of a dispute, the authorities, with no direct quantifiable interest, would find it extremely difficult to justify offering compensation. Indeed, the authorities could no longer be viewed as investors since they are no longer authorised to become involved in productive activities. Yet if the state agrees to forego its sovereign rights, thus depriving itself of its unique status, it would almost automatically find itself in the dock in disputes with investors. All that would remain for it would be to decide how much taxpayers' money should be allocated to pay 'fines' levied for acts, in respect of which it bears no fault. In such a system, politics in the future may take on some of the darker aspects of systems we thought we had left behind.

The investor-king

So the investor is no longer just a physical or legal person who uses capital to purchase goods. With such a broad definition of 'investment', allowing any type of asset directly or indirectly held or controlled by an investor to benefit from the MAI, society is changing from one where the consumer came first to one where the investor is king. This new notion entails the following:

– the investor transfers all or part of his direct or indirect assets, rights or goods, for a short or long period, to an organisational structure whose purpose is to generate profit, power and influence;

– the investor applies most of his energy, directly or through an intermediary, to the service of the project, so as to achieve the objective pursued;

– the system monopolises, or at least draws off part of, those direct or indirect assets, rights or goods, belonging to a group of physical or legal persons, which exist in forms that are unacceptable to market forces;

– the attributes of political power and investors' power are merged for the good of the community of investors, the latter's place in the structure depending on their ability to influence;

– the most influential investors are elevated to the rank of 'untouchable', at the centre of an integrated system consisting of concentric circles, with the least influential on the outer rim.

Given the relationships of influence that exist between OECD countries and intermediate and low-income nations, and the fact that the 'non-investor' has no option but to honour his obligations, the MAI's dispute-settlement is clearly a one-way process that only benefits the investor. Add to this the fact that some state 'representatives' do not really represent their citizens, but are actually quasi-official actors for transnational companies, and the scope increases for non-influential states to 'change hands' in the wake of their failure to honour 'obligations' to transnational companies.

A court for deciding disputes?

The evident disappearance of preferential treatment under the MAI should be enough in itself to convince low-income countries with little influence (ACPs in particular) not to support the underlying principle of the Agreement. Its sole *raison d'être* appears to be the desire to remove sovereignty from non-influential states where transnational companies encounter obstacles to their control and distribution of global wealth. What if there should be a conflict between an ACP country and a transnational company? On present form, the rules of any international arbitration court set up under the system will be just as opaque as those which the WTO has so successfully implemented in its dispute-resolution procedures. Which ACP state will be the first to cede its national sovereignty and state prerogatives in these circumstances?

In the context of extending systems geographically to include low- and intermediate-income countries, the ACPs should not rule out the possibility of setting-up a court at sub-regional or regional level to decide disputes about jurisdiction between the public and the private sector. This might help avoid an impasse. It is not widely known that under the present provisions, a state which signs the MAI will not be allowed to withdraw from it for 20 years.

The MAI proposal would destroy the notion of *force majeure* used by most insurance companies. In their frenzy to protect investment, the drafters' reference to 'protection against social disorder' would entitle investors to compensation if they can prove a loss of profits. Given the frequency of this phenomenon on certain continents, the potential for making a great deal of money at taxpyers' expense looks very real indeed. It will also be necessary to examine how solvent states actually are. If resources are low and a country defaults, it appears that the only plausible action would be to annex land – as in colonial times!

The right to influence

On the positive side, the MAI does allow for exceptions and reservations. However, the outcome of the 'banana' dispute in the WTO shows that exceptions and reservations have lost their primary function, and are now mere palliatives to bring wavering states 'on board' and ensure their subsequent subservience to the rule of the strongest. Based on Article III.4 of the GATT, the complaint by the USA, Mexico, Honduras, Ecuador and Guatemala against EU restrictions on the import, sale and distribution of bananas, was deemed admissible. Article XVII of the General Agreement on Trade in Services, which stresses 'most-favoured-nation' treatment must also be assumed to be operational. In short, the key aspect is guaranteeing equal treatment for all those involved in the world-trade scene. This means it is no longer legally possible to discriminate against non-nationals. The provisional version of the MAI stresses this, in the context of investors. Echoing the NAFTA text on this subject, it introduces the concept of equal access for all to national markets.

For the OECD, it is a new form of governance based on levels of influence, but it can only be a matter of time before the less influential nations, and ACPs in particular, suffer a genuine loss of sovereignty. Another consequence of economic globalisation, at the national level, may be an evolution in the idea of 'public service' – away from serving the people and towards serving the investor.

When tariff barriers progressively came down, countries responded by creating new non-tariff obstacles as an instrument of their trade policy. The penetration of domestic markets by goods produced by transnational companies is often seen as a threat to the survival of local production – because of the potential for indirect dumping. Many states still seek to protect local production and services by introducing regulations which multinationals, in turn, often interpret as discrimination against non-nationals.

Against this backdrop, it is not surprising that in the MAI, the concept of protecting the investor is gaining ground over the principle that allows special treatment to nationals. This approach is already seen in the WTO and NAFTA texts. Both of these organisations have nearly always viewed state regulations covering trade, services, currency, information and, now, investment, as abusive protectionism. By doing away with such intervention, or by taking the matter to international courts where states' economic influence will predominate, the champions of liberalism hope to eliminate or at least minimise disguised non-tariff barriers which they see as impeding the development of world trade. What if, despite all these efforts, the reduction in global investment recorded in the last two decades is not reversed within the next five years? The answer is that the MAI will undoubtedly have served other objectives, which will have to be highlighted. If investment does increase, however, the MAI will be seen as having enabled investors to boost their expectation of market control, with the transparent agreement of future signatory states. What is certain is that transnational companies will have increased their right to wield influence in the world.

Y.E.A.

Freedom for African women?

by Antoinette Kapinga

In former times, slavery was defined as 'the trade in human beings'. Nowadays, the term is sometimes used more broadly to describe a state of submission to a master, group or society with the added burden of being obliged to conform to degrading traditions or customs. Is this something which concerns African women directly? The author of this article, a medical doctor who is President of the women's organisation 'Muakaji', has no doubt that the answer is 'yes'.

For the Bantu peoples of Congo-Kinshasa, marriage is a fundamental tradition. It is seen as inevitable, and those who do not 'tie the knot' risk society's disapproval. Marriage, here, is a pact between two families and their wider clans and its ultimate objective is procreation: in short, the continuity of the clan. The alliance is symbolised and the 'transaction' signed and sealed with a dowry. Once this has been handed over, the woman involved effectively *belongs* to her new family and clan. She is not expected to have any individuality and must serve her husband submissively, obediently and respectfully. Amongst the Kasaï the husband is called the *mfumu:* which translates as 'chief' or 'master'.

Does a woman *in the service* of her husband experience a sense of oppression, akin to servitude or slavery? Arguably, this feeling is more likely today than in the past, given that dowries are increasingly paid in cash, making the transaction akin to a 'purchase'. The sums involved can be quite high and there are certainly some parents who regard marrying off their daughters as a way to get rich quick. The dowry itself is discussed, haggled over and negotiated, the woman involved appearing as little more than a tradeable commodity.

The harsh living and working conditions of the African woman represent another form of submission. Within the family, she is called on to play two essential roles: as the wife, she is the producer; as the mother, she is the procreator. If circumstances require her to have another role, this can only be secondary. From the age of fifteen onwards, the woman's life alternates between pregnancy and breast-feeding. Fertility is exploited to the full, because numerous offspring are seen both as a divine blessing and an insurance policy for old age (although it doesn't always turn out like that!). Despite multiple pregnancies, women remain responsible for the family's food security. Their daily life is essentially one of self-sufficiency – in which they have to provide water, fuel and food. In towns, work in the village fields is replaced by small-scale commerce or gardening. And a wise wife will not rely too heavily on her husband's support in these tasks. She is sometimes even deprived of the right to manage the income from her work. The work itself is not made easier by the lack of appropriate tools.

Despite their burdens, women nonetheless aspire to better working conditions, better pay and a decent life more generally. Unfortunately, many have received so little education that they have no way of complaining about or even questioning their situation. They need to be made more aware of their lot and of their capacity to improve it.

Beyond their role as wife and mother, women increasingly feel they have a contribution to make to the development of their family and of the wider society. This is why they have set up associations and cooperatives which give them the chance to meet others in similar circumstances, and to discuss joint projects and social activities.

Another form of slavery experienced by African women involves the denial of their sexual freedom. In Kananga, for example, a town of a million inhabitants in the centre of the former Zaire, few women are in a position to express any sexual choice. Whether they live in a monogamous or polygamous household, they are still regarded as property, available for the benefit of the husband. When a woman has had some education, has travelled, has experienced life outside her close-knit circle, and has found an understanding partner, the situation is somewhat better.

In addition to the polygamy that is authorised, society also tolerates men having extra-marital relationships. Not so for a woman. This considerably increases the risk of infection with HIV and other sexually transmitted diseases. The fact that a husband is entitled, by custom, to treat and use his wife as he wishes, regardless of her feelings, means that little attention is paid to the possibility that he might be HIV-positive. His wife is not permitted to shirk the 'duties of marriage'.

It is true that some women have several partners. They are known as *multiple-partner women,* a euphemism for prostitutes. These too live in a kind of slavery, marginalised by society and forced to submit to their client's demands, in order to scrape a day-to-day existence. They often suffer beatings, rape and harassment. And there is unlikely to be any social or legal protection, since the law offers little scope for formal complaint.

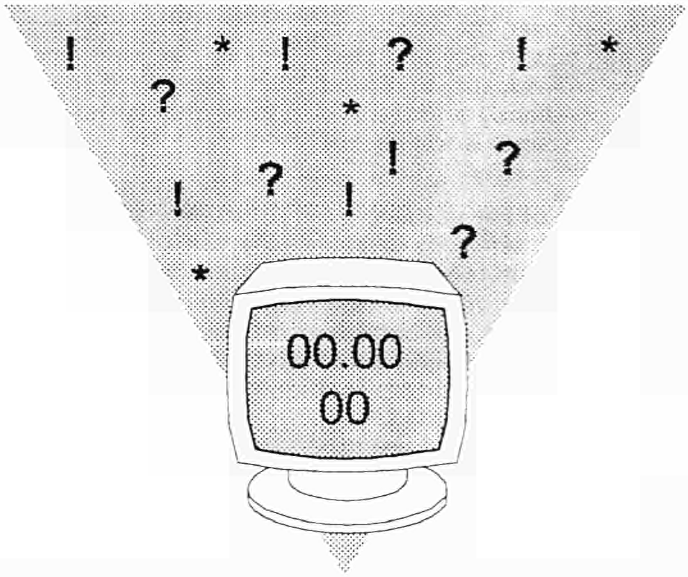
Although the African family has evolved with the passage of time, new problems have arisen. Poverty is increasing and social solidarity is in decline, including the loosening of family ties. Clashes between tradition and modernity occur daily. In the midst of all this, women are often pushed aside or knocked off balance, and many no longer know how to react. A woman who is a victim of the dowry system, polygamy, ignorance and difficult living conditions has to be able to face facts and adapt. This is why politicians and decision-makers should involve them more in the decision-making process and campaign more forcibly for support structures. With a properly structured back-up, women can be helped to fulfil their deep longing for independence, and their commitment to harmonious development. ■ A.K.

Pre-millennial tension rises

by Oliver Burkeman*

It may be merely an arbitrary calendrical calculation, but the millennium is the source of an unprecedented amount of hand-wringing - and not just among the millenarian believers awaiting Armageddon. With less than two (or should that be three?) years to go, the world still cannot agree on when it is, where it starts or what we should be doing to celebrate it. Or indeed, whether we should be celebrating at all – since thousands of computers will be unable to distinguish '00' meaning 2000 from '00' meaning 1900, threatening to cause an administrative meltdown that could cost up to $200 billion to prevent.

For most of the world, the celebrations begin at the same moment the computers might crash: 00.00 hours on January 1, 2000. But that can also be interpreted as the beginning of the last year of the current millennium. There is no 'right' answer because the calendar is man-made, springing from human passion for imposing evenness on a 'lumpy universe', according to the evolutionary biologist *Stephen Jay Gould*. 'Sheer variety can be overwhelming and frightening,' he writes in a new book, *Questioning the Millennium*[1] 'We need time's arrow to assure us that sequences of events tell meaningful stories and promise hope for improvement.' Gould blames the fuss on *Dionysius Exiguus,* the sixth-century Scythian monk charged with charting the history of Rome for Pope St John I. With no concept of zero then accepted by Roman mathematicians, he gave the year immediately following 1 BC the number 1 AD.



Strictly speaking, 2000 is the last year of the old century rather than the first of the next, but it offers a more emotionally satisfying date for a party. Australia is one of the few countries planning to hold off the celebrations until 2001 – although as hosts of the Sydney Olympic Games in September-October 2000, Australians will be partying twice anyway.

And just to clear up another confusion: 2000 *will* be a leap year. Since the time of Roman Emperor Julius Caesar, 29 February has been used to correct the discrepancy between a calendar year and a lunar year. But a supplementary rule – that century years should only be leap years if divisible by 400 – was added in 1582 by Pope Gregory, to counter the tiny over-correction caused by leap years. The year 2000 is divisible by 400 so 29 February stays.

Planned celebrations around the world offer revealing insights into their host cultures. In the USA, the scale is huge and money talks. Giant video screens in New York's Times Square will show live pictures of celebrations in all 24 time zones. An already-booming market in millennial merchandise includes office chairs and skin-care products. At one Colorado hotel, you can see in the millennium – and wave goodbye to your bank balance – with a $5000 per couple, three-night package. In the UK, the press has waged war on a project to build a 360-meter diameter Millennium Dome, which will cost an estimated £762 million (ECU 1.07bn). The organisers refuse to reveal the contents of the dome, the focus of Britain's festivities, saying only that it will feature exhibitions looking at 'who we are, what we do and where we are going'. France will begin a lavish FF 600m (ECU 98m) programme of celebrations centred on a 15,000 square metre 'Millennium City' based in Paris, when the countdown clock on the Eiffel Tower reaches zero.

But it is the Pacific that is suffering the worst bout of pre-millennial tension in the jostling among islands to be the first to experience the new era's initial sunrise. The fight for first light began to get nasty when Kiribati announced it would be adopting a uniform time zone, instead of the two it previously used. Nothing wrong with that, it seemed – except that this re-positioning appeared to elbow Kiribati past Pitcairn into the first place in the race for first light. Sunrise-hunting revellers seeking a definitive answer from experts at the UK's Royal Greenwich Observatory will be disappointed. There is, they say, 'no legal reason why any country cannot declare itself to be in whatever time zone it likes... This would obviously generate an absurd squabble, but if the financial return is sufficient and the tourists are gullible enough, it may happen.'

Technically though, it is the Balleny Islands in Antarctica – where the sun is below the horizon for less than an hour at the height of summer – which will experience the first sunrise on 1 January 2000. And they are uninhabited! O.B.

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1 Published by Jonathan Cape, London.

Seeking Africa in a maze of books

Although frequently dismissed in the past as a circus staged mainly to serve publishers' commercial interests, the Brussels Book Fair seems to have returned to its historical and literary roots this year. From 4 to 8 March, it was a refuge for anyone who derives pleasure from the written word, whether as an expert or amateur lover of literature. It was an ideal opportunity for The Courier to lose itself in a maze of books, both literally and figuratively, using the search for information about Africa as its Ariadne's thread.

'Diversity is an opportunity for the human race' wrote *Tahar Ben Jelloun* (guest of honour at this year's fair) in his most recent work 'Racism Explained to my Daughter'. Anyone who visited, even if only briefly, the Palais des Congrès in Brussels during the event will have been able to witness the variety of literary styles, sources and media on display there, with a clear emphasis on French language literature. Many famous writers were present to meet their public. They attended literary salons, delivered lectures and had book-signing sessions. It was soon clear, however, that African writers and their works were rather thin on the ground. Anyone wanting to find them had his work cut out and could not rely simply on luck. 'Instead of taking a back seat, African literature should be at the forefront of this event', lamented a speaker at a lecture devoted to *Henri Lopes,* the Congolese writer and former minister.

It is possible, however, to take a different and somewhat more positive view. Although the material available was limited, the overview of African literature obtained by the attentive visitor would have been a fair one, reflecting the continent's variety. Africa has not just one, but several literatures, produced to be read, but also to be listened to. It is a source of novels, essays, tales, poems, short stories and even pictures dealing with politics, crime, romance and mysticism. The works aim, in part, to reflect local traditions, but there is also an important focus on black identity as conceived by *Senghor,* and on the result of Africa's experience of immigration as an everyday reality. It was clear from the Brussels fair that an African story can spring from the dust of the shanty towns, the oft-repeated narratives of village storytellers... or the luxury of a Paris apartment! Some of the work has a feminine quality like the dunes of the Sahara or the spices of past imperial palaces. Other writings have a sweeping flow, as if the storyline is being carried along by the waters of a great river.

Credit where credit is due. This brief survey of the diversity of African literature has largely been made possible by a Belgian NGO, the *CEC* (Coopération par l'éducation et la culture). This organisation makes a wide range of African literature available. Equally important, it represented at its stand, a large number of small publishing houses such as *Médiaspaul* (Kinshasa), *Clé* (Yaoundé) and *Le Figuier* (Bamako). It also invited a number of writers and made arrangements for them to meet the public.

To say that the authors revealed considerable eloquence could be regarded as understatement – at least as far as some of them were concerned. *Henri Lopes,* who came to talk about his most recent novel *Le Lys et le Flamboyant* (The Lily and the Flame Tree, published by *Le Seuil*) chose to compare himself with Woody Allen, and even with God! He also gave us an enjoyable fifteen minute reading from a colourful novel describing racial and cultural cross-fertilisation on the banks of the river Zaire. *Antoine Tshitungu Kongolo,* on the other hand, took us to see one of the Great Lakes in his collection of poetry called 'Tanganyika Blues' (*L'Harmattan*). 'Are you homesick?' he was asked, to which he replied: 'I need to talk about my roots and share my culture with other people, especially in my host country'. This view is doubtless shared by *Gaspard Gasarabwe,* a Rwandan writer who is working to rediscover his country's cultural heritage, essentially its oral literature. 'The European view of traditional African society is wrong, or at the very least too stereotyped', he will tell you with a reassuring smile, having discussed his most recent collection of short stories, 'La

The Courier

Mathias Ndembet, young Gabonese storyteller.

Dominique Mwankumi.
'Giving Africa a positive image'.

colline des femmes' (The Women's Hill, published by *L'Harmattan*).

While all three of these writers remind us that literature is made up of memories, what can one say about 'La mort ne veut pas de moi' (Death has passed me by – publisher *Fixot*), by *Yolande Mukagasana*. The author bears witness to another Rwanda and a different reality – not the Rwanda of ancestral oral tales, but a more recent, less mythical and sadder country, which she fled after the murder of her entire family.

This is very different again from the Africa described in the beautiful fiction of *Calixthe Beyala*, who was awarded the Grand Prize for novelists by the Académie Française in 1996, for *'Les honneurs perdus'* (Lost Honours – publisher *Albin Michel*). 'I inherited a patch of brush from my grandmother, which has not been spared by technological progress. Its trees have been torn up, and its animals have had their throats cut and been piled up into heaps and ground into pieces by satanic machines. When the green of trees and other foliage was no more, and the countryside all looked the same, roads were built, offering rapid access to the towns and temptation'. This extract comes from the first page of her *'Petite fille du réverbère'* (Little girl of the street light – publisher *Albin Michel*). Merely by her presence, this renowned Cameroonian writer made many people forget the dreary rain of Brussels.

Africa also means suspense. This was felt by all those who attended the presentation of the most recent detective novel *'Sorcellerie à bout portant'* (Sorcery at point-blank range) by the Congolese writer and journalist, *Achille Ngoye*. His works are published in Gallimard's famous 'Série Noire'

Once upon a time...

This year, the Brussels Book Fair made a big effort to cater for young readers with a special focus on promoting children's literature and stories. In this context, it hosted the *'Rencontre internationale Jeunes conteurs'* (Meeting of Young Storytellers), attended by some 15 young people, who had brought stories with them from Quebec, France, Belgium and Africa. They included *Serge Mamadou, Francis Miankoulou* and *Mathias Ndembet*. The last-mentioned, the Gabonese actor, storyteller and director, who won a silver medal at the storytelling contest at last year's games for the French-speaking world in Madagascar, entered an auditorium packed with young and old with a song on his lips. The lightning comes down to the animals' village and announces it wants to marry their daughters. The snake, gazelle, buffalo and all the other animals are unconvinced. 'What about the dowry?', they reply. The lightning promises a dowry, the lion gives his consent and the first nuptuals, with the leopard's daughter, are celebrated. 'Bless the bride and groom! Bless the bride and groom!' chant the children, applauding. They all allow themselves to be tricked by the lightning – until the tortoise arrives...

Although most of his stories originate in the oral tradition of central Africa, Mathias Ndembet insists that he has reformulated them and brought them up to date. This was the first time that he had appeared before a European audience, being much more accustomed to performing at the schools of Libreville and Lambarené. 'This has been a marvellous experience', he told us enthusiastically, although he pointed out that young Gabonese children participated 'more spontaneously'.

Dominique Mwankumi also believes that children's involvement is essential. This cartoonist and illustrator from the Democratic Republic of Congo has lived in Belgium for a number of years and is publishing his first book, *'La pêche à la marmite'* (Fishing with a pot – published in the series, *L'école des loisirs* by *Archimède*). Dozens of children, with their teacher, sat facing him on small white cushions. They had come to hear the story of Kumi, a young African boy who catches fish with a pot whose bottom he has coated with a cassava paste. 'Have any of you ever been to Africa? What is there to see there?', asks the artist. Other questions are posed from all sides as the children examine the drawings, listen to the words and join the discussion. Dominique Mwankumi tries to answer their questions in a way that gives an accurate picture of Africa, but he is very concerned to leave the children with an impression that is as favourable as possible.

The 28th Brussels Book Fair ended on 8 March, which was International Women's Day. It is therefore appropriate to let a woman have the last word. *'Le Français est francophone, mais la Francophonie n'est pas française'* (The Frenchman speaks French but the French-speaking world is more than France) stressed Calixthe Beyala in the epigraph to her last novel. T.G.

Community food-security strategy and the ACPs

In the context of its 1997 'joint seminar' programme, CTA, together with the European Commission's Aid and Food Security Unit (DG VIII.B.1), organised a series of three seminars* as a forum to present and discuss Europe's new policy in this area. In October, November and December last year, these seminars brought together government representatives (general secretaries and directors of agriculture, trade and finance ministries), regional organisations (ICDCS, UEMOA, IGADD, SADC) and NGOs from the ACP countries, as well as members of CTA and DG VIII.B.1. Each meeting brought together 40 or so people, for three days, to discuss the development of food-security issues, aspects of EC food-security-policy reform and other matters specific to the countries represented.

Lack of food security: an ongoing problem

Despite more than two decades of food-security policies, it has proved impossible to eradicate the causes of food crises. Some population groups, at both local and national level, are still short of food, either for structural reasons or on account of the economic situation. The main causes continue to be poverty, crises (economic, wars and natural disasters), constraints imposed by macro-economic globalisation on the weakest countries, and the ineffectiveness of national food-security policies. In 1996, production in 82 low-income countries with a food shortage was insufficient to feed their populations and financial resources were unavailable to make up the shortfall with imports. Exploratory studies show that lack of food security will continue to be a vital issue in the early years of the next century. According to a recent FAO study, 680 million people, 70% of whom are in sub-Saharan Africa and Southern Asia, will still be vulnerable in 2010.

* A joint DG VIII – CTA publication on these seminars will be available in the near future.

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The Technical Centre for Agricultural and Rural Cooperation (CTA) was established in 1983 under the Lomé Convention between the African, Caribbean and Pacific (ACP) States and the European Union Member States. CTA's tasks are to develop and provide services that improve access to information for agricultural and rural development, and to strengthen the capacity of ACP countries to produce, acquire, exchange and utilise information in these areas.

One response: reform of European policy

Given this situation, the EC has reviewed its food-aid and food-security policy and has undertaken to reform it, in conjunction with its partners, in order better to address the causes of short, medium and long-term food insecurity. EC representatives used each of the three seminars to present various elements of this reform, particularly its innovative aspects. The EC's new approach is flexible and coordinated from the preliminary stages up to implementation and evaluation. The EC's commitment is, however, closely linked to the drawing-up of reforms negotiated with the state and all those involved in national food-security policy. Confirmation of the priority to be given to direct aid, as a component of national budgets in their own right, puts the state back in a central position, redefined in terms of the evolution of the international macro-economic context. In indirect aid terms, the partnership is expanding to include southern-hemisphere NGOs. The role of NGOs is evolving from food distribution towards involvement in a 'development approach'. Similarly, aid in kind now includes not just the supply of foodstuffs but also the elements involved in food production (fertilisers, seeds, tools, etc.). Moreover, emphasis is being placed on new instruments such as financial aid and both local and 'triangular' purchasing.

Financial aid is partially replacing food aid in kind. It has two main features: first, the financing of food-security support actions and, second, the provision of facilities by the local private sector, for importing agricultural produce and food, the local-currency equivalent being used for budget-support purposes. This second instrument is known as the 'foreign currency facility'.

Local and triangular purchasing represented up to 63% of the volume of EC food aid in 1996. It involves purchasing foodstuffs from regions with a surplus, either in the same country (local purchases) or in other bordering or non-bordering Southern-hemisphere countries (triangular purchases). This approach has numerous advantages. It makes it possible to take better account of local consumption characteristics as in the

The opening of the first CTA-DG VIII.B.1 Food Security Seminar. From right to left: C. Deben, Head of the Aid and Food-Security Unit; R.D. Cooke, CTA Director; J. Houtman, Director of DG VIII.B; and L. Tubiana, Solagral.

Mapez, Brussels

Participants at the first CTA-DG VIII.B.1 Food-Security seminar (20 October 1997).

case, for example, of white corn, the food staple in a number of Southern African countries. It is also an effective stimulus for increasing agricultural production and strengthening both local and regional trader networks. This new instrument has made it possible to overcome a significant restriction of former European food aid, which was made up only of the agricultural surpluses of EC countries.

Some situations examined at the seminars

The discussions which followed this presentation tackled issues relating to the analysis of food-insecurity situations and implementing reform in the various countries represented at the seminars. Some of the examples presented and discussed during these meetings are given below.

In Malawi, the food security of both urban and rural populations is determined by the supply of corn. Supported by donors, the government has therefore stabilised supply by setting up a National Strategic Cereal Reserve. In addition, together with the government, the EC has drawn up a three-year programme that aims to incorporate food security into current economic reforms. This involves restructuring the Reserve to make it possible to deal with short-term crises and stimulating the internal market for corn through measures to boost the trade in inputs, to increase productivity, to improve the road network and to increase non-agricultural income – all with a view to addressing the medium and long-term causes. At this point, the discussions examined the beneficial effects of a regional strategy in Southern Africa to consolidate cereal production and the cereal market in each country in the region.

In Mauritania, a country which, for structural reasons, has a cereal shortfall, a significant part of the population is at risk from chronic food insecurity. After several years of structural adjustment and poverty alleviation policies, Mauritania is to receive EC support for restructuring the Food-Security Commission, with a view to making it a concrete instrument in the fight against the economic and structural causes of food insecurity. The topic of discussion moved on to the concerted nature of the process of reform negotiated between, and set up by, the government, donors and other players.

In Yemen, 60% of the cereals consumed are imported. Poverty and malnutrition affect a significant part of the rural population, which scrapes a living from subsistence agriculture. The causes of the lack of food security stem from a subsidy policy which is inappropriate for both producers and consumers, and the result of which has been to discourage local production. Since April 1995, the government has been involved in a programme aimed at adjusting the overall macro-economic equilibrium so as to establish a framework more favourable to the country's development. The EC is supporting this programme to ensure that food security is an integral part of the current reforms. The authorities have undertaken to draw up a national food-security strategy, progressively liberalising wheat and flour prices and the distribution system. Discussions touched on flanking measures for national macro-economic reforms with a view to guaranteeing the food security of vulnerable groups during the economy's conversion stage.

Madagascar is a country with the potential to produce a food surplus, but policy decisions taken since the 1970s mean that the economy is now stagnating. Over 60% of the population is affected by food insecurity. Reforms have been implemented over the last two years in an attempt to reverse the trend, particularly by liberalising food-produce markets. In 1996, the EC alleviated the effects of such market transformation on the food security of urban households by granting food aid in the form of flour to supply bakeries and thereby to stabilise the availability and price of bread. The political changes which took place in late 1996 and early 1997 slowed down the negotiations which had been initiated at the government's request, with a view to setting up a multiannual food-security programme in collaboration with the EC.

In Haiti, a country with a structural food deficit, it is the ongoing nature of successive political crises which, despite changes in the last few years, has delayed implementation of reforms needed to draw up a medium and long-term food-security strategy. This includes, in particular, an EC multiannual programme which will not be set in motion in the foreseeable future. As regards the two latter examples (Madagascar and Haiti), the state's key role in a national food-security strategy has been central to the debate.

At a slight tangent, discussion moved on to an analysis of the need to improve the quality of diagnostic tools prior to drawing up and implementing food-security policies. This was revealed as an issue of major concern for decision-makers. Delegates were absorbed by the presentation given by RESAL, the European Food-Security Network. This Network, which will be set up by the EC in support of and in connection with existing information systems, aims to consolidate the information

The challenges facing those involved in food-security

Challenge 1: emerging from the agricultural dimension of food security

During the seminars, discussion returned several times to the methods for increasing agricultural production to solve the problem of vulnerable groups under pressure from the effects of macro-economic adjustments and international markets. Indeed, a food-security policy of necessity covers a number of sectors and is never a case of intervening in production. An essential component is to take account of the people's physical and economic access to food.

Challenge 2: 'converting' the actors in food security

The state needs to redefine its position

A liberalised market is not sufficient in itself to achieve food security for the population as a whole. Such liberalisation involves redefining the state's role, in terms of the areas under its jurisdiction. It is a matter of setting the rules of the market and guaranteeing that these are respected by the various actors, helping to establish a motivating institutional and economic framework, ensuring that policies formulated help reduce exclusion and poverty and, finally, taking the necessary measures regarding vulnerable groups who do not benefit from the repercussions of market liberalisation.

An association of all actors

This means involving all the players concerned (state, NGOs and the various components of civil society) in future food-security programmes, in all matters from the choice of policy and instruments based on a country's specific needs, to their implementation. It also requires identification of the institutions and players who are to become involved at various levels and the creation and strengthening of their capabilities through information and training.

Resolving institutional issues

The resolution of institutional issues is central to this reform of trans-sectoral food-security policy. The restructuring of national economies requires not only the abolition of obsolete institutions but also the creation of new structures, which is always a difficult task.

Developing coherent and complementary policies

This involves drawing up the basic principles to ensure that the reform is coherent with and complementary to national policies, ongoing action by the European Commission, regional initiatives and the initiatives of other donors. The main difficulty regarding coherence and complementarity is still, however, that of linking short-term emergency policies to those which aim to create conditions for medium and long-term food security.

Challenge 3: anticipating and attenuating the impacts of an uncertain macro-economic framework

To work, the reform instruments need a balanced macro-economic framework and a liberalised market. The impacts of economic rehabilitation and liberalisation on the agricultural sector must be anticipated and attenuated by flanking measures, with a view to removing progressively, the specific constraints that have long penalised farmers in the Southern hemisphere. There are four such constraints: the absence of an institutional and financial environment which permits private investment in the rural sector; the importing of subsidised Northern-hemisphere food and its sale on the now liberalised markets; hindrances on exporting food to Northern markets, and, in historical terms, the extremely unfair advantages given to agriculture in the North over agriculture in the South, in terms of modernisation and professionalisation.

gathering, processing and analysis capabilities necessary for taking decisions in the area of food security. Several priority countries and regions were chosen, including ACP states in the Horn of Africa (Ethiopia), Malawi, Mozambique, Angola, the Sahel (West Africa), Haiti, Madagascar and the Yemen.

The conclusion arising from the seminars is that the ACP countries, the Commission and other parties involved in food security, face a number of challenges which will require their full attention (see box).

Throughout the three seminars, the Commission presentations and the reactions of participants during the examination of case studies amply demonstrated the diversity and complexity of the constraints in this area. The flexible instruments proposed in the reform are a timely and adequate response to this. The meetings made it possible to make further concerted progress and to develop collaboration between European partners and ACP countries on delicate food-security issues. The effect was also to bring the Commission's new food-security policy to a much wider audience.

Through the active contribution of its Director, Dr R.D. Cooke, CTA once again demonstrated, at each of the three meetings, the importance it accords to food security and to this type of discussion with its partners. On each occasion, delegates ended their European trip with a visit to CTA headquarters in Wageningen (Netherlands).

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More about CTA

The previous CTA-Bulletin (The Courier No. 168, March-April 1998) carried the first of a series of articles explaining how CTA's operational departments contribute to the Centre's overall aims and objectives. In this issue we focus on the work of the Seminars and Studies Department. Staff from this Department were responsible for co-organising the series of food security seminars featured in the main article.

Promoting contacts and exchanges of expertise and experience between agricultural and rural development partners in ACP countries: the work of the 'Seminars and Studies' department

According to the proverb, if we each have an egg and we exchange them, we will still have only one egg each. But if we each have an idea and we exchange them, we will each have two ideas. One of CTA's strategies for promoting agricultural and rural development in ACP countries is to promote information exchanges between the various actors. The corresponding programme, set up by this department, consists of seminars organised and financed entirely by CTA, meetings organised on a partnership basis (i.e. with shared responsibilities and financing – the so-called joint seminars), the ACP delegate support programme which enables participants from ACP countries to take part in other meetings, and study visits. If necessary, the department also conducts topic-specific studies in preparation for these activities.

CTA seminars and workshops

Seminar topics are chosen in accordance with the priorities identified by the various ACP regions, which are grouped under five main headings: market-oriented agriculture; optimising and intensifying agricultural production; environmental protection and the management of natural resources; strengthening national agricultural systems; and, mobilising civil society. An international management committee assists CTA in the technical design and practical organisation of a seminar.

The seminars organised by CTA are concerned more with political and strategic questions than with the purely technical aspects of agricultural development. It is usually a matter of considering the expectations and respective roles of the actors in both the public (planning, research, dissemination) and private (community or commercial) sectors to define policies and strategies that are adapted to the new development challenges. Examples include seminars on *Development Policies in the Stock-rearing Sector in the four African Regions* and on *The Incorporation of Mechanisation into Agricultural Development Strategies.*

Each year, CTA organises two or three seminars in Africa or Europe, and two or three together with its partner institutions in the Pacific (IRETA) and in the Caribbean (CARDI). Set up, more often than not, as a partnership, the medium-term plan is to reduce the number of seminars for which CTA is responsible and which it finances in future, in favour of joint seminars.

Joint seminars

In these meetings, CTA partners, other regional or national institutions from ACP countries or the EU, share responsibility in terms both of objectives and results, and in contributing to the cost. It is thus possible to expand the range of topics covered and to strengthen links between partner institutions. In 1997, joint seminars dealt, among other things, with the management of risks linked to the use of genetically modified organisms, marketing by producer associations, tropical forest and tree networks, and the new European Commission policy on food security.

The three seminars jointly organised with DG VIII.B.1 that are featured on the preceding pages are part of the department's programme on the topic of food security – which is central to the CTA mandate. In 1998, these will be followed by a CTA seminar on the lack of food security in ACP countries, the objectives being better identification of the structural reasons for the lack of food security at local level and the formulation of strategies and programmes associating risk groups and relying on local production.

The ACP delegate support programme

Seminars and joint seminars are not, in themselves, sufficient to satisfy the demand for exchanges of ideas and meetings that exists among those involved in agricultural development. A support programme allows ACP participants, who have been invited by the organisers, to attend meetings chosen on the basis of their relevance. Priority is given to events organised by or in an ACP country over those with greater European input. There are stringent selection criteria governing the smooth running of this programme which allows approximately 250 experts a year to take part in congresses, conferences, seminars or workshops.

Study visits

Meetings between opposite numbers in the field, the preferred place for exchanging experiences, have a proven track record in improving personal skills and hence the performance level of institutions and services. Each year, CTA organises one or two study visits on topics such as agricultural advisory services or seed production and distribution systems. The role of institutions in the co-organiser country is essential for a fruitful exchange with all those involved in the field. The visiting group is made up of specialists from several countries in the relevant region.

Tuna industry

ACP operators have a role to play

Tuna is the most commercialised fish product in the world, with an annual catch of more than US$6 billion. Consumer demand has so far remained constant for both canned tuna and sashimi, but the recent appearance of new tuna-based products, along with expanding new markets for canned tuna, now affords excellent growth potential in this sector. These are trends from which ACP countries must surely profit.

There are several varieties of the tuna family which are fished throughout the world. The Skipjack and the Yellowfin make up most of the total annual catch, at around 1.5 and 1 million tonnes respectively. Next comes the Bigeye tuna, harvesting 300,000 tonnes and then the Albacore at 200,000 tonnes. Tuna are powerful ocean-crossing fish, which follow particular migration routes. They are also ocean-specific, with only one or two of the various types living territorially, in each of the oceans of the world.

The Pacific Ocean yields 50% of the total global catch and is the main resource for the ACP countries in the Western Pacific. Skipjack accounts for 75% of the catch – or 1.1 million tonnes, of which 900,000 comes from the Western Pacific. More than 700,000 tonnes of Yellowfin are fished annually, and 370,000 tonnes come from the Western Pacific. The ACP countries in this zone, particularly: Papua New Guinea, Fiji, Samoa, and Tonga, possess both abundant resources and renewable reserves. The closeness of the sashimi markets and the high demand for tinned and fresh products in Europe strongly favours the development of fisheries and tuna processing facilities.

The Indian Ocean is the second most productive zone with 20% of the global catch. Skipjack and Yellowfin are heavily exploited, exclusively in western regions, but there is potential for production development in the eastern regions. Bigeye and Swordfish provisions are increasing with the development of long-line fishing. The ACP countries in this region, in particular Madagascar, Seychelles and Mauritius, have the high-capacity canneries with which to increase their supply.

Atlantic production is stable at 500,000 tonnes, or 16% of the catch. The species most often caught are Skipjack and Yellowfin. In this area, Senegal has developed national fisheries and processing units while Côte d'Ivoire and Ghana operate large canneries in partnership with multinationals.

Migrating fishermen

Various fishing techniques are used throughout the world. However, transoceanic purse seiners which follow the migration routes take 80% of the world catch. In the early 1980s, a large number of the French and Spanish purse seiners moved from the Atlantic to the Indian Ocean. Today, some of them have returned to the Atlantic and others plan to work in the Pacific. The main purse seiner shipowners are Japanese, Taiwanese, Spanish, Indonesian, American, Korean, French, Philippine, and Mexican.

With a length of 60 to 110 metres, the purse seiners require a heavy investment that only large

CDI

The Centre for the Development of Industry (CDI) is a joint ACP-EU institution created in the framework of the Lomé Convention linking the European Union with the 71 ACP countries (Africa, Caribbean, Pacific). Its objective is to support the creation, expansion and restructuring of industrial companies in ACP countries. To this effect, the Centre promotes partnerships between ACP and European companies. These partnerships may take various forms: financial, technical and commercial partnerships, management contracts, licensing or franchise agreements, sub-contracting, etc.

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A yellowfin tuna being hauled aboard the *MV Lakanuki* (Nako Fisheries in Papua New Guinea).

Technical assistance to Western Pacific tuna boats

Since March 1997, the CDI and SPPF, a World Bank investment preparation affiliate, have provided support to the fisheries located in the Western Pacific to improve their fleets and equipment. The goal is to enable them to improve tuna fishing methods to meet the commercial demand for sashimi tuna. Three or four companies in Papua New Guinea and Tonga have benefited from technical assistance and can now export their sashimi quality tuna production economically. The master fisherman's assistance which was given has transformed their small and medium-size boats into modern long-line vessels. To have their case considered for assistance, a local promoter must provide evidence of sufficient financial means, technical skills, knowledge of marketing rules, and of their commitment to meet high quality standards.

multinationals in the sector have been able to afford up to now. A purse seiner can catch up to 30 tonnes at a time after encircling a school. This type of fishing is not very selective, and the fish caught are often too small. The canneries are mainly supplied by the purse seiner fleets.

A selective ancestral technique of pole and line fishing is practised on the banks of the Atlantic Ocean, to catch surface tuna (mainly Skipjack). It requires keeping live bait on board as well as considerable technical competence. The pole fishermen mainly operate in the West African countries (Ghana, Senegal, Côte d'Ivoire, etc.) where they supply the local canneries.

Recently modernised, 'long lining' is also a selective form of fishing. The long lines measure tens of kilometres in length and have thousands of hooks. They are placed at a depth which corresponds to the species sought. This type of fishing is developing in the Indian and Atlantic Oceans, but is most common in the Pacific. It is carried out from small boats, which are more affordable for ACP fishermen. Line fishing also requires considerable skill – maintaining a given speed, knowledge of the temperature at different depths, the tuna routes, etc. This type of fishing targets animals with high added value such as sashimi tuna. In this regard, the Pacific ACP countries are very fortunate because of their closeness to the Japanese market.

Workers clean and process yellowfin and bigeye tuna for export to Japan.

Long-line fishing on the vessel *Ebb Tide II* (Papua New Guinea).

CDI support for ACP fisheries

A fish deteriorates once it has been caught, even if it is left in the water. This can lead to chemical and microbiological risks with potentially severe consequences for public health. To prevent these risks, the import market authorities, including those in Europe, impose very strict hygiene standards. These standards are relayed to each country through a competent public authority recognised by the EU. If they wish to export to Europe, all ACP promoters must contact their national competent authority and undergo basic quality control. They must master good production and hygiene practices to reach European hygiene standards. The most sophisticated procedures such as HACCP (Hazard Analysis Critical Control Points) and production tracing, require a high level of quality consciousness as perceived by the consumer markets. Over a number of years, the CDI has developed considerable experience in the application of these standards in factories in Mauritania and Uganda. In addition to the technical assistance which it provides, like the specific advice of specialists – veterinarians, engineer-architects, fishermen, and outfitters – the trading partners' advice is probably the most useful. These partners possess experience of the required hygiene standards and detailed knowledge of the end markets. For this reason, the CDI feels that the reinforcement of relations between trade partners is of primary importance, and it supports efforts to nurture such links.

CDI contact: Paul Chotard

Destined for the canneries

Where do the catches go? Apart from the tuna destined for the Japanese market, canneries absorb most of the catch. These are mainly located in the USA (302,000 tonnes in 1995) and Thailand (221,000 tonnes), well in front of Spain (120,000 tonnes), Italy (83,000 tonnes), Japan (77,000

ACP-EU industrial operators meeting on tuna fish in Lisbon

With the goal of examining the trade's evolution along with the new forms of partnership involving ACP operators, the CDI is organising a meeting of ACP and European operators in July 1998 within the framework of the Lisbon World Fair. The theme will be: 'The oceans, future of mankind'. The meeting will receive assistance and financial backing from the European Commission and the ICEP *(Investimentos Comercio e Turismo de Portugal)*. It will take place in the EU pavilion and, for three days, will bring together 20 or so ACP companies involved in the catching, processing, and commercialisation of raw materials or semi-finished products. Regional institutions which specialise in the management of migration zones will also attend. Some 20 European companies, representing the sector's main shipowners, canners, importers and distributors, will also take part. The organisers expect to welcome a strong representation of active Pacific region operators.

The programme will include company visits and individual discussions. The plenary sessions will deal with the development of catching techniques, particularly long lining, the supplying of canneries, and the development of new tuna products. Techniques of catching, plus the increased value of other migratory species such as marlin, swordfish, and dolphin fish will also be discussed during the meeting. The CDI will lend its support to nurture the most promising partnerships in that sector.

tonnes), and Côte d'Ivoire (57,000 tonnes). Most of the large canneries belong to multinationals, the largest of which is Starkist, a subsidiary of the American food giant Heinz. Its canneries are located in Thailand and in some ACP countries including Ghana and Seychelles. To maintain supplies, multinationals have agreements with the fisheries on all oceans. This is to compensate for the lack of stocks in the Atlantic where catches are limited and in the Indian Ocean where catches are disappointing.

The largest markets for canned products are the USA, where consumption is diminishing, and the EU, where it is increasing, notably in the UK. Côte d'Ivoire, Senegal, Madagascar, Ghana, Mauritius, Seychelles, Solomon Islands and Fiji are among the 15 largest non-European exporters of canned products to the EU. On a global scale, the rise of new markets for canned products in South America and Japan gives hope for a promising future for these products, whose main exporters continue to be Asian countries.

To ensure their supplies, other canneries located in the US and Europe now import refrigerated or frozen 'loins' from the four corners of the world. Loins are actually fillets cleaned of all inedible parts. The loin producers are located in Africa (Côte d'Ivoire, Ghana, and Kenya) where the facilities generally belong to large canneries (Saupiquet, Starkist). There are also some in Thailand where the factories work mostly for the USA, and part of the production is also exported to Europe in spite of the 24% duty. Although intended to protect the European industry, these duties are not applied to products coming from ACP countries.

Before being processed the fish are weighed.

Rising consumption

Where are the consumer markets? Japan consumes 30% of global tuna production. Their imports are either fresh or frozen and are destined for specific preparations based on sashimi quality. In other markets, canned products are the main consumer items. Since 1991, the EU has moved ahead of the USA in total annual tonnage and since then has remained the largest consumer of canned tuna with 40% of the global market (about 570,000 tonnes).

Globally, tuna consumption is increasing. Sashimi sales are rising in Japan as well as in Japanese communities abroad. There are a number of emerging markets for canned products which include the UK, South America, Japan, and Germany. But the largest current trend, notably concerning Europe, is the appearance of new forms of consumption such as fast-food salads, and fresh steaks and kebabs. These new products enable producers to increase added value locally. They represent a real opportunity for ACP producers, especially in partnership with importers and the large European distribution chains. But to enter the race, the ACP producers have to modernise their equipment and respect very strict quality and hygiene standards (see box). They must also learn about European consumer habits. That means that ACP operators must make major efforts in a wide range of areas.

CDI contact: Paul Chotard

CDI-PARTNERSHIP

Luxembourg-CDI cooperation

Synergy in action

In aiding the CDI to co-finance projects, the Luxembourg Foundation is effectively supporting the private sector of seven ACP countries and thus creating a substantial synergy effect.

The Grand-Duchy of Luxembourg may be small in size (2586 km^2) and in population (384,000), but it is very active in the field of cooperation and development. As proof, it is one of the few European countries whose cooperation budget exceeded 0.5% of GNP in 1997. It intends to reach 0.7% by the year 2000.

Each year, Luxembourg makes numerous contributions to multilateral organisations and also reserves funds for emergency aid to NGOs. Its bilateral aid, LF 1 billion (ECU 25m), is essentially destined for 15 target countries of which over half are ACPs.

These are Cape Verde, Mauritius, Senegal, Rwanda, Niger, Namibia, Burundi, and Mali.

This public bilateral aid is managed by the *Lux-Développement* agency for cooperation and development (80% of the budget) and the Ministry for Cooperation (20%). Bilateral aid granted to the private sector is in the hands of the CDI.

Because of its wish to intensify direct aid to small and medium-size private industrial concerns in the ACPs, Luxembourg chose to work through the CDI.

As of 1994, it signed a cooperation agreement with the CDI through which it makes additional funds available for co-financing projects and to provide a Luxembourg expert.

The initial endowment set at LF 10m was increased to LF 15m (ECU 375,000) as of 1996.

The foundation was mainly destined for projects coming from target countries, but other ACP countries can also request Luxembourg technology or expertise.

The 13 projects co-financed by the Luxembourg Foundation and the CDI in 1997

MAIO CEMENT WORKS, Cape Verde (cement production). The CDI assisted in a feasibility study for the installation of a small cement works (+/- 250,000 tonnes/year) on Maio Island.
SAIFO, Cameroon (fruit juice production). Training of personnel to handle the starting-up and subsequent production.
SESAME, Senegal/Gambia (sesame growing). Pre-feasibility study (still underway).
MATEC, Burkina Faso (polyurethane mattress production). Technical assistance for the training of technical personnel.
LUXPORC/CODIPORC, Côte d'Ivoire (pig breeding). Feasibility study on the implantation in Côte d'Ivoire of a Luxembourg company specialised in pig breeding.
VAP (Victoria Assorted Products), Congo (production of proteinic foodstuffs). Renovation and feasibility study with a view to re-starting the production unit.
FILSAH, Burkina Faso, (cotton mill). Feasibility study which resulted in ECU 1 million of financing by the European Investment Bank for equipment acquisition. The CDI is expected to provide technical training.
SERT (tuna exploitation company) Senegal (tuna fishing). Technical assistance to improve fishing techniques and equipment maintenance.
CONDITIONNEMENT D'EAU MINERALE, Cape Verde (mineral water production and bottling). Preliminary hydro-geological study.
CODIFRE, Cape Verde (semi-industrial ice cream production). Feasibility study for plant expansion.
THREE PARTNERSHIP MEETINGS
– for the meat sector in East and Southern Africa
– for the fruit and market garden products sector in Southern Africa
– for the meat sector in Southern Africa (follow-up)

Analysis of a well on Santo Antao Island (Cape Verde) to install a mineral water catchment and bottling unit.

Increasing number of interventions

The commitment has been expanding. During the first year of intervention in 1995, only two projects were selected. In 1996, six projects were chosen for a total amount of LF 2.2m, and the number rose to 13 last year, involving co-financing of ECU 212,000 (LF 8.5m). If we add the CDI's contribution, the amount reaches ECU 462,000 (LF 18.5m) in 1997. Then if we add the contribution of the ACP promoters, ECU 650,000 (LF 26m) – where the three actors generally divide the funding in three more or less equal parts – we can see that Luxembourg's contribution enables the CDI to expand its aid and thus provide funding for other projects.

Of the thirteen projects assisted in 1997, six received help in the form of assistance carried out by Luxembourg consultants (studies, technical assistance, and training). In one case, assistance was granted to a Luxembourg company wishing to set up in Côte d'Ivoire. The other six projects were in Luxembourg's target countries, including three in Cape Verde. In 1998, the number of projects co-financed with the CDI is expected to reach 20.

CDI contact: Jean-Marie Roth

In the sectors

Increasing the value of fruit and vegetables

Next July, the CDI will organise a three-day seminar in Senegal aiming to increase the value of fruit and vegetables. This seminar is intended for West African companies, and has three goals. First, to help these companies to benefit from the CDI's accumulated experience of recent years in the fruit and vegetable processing industry. Second, to provide recent information on markets, products, technologies, and product packaging and processing. Third, to enhance exchanges and present opportunities for CDI assistance.

The programme will include presentations by specialists on technologies, local markets and processing. Company visits and meeting areas will also be arranged where the companies can exhibit their samples and negotiate technical and trade partnership agreements.

Three groups of participants will attend the meeting. The first are industrialists in the fruit and vegetable sector, chosen from seven West African countries: Cape Verde, Senegal, Guinea Conakry, Gambia, Mali, Mauritania, and Guinea-Bissau. The second group are packaging and processing equipment manufacturers, chosen from Europe and Africa. The third are experts in the fields of processing, technologies, and marketing.

The meeting is part of a programme implemented over recent years by the CDI. It aims to promote the increased value of fruit and vegetables among African countries which possess both the production potential, and promising markets.

CDI contact: Tommy Pedersen

Processing pineapples at Exofruits, Côte d'Ivoire.

CICER on the road to success

Strengthened by its success on the national market and by its penetration of neighbouring markets, the CICER brewery in Guinea-Bissau will triple production in three years.

CICER is a brewery which was set up at the end of the colonial era in Guinea-Bissau. Following independence, the government remained the major shareholder along with two Portuguese partners, Centralcer and Unicer. In 1996, as part of its programme to disengage certain companies, the state privatised CICER and sold its shares to the Portuguese group Guininvest. Today, Guininvest is the majority shareholder (65%), while the other shares still belong to Centralcer (30%) and Unicer (5%).

CICER aims to triple production in three years. The CDI will help to finance the feasibility study.

Among the country's leading production facilities, CICER concentrates its activities on the production of beer and sweetened drinks. These products are of excellent quality and are highly appreciated throughout the national market. Furthermore, the export potential to neighbouring countries appears very promising.

Today, Guininvest Group is implementing a production renovation and expansion programme. This plan aims to substantially increase production capacity, from 30,000 hl a year to 100,000 hl a year. New investments to the tune of US$10m will be made over five years. The feasibility study will be financed by CICER, the Portuguese Institute of Foreign Trade (ICEP) and the CDI.

CDI contact: Sebastiao Ditutala

Current projects

Stoni Athi: better results than expected

After two successful pre-industrial phases, the Kenyan company Stoni Athi and its Dutch partner Beekenkamp-Lyraflor decided to move into overdrive. The goal: to produce and market 150 million chrysanthemum cuttings.

Two years ago, Stoni Athi and Beekenkamp-Lyraflor made their first request for assistance from the CDI seeking help in the establishment of a chrysanthemum cuttings production project near Nairobi. All the required conditions for success were brought together. Above all, the two partners had undeniable technical expertise and sufficient financial backing.

Well known in the region, Stoni Athi has been producing roses on a 40-hectare site 10 km from Nairobi since 1994. Its mother company, Mugoya Construction & Engineering Ltd, is Kenya's construction and engineering market leader.

For its part, the Dutch partner has been operating in the horticulture sector since 1951. It owns four subsidiaries producing vegetable seedlings, chrysanthemum cuttings, young tropical plants in pots, and plastic packaging materials. To avoid the seasonal effect on production, Beekenkamp-Lyraflor developed partnership agreements with French, South African, and Dutch producers. Producing in Kenya enables the Dutch firm to guarantee its winter production quotas. In terms of size, its capital amounts to ECU 15m, and its activities generate a turnover of ECU 40m, with a staff of 360 persons. The company also owns 60 hectares of agricultural land in the Netherlands, of which half is covered by greenhouses, complete with very sophisticated equipment.

It was clear from the outset that the partners had all the ingredients for success. What is more, the horticultural sector is one of the Kenyan government's priorities. The authorities strongly wish to develop land activities and to generate both employment and foreign currency.

Cultivation of chrysanthemums.

Successful pre-industrial phases

Prudently, the partners chose to plant a half-hectare trial surface in 1996. The goal was to produce 15 million cuttings. During this first preliminary phase, the CDI financed part of the advisory cost of hiring a Dutch specialist. The co-financing of these services was handled by the FMO, the institution for financial development in the Netherlands.

Stoni Athi has four hectares of greenhouses.

Because of night-time coolness at the beginning and end of the year, and problems with the water supply, the results of the first trial were not conclusive, even though the quality and quantity goals were achieved. It was then decided to carry out a second trial in greenhouses and to introduce a series of technical improvements to the installations – more efficient heating and ventilation to increase productivity which, in the long run, would reduce costs. The CDI also took part in this pre-industrial phase, which began in January 1997. The aim of the second trial was to produce 37.5 million cuttings. The CDI financed a quarter of the phase's total cost, and the remaining costs were equally financed by the FMO, Beekenkamp-Lyraflor, and Stoni Athi.

Today, the results are far better than expected. Not only were the pre-industrialisation goals exceeded, but the partners also decided to begin the industrial phase with a market goal of 150 million cuttings. They also decided to create a joint venture. They even plan to expand production to 250 million cuttings by the year 2000. The surface cultivated (1.5 hectares), has increased to 4 hectares, all under greenhouses.

Training 200 workers in one year

To achieve its goals, the company must organise its management structure and hire approximately 200 additional workers, mostly women, who have to be trained. Therefore, the partners have made an additional request for a CDI intervention which, once again, will provide the backing for the indispensable transfer of know-how.

The challenge is clear; to produce cuttings of sufficient quality to meet the standards which enable export to Europe, the promoters have created the Deliflor Association. Its goal is to promote ISO 9000 certification in the Kenyan horticultural industry. Indeed, the Stoni Athi project could probably serve as an example of management and quality control to some European industrialists. It perfectly illustrates Kenya's rising potential and performance, in the high-value-added horticultural sector.

CDI contacts: Paul Chotard and A.T. Adade-Helledy

Genicom: a matter of training

Thanks to CDI's intervention, Genicom (Abidjan) has been able to implement a new dredging operation to extract lagoon sand, and also to train its personnel.

Active in the extraction of lagoon sand since 1986, Genicom (Civil Engineering and Commercialisation) has benefited, over recent years, from the high demand for sand in Abidjan's rapidly growing building and public works sectors. Until very recently, the company rented a dredge from the Autonomous Port of Abidjan. But the machine's availability was unpredictable and Genicom often ran out of stock due to lack of sand. The company therefore decided to buy its own dredge so as to be able to plan production and satisfy demand.

After considering a number of offers, Genicom purchased a used dredge from a Dutch company, Dredging and Marine Equipment, who reconditioned it and guaranteed its long-term use. The dredge has a 300 m^3/hour theoretical extraction capacity. Because of this, Genicom can now forecast annual production at 230,000 m^3 – a conservative estimate which covers approximately 20% of the current needs of the real-estate projects already underway.

The equipment was financed in part by equity and in part by a loan obtained through BICICI. The promoter asked the CDI to contribute 45% of the implementation and training costs of the four workers who would operate the dredge.

Today, after verifying and controlling all elements, the dredge has been installed. The personnel have been trained to operate the pump and to dredge the lagoon sand. At the same time, the workers are fully aware of equipment maintenance needs and have been instructed on how to obtain the highest yield of sand, by the use of holding dykes.

In the framework of the Cement Components Meeting held in Abidjan last November, a second request for technical assistance is now being considered.

CDI contact: Sid Boubekeur.

Above, participants at last November's concrete components meeting visit the Genicom site.

IDG is regularly called on for housing ministry construction projects.

Géobéton: sustaining growth

Strengthened by its success in the compressed earthen blocks sector for construction, Ivoirienne de Géobeton has more than doubled the number of its workers in two years. It called upon the CDI for assistance in training its staff.

Ivoirienne de Géobeton (IDG) had very modest beginnings in 1989 when it started building domestic homes out of compressed earthen blocks. Initially created by a small, multi-disciplinary and complementary team, the company developed rapidly. With the backing of share capital, it became structured and gradually acquired equipment and continued to improve its know-how and reputation. Once the government authorities had duly endorsed its products and production, the firm was granted a number of new markets. Now, it is regularly called upon to take part in the Housing Ministry's construction projects.

At the outset, IDG produced its blocks from on-site mobile units to avoid transport costs.

As demand increased, it had to change strategy and build a production site in Abidjan. Last year, it expanded its installations and hired approximately 20 people, increasing the number of employees to 45. To consolidate its development, particularly the increased workforce, IDG asked the CDI for technical assistance. Training was given which mainly concerned the handling of new equipment, and was deemed a success by all participants. The total amount involved was ECU 22,000, of which 45% was borne by the Côte d'Ivoire promoter.

CDI contact: Sid Boubekeur

In brief

Joint meeting at the ACP Group General Secretariat

On February 4, the East African Ministerial Delegation had a briefing session with the ACP Secretary General, *N'gandu Peter Magande* and the CDI Director, *Surendra Sharma*. *Jakaya M. Kikwete* (Head of Delegation), Tanzania's Foreign Minister, *Nicholas K. Biwott*, Kenya's Minister for East African and Regional Cooperation, and *Rebecca Kadaga*, Uganda's Minister of State for Foreign Affairs (Regional Cooperation), were accompanied by two top officials of the East African Cooperation Secretariat and the three countries' Ambassadors to the EU. The purpose of the delegation was to sensitise the development institutions in Brussels to the objectives, policies and programmes of the East African Cooperation. It also sought an update on the available development cooperation opportunities.

Visit of Kenyan Foreign Minister

Bonaya Adhi Godana, Kenya's Foreign Minister, *M.P.M. Mwanzia*, Kenya's Ambassador to the EU and Belgium, and a number of top departmental officials met with *Surendra Sharma*, CDI Director, during their visit to the centre. The delegation was informed of the CDI's current policies, its programme in Kenya, the projects it has assisted, and future actions. The delegation informed the CDI of its government's industrial policy and expressed full satisfaction with the CDI contribution to this policy.

Biological Agriculture – Bio Fach Fair

The largest-ever fair devoted to biologically grown products was held in Frankfurt from 26 February to 1 March. The CDI, along with Protrade/GTZ and Promabio, the group representing the biological agriculture sector in Madagascar, invited eight Madagascan companies to present their products (among others, ylang ylang, vanilla, pepper, cocoa, coffee, apples, pineapples) destined for the food, pharmaceutical and cosmetic industries. Among the countries represented at the fair, Madagascar offered the largest range of essences. Currently, these are either conventional or biological and are in high demand on the European market, particularly in Germany, where the trend is toward replacing such oils with biologically-certified products.

CDI contact: M.J. Caudron

Post-Lomé perspectives for the private sector

At the European Commission's invitation, *Fernando Matos Rosa*, CDI Deputy Director, and Hamed Sow, Head of the Technical Division and of the EU network, represented the CDI at a meeting to discuss the perspectives for private sector development in the post-Lomé period. Attended by Member State and European Investment Bank representatives, the discussions focused on a report outlining the EU's future strategy regarding the private sector of the ACP countries. Duly approved by the participants, the document covers the strategic axes for the future: macro-economic and trade policies, investment protection and promotion, implementation of market economy principles, privatisation, reinforcement of the financial and private sectors. It also covers a series of actions that can henceforth be carried out in the framework of the current Convention and whose goal is to improve the business environment, provide direct support to companies, and ensure the coherence of implemented strategies.

Congo-Brazzaville ministerial visit

On January 21, *Paul Kaya*, the Republic of Congo's Minister of State in charge of Programming, Privatisation, and the Promotion of National Private Enterprise and his delegation were welcomed by the CDI Director. Together they examined the axes of industrial cooperation established between the CDI and the Republic of Congo. They also discussed current and future joint programmes in favour of small and medium-size Congolese industrial firms. During the work session, the Minister underlined the enormous reconstruction needs of Brazzaville and other cities. The Ministerial Delegation and the CDI agreed to concentrate CDI assistance efforts on the three following sectors: construction materials, transformation and conservation of agricultural and fishing products, and promotion of small and medium-size companies and industrial concerns.

Industrial partnership days – Bordeaux Aquitaine

The CDI seized the opportunity offered by the '8th Aquitaine day of Bordeaux industrial partnership' at the end of January to invite, along with the Agency for International Cooperation *Interco Aquitaine*, eight African professionals from the industrial poultry farming sector (from Cape Verde, Guinea, Cameroon, Gabon). The invitation was extended in the framework of the sustained assistance efforts that the CDI is methodically developing with the industrial poultry sector. This sector has, since 1993, been regarded as one of the target sectors for development. At the end of the mission, the ACP promoters hope that a foundation for future partnerships will lead to rapid results. In the same perspective, Interco Aquitaine and the CDI are organising an ACP-EU seminar on the poultry sector from June 16-19 in Abidjan. This will bring together approximately 25 companies from Côte d'Ivoire, Ghana, Togo, Benin, Guinea, and Cape Verde, as well as national professional associations from Senegal, Cameroon and some 15 EU companies.

CDI contact: Chérif Touré

Follow-up of the Abidjan 'Cement components' meeting

The CDI is currently handling the follow-up of the cement components meeting (Abidjan, November 1997) together with the team of international and local experts who took part in the preparation and organisation of the meeting. The results are quite tangible with some 15 projects due to receive CDI backing in 1998. Two groups of companies have been distinguished. The first includes ECOWAS firms whose contacts and negotiations with European companies are well underway and can now benefit from CDI backing. The second group includes projects of other ECOWAS undertakings that require more investigation prior to being considered for support. What is required is more detailed information on target markets, on the promoter's financial capacity, and on the projects' financing perspectives.

CDI contact: Sid Boubekeur

Belgium-Côte d'Ivoire cooperation

In the framework of the backing of the Côte d'Ivoire government's National Support Programme of Private Sector Development, Belgium has contributed some ECU 1.36m (almost CFAF 900m) to boost the assistance offered by the Côte d'Ivoire company ASE (Support and Services to Enterprises). The administrative entities in charge of the project's supervision are, in Côte d'Ivoire, the small and medium-size companies and industrial concerns administration of the Ministry in charge of Industrial Planning and Development and, on the Belgian side, the Cooperation section of the Belgian Embassy in Abidjan. ASE is a private, direct-support structure for companies that aim to aid existing small and medium-size industrial concerns, the promoters of such projects, and the industrial concerns that can be privatised. In the framework of its missions, ASE publishes practical information for companies and nurtures a network of local expertise. The CDI has been the main contributor to the management of ASE since May 1995.

CDI contact: Alioune Badara Ndiaye

Commonwealth and *La Francophonie* work together

The Commonwealth and *La Francophonie* (the group representing nations where French is spoken) sent a joint observer group to Seychelles to observe the elections held in March. It is the first time the two organisations have acted together in this way. The initiative came from *Boutros Boutros-Ghali*, the former UN chief recently appointed the first Secretary-General of *La Francophonie*. He planned the operation with Commonwealth Secretary-General *Chief Emeka Anyaoku*.

The observer group was managed by the Commonwealth which has monitored 35 elections, referendums and other polls, including three in Seychelles. The Seychelles development is a further sign of the French grouping's intention to emulate the Commonwealth. Only last November, it decided at its Hanoi summit to set up an administrative body in Paris rather on the lines of the Commonwealth Secretariat in London. Francophone officials have visited the latter's office several times to pick up tips.

Elections in many French-speaking countries in Africa have been monitored by international groups, mainly with help from the EU, but unlike the Commonwealth's, their reports are usually not published.

The Commonwealth has a particularly good record in moving Seychelles from one-party to multi-party rule, having persuaded President René to accept a democratic system, and then monitored in 1992-93 all the processes from a referendum on a new constitution to general elections.

(Abridged from an article by Derek Ingram, Consultant Editor of Gemini News Service)

EU concern over situation in Sierra Leone

On 20 February, the European Union issued a statement expressing concern about the continuing instability in Sierra Leone. In the wake of the recent fighting, it called for targeted humanitarian operations to begin as soon as possible to relieve the people's suffering. It also urged ECOMOG to co-operate with the UN, ECHO and other aid agencies to facilitate this process.

The statement called on those involved in the conflict to respect the lives of EU citizens and demanded the release of all hostages from EU Member States. A peaceful future in Sierra Leone, it said, could only be ensured through reconciliation – and the warring parties were urged to work towards this, beginning with the swift reinstatement of the democratically-elected government of President Kabbah.

WAEMU harmonises its price statistics

Seven countries of the West African Economic and Monetary Union (WAEMU) are publishing, for the first time, a harmonised retail price index (IHPC). Guinea Bissau intends to join the system next year. The new index, which was established in January 1998, will henceforth provide a regularly updated and reliable measure of inflation in the region. It will be of use to national and regional officials as well as to economic operators in the private sector.

Two main reasons lie behind the decision to set up the new system. First, it is important to tackle the inflationary pressures that have existed since the devaluation of the CFA franc in January 1994. Experience has shown that national indexes have their limits – which makes life difficult for those who need speedy access to precise information about inflation trends. Second, the WAEMU Treaty requires the Union, among other things, to work towards convergence, both in the economic performance and the macro-economic policies of its Member States.

The integrated system results from collaboration between the WAEMU Commission, the Central Bank of West African States (BCEAO) and the national statistical bodies of the Member States. The IHPC has been assisted by the European Commission (EUROSTAT and DG VIII) and France. In qualitative terms, the arrangements are in conformity with international norms relating to the preparation of statistics.

The first IPHC figures revealed that prices rose by 3.3% in the WAEMU region in January 1998. The index will be published every month.

ACP Group on the Internet

The ACP Group has established a website on the Internet. This contains extensive background and current information on the Group. The address is:

http://www.oneworld.org/acpsec

Promotion of human rights and democracy in the ACPs

The Commission has recently adopted a Communication which defines more precisely such notions as human rights, democratic principles, the rule of law and good governance. It also outlines a plan of action designed to strengthen these notions in the context of ACP-EU relations. The general aim of this initiative is to promote peace and structural stability – without which no development is possible.

The action plan consists of two elements. The first is a deepening of the dialogue with the ACP states. This dialogue should, in turn, lead to a better definition of the essential concepts set out in the Lomé Convention – both from an intellectual perspective, and in terms of concrete actions to be taken to ensure effective implementation. Key elements include:

– the recognition and defence of human rights and basic individual liberties;

– equity and the primacy of law;

– the existence of institutional mechanisms allowing citizens to participate in the taking of decisions that affect their future;

– pluralism within the political system, state institutions and civil society;

– the transparency and integrity of institutions;

– the capacity of institutions to manage their resources and to formulate and implement policy.

In the second part of the Communication, the Commission identifies the priority areas for cooperation. These include support for institutional and administrative reforms (constitutional, judicial and legislative), civic education in the field of human rights, support for a free and independent media, and strengthening participation by women in the democratisation process and in the fight against fraud and corruption.

Racism in football

The Football Associations of the EU countries met in Brussels on 10 February to share ideas, strategies and experiences on combating racism in the sport. In what is the European Year against Racism, the European Commission is funding a project, '*Let's Kick Racism out of Football*'. An exhibition and seminar were organised to highlight the contribution of football to the issue. The exhibition was opened to school groups, youth organisations and football clubs. The seminar, meanwhile, brought together teachers' organisations from across Europe, representatives from European Football Associations and others with experience in sport and racial equality. Among the special guests was the legendary Portuguese footballer, *Eusebio*.

Commissioner Pinheiro visits the Pacific

João de Deus Pinheiro made an official visit to French Polynesia and Fiji in early March. This was the Development Commissioner's first visit to the Pacific Region and the first by a Member of the EC Commission to the Pacific ACP Group since 1990. Mr Pinheiro was greeted on his arrival in Tahiti by *Gaston Flosse*, President of the Government of French Polynesia. He went on to tour an EU-funded sanitation project on the island of Bora Bora. On his return to Tahiti, Prof. Pinheiro had an exchange of views with President Flosse and other senior political figures. He later met *Jean Arbaud*, France's High Commissioner in French Polynesia.

The Commissioner then travelled on to Fiji where he had meetings with Prime Minister *Sitiveni Rabuka*, Foreign Minister *Berenado Vunibobo* and *Noel Levi* who is Secretary General of the South Pacific Forum. The special problems facing the Fiji sugar industry were discussed in the meetings with the Prime Minister and Foreign Minister, and the Commissioner was also apprised of the importance of tourism and fisheries for Fiji and the wider region. At the Forum Secretariat, Prof. Pinheiro was briefed on the concerns of the Pacific ACP Group about the nature of links with the EU beyond the year 2000. Mr Pinheiro explained that he was keen to see a relationship that was differentiated sufficiently to meet the specific needs of the Pacific region.

Progress report on gender equality

The Commission has adopted its first progress report, following up its 1996 Communication on 'Incorporating equal opportunities for women and men into all Community policies and activities'. The report notes that significant progress has been made since 1996, particularly in three policy areas:

– employment policy and the Structural Funds;

– external relations (including development cooperation and women's human rights); and,

– education, training and youth policies.

At the same time, it indicates that more strenuous efforts are needed to integrate the gender dimension into certain core EU policiès – relating, for example, to the process leading to the enlargement of the EU, and to the 'information society'.

The Commission has also published a glossary of terms on equality between women and men entitled '*100 words for equality*'. Available in 10 Community languages, this seeks to clarify gender-related concepts. It is targeted at policy-makers, women's organisations and other sectoral associations.

Successful outcome to waste conference

Following a week of intensive negotiations, the results of the Fourth Conference of the Parties to the Basle Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, lived up to the environmental expectations of the European Union.

Conference participants, meeting in Kuching, Malaysia, in the last week of February, unanimously decided to make the lists of both hazardous and non-hazardous wastes mandatory for the Parties to the Convention. This decision clarifies the scope of the export ban adopted by the Conference in 1995 and will make implementation of the ban more effective. The decision was welcomed by the EU Member States, environmental organisations and trade and industry associations. Other state parties, including in particular, the developing countries, also expressed satisfaction at the outcome.

The Conference decided to leave unchanged the list of countries subject to the export ban on hazardous waste. At present OECD countries, the EU and Liechtenstein are prohibited from exporting such waste to other countries. In not easing the ban, the decision accordingly maintained the *status quo*. The Conference also undertook to analyse the consequences of any loosening of the ban.

Humanitarian aid in Africa

The Commission has recently approved humanitarian aid worth a total of ECU 3.6 million for projects in Africa. The aid, managed by the European Community Humanitarian Office (ECHO) will go towards projects in Somalia, South-eastern Africa and Madagascar.

Somalia – emergency medical and food aid (ECU 2 million). Civilians have grown increasingly dependent on aid for survival amid chronic instability. This project is intended to provide health care, food aid and immunisation, and to fund the rehabilitation of water and sanitation facilities.

South-eastern Africa – anti-cholera campaign (ECU 1.5 million). The whole of the region (Kenya, Tanzania, Mozambique, Somalia, Djibouti, Uganda and Malawi) is affected by a cholera epidemic. This project will aim to save lives among those infected, as well as working on prevention and health education.

Madagascar – food security early warning system (ECU 100,000). South Madagascar is regularly exposed to food shortages linked to drought, cyclones and, this year, locusts. An early warning system should help pick up the signs preceding a crisis and facilitate setting up targeted assistance programmes.

Commission sets up 'Common Service'

The European Commission is in the process of establishing a 'Common Service' to deal with the implementation of financing decisions in its external relations. *Philippe Soubestre*, the Deputy Director-General for Development (DG VIII) has been to appointed to head the new service. The change involves regrouping officials who are responsible for implementing aid projects and programmes, and other financial aspects, in a single structure. One of the main aims of the move is to achieve more coherent and harmonised procedures. A slimmed down DG VIII will continue to deal with the policy aspects of the ACP-EU relationship.

Cooperation with NGDOs

The Commission has just agreed on the text of a report covering its cooperation, during 1996, with non-governmental development organisations (NGDOs) in areas of interest to developing countries. The document gives details of actions in favour of developing nations, efforts to raise public awareness in Europe and food aid operations carried out by the NGOs in partnership with the EC. Also covered are activities in support of refugees – including repatriation, rehabilitation and reconstruction.

Over the last two decades, the European NGDOs and the EC have cooperated closely together. Europe's citizens, meanwhile, have underlined their solidarity towards the world's poorest and most marginalised populations through their support for the work carried out by the NGOs. Community aid is provided in concrete form through cofinancing of development projects and programmes, awareness-raising activities, food aid schemes, humanitarian interventions and other more specialised approaches.

Despite the general pressures on cooperation and development budgets in recent years, and the specific financial constraints facing the Commission, the EC has regularly been able to allocate funds for NGO work.

In 1996, more than ECU 703m of EC budget resources were provided to NGDOs for their humanitarian activities in the developing countries. NGOs also play a significant part in implementing projects under the Community programmes for Asia and Latin America, and under the European Development Fund (ACP countries). The special budget line to cofinance development projects with European NGOs was allocated ECU 175m in 1996.

BIBLIOGRAPHY

Histoire des agricultures du monde, du néolithique à la crise contemporaine

(The history of world agriculture from neolithic times to contemporary crisis)

by Marcel Mazoyer and Laurence Roudart. Ed. Du Seuil (27, rue Jacob, Paris VIème), 1997, 546pp. 180 FF. IBSN 2-02-032397-4

This opus magnum, by two French agricultural engineers, sets out to chart the history of the world's agriculture over the centuries from the neolithic age to the difficulties of the present day – stopping off to discuss everything from the Incan agricultural system and cultivation using draft animals to food shortages and famines, and even structural adjustment policies. The result is impressive – a work crammed with information – not always pointing in the same direction – illustrated with numerous drawings and explanatory tables.

The book answers many questions about the various farming practices, techniques and cultures that have influenced and often directed the course of agricultural development since plants were first cultivated for human consumption. It also looks at the situation today, on the threshold of the third millennium, and sets out some interesting ideas. For example, the authors argue that the 'current crisis' in the world economy is due to the unthinking application of the principles of competition. They do not see this as appropriate given the huge inequalities in the agricultural heritage of different regions of the world. They propose a global 'anti-crisis' strategy designed to safeguard and develop poor peasant economies, to reinvigorate the international economy, and to build a 'livable' world for the whole of humanity.

Les noms de villages dans la tradition gabonaise

(Village names in the Gabonese tradition)

by Mukumbuta Lisimba, Ed. Sépia, Paris, 1997, 176pp. IBSN 2-84280-009-5

The author of this work, a Zambian linguist at the International Centre for Bantu Civilisations in Libreville, sets out to look at the history of the people of Gabon using the names that they gave their villages as a basic frame of reference. His key 'database' is 2000 village names which he has classified by language and theme. From this, he has been able to identify some of the key preoccupations of those who founded the villages, and to trace the migratory patterns of their inhabitants, thereby uncovering one of the hidden aspects of this Central African country, where old settlements are abandoned and new ones established in equal measure.

Sahel: les paysans dans les marigots de l'aide

(The Sahel: rural people in an aid 'backwater')

By Marie-Christine Gueneau and Bernard J. Lecomte, Ed. L'Harmattan, 1998, 279pp. IBSN 2-7384-6155-7

This book is inspired by the anger of its authors – two project evaluators who repeatedly encounter in their work the same defects of development assistance. Each chapter begins, more or less, with a bone of contention, highlighted in a tone which sometimes grates. This is followed by an analysis of practices in the aid system, a diagnosis, and suggestions about how the methods and behaviour of both NGOs and public aid agencies should change. The geographical scope of the analysis is limited to the Sahel countries, from which numerous practical examples are drawn.

Sustainable Rural Development

by Andrew Shepherd, (published in 1998: in Great Britain by Macmillan Press Ltd; in the USA by St. Martin's Press, Inc)

The author, a senior lecturer in Development Administration at the University of Birmingham, has based this study on many years of fieldwork in Africa and India. He reviews the conventional approaches to rural development and concludes that they are no longer viable, because they are too controlling and short-term in their perspective. He believes new paradigms are necessary. Funders and development agencies must work more in participation with local people, playing a supporting role. Thus, the ordinary rural population would be put firmly in the driving seat.

The book contains detailed coverage of a wide range of policy issues, and deals with the implications of the new rural development paradigm for the different types of organisations involved.

Evaluación de proyectos de ayuda al desarrolo: manual para evaluadores y gestores

(Evaluation of Aid Assistance: a handbook for evaluators and managers)

Instituto universitario de desarrollo y cooperación, Donoso Cortés, 65. 6° dcha. 28015 Madrid. Available in Spanish and English.

This handbook provides, from a practical and didactic perspective, all the information necessary to evaluate a development project. It includes sections on the theory of development, evaluation models and data-collection methods. It could be a useful tool for professionals involved in development assistance, whether in NGOs, public service or as consultants.

Operational summary
n° 102 - May 1998
(position as at 20 April 1998)

ec-acp

European Development Fund schemes

The following information is aimed at showing the state of progress of schemes funded by the European Community under the EDF (Lomé Convention).

Geographical breakdown

The summary is divided into three groups
- Africa, Caribbean and Pacific (ACP) country projects.
- Overseas Countries and Territories (OCT) projects.
- Regional projects

The information within each of these groups is given by recipient country (in alphabetical order).

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, equipment supplies, technical assistance etc.)
- Any methods of implementation for example, international invitations to tender).
- The stage the project has reached (identification, appraisal, submission for financing, financing decision, ready for implementation)

Note: Participation in EDF schemes is strictly confined to ACP or EU firms.

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
T.A.	Technical Assistance
EDF	European Development Fund (e.g. EDF 7 = 7th European Development Fund)
mECU	million European currency units
Est.	Estimated

Blue Pages on the INTERNET

Enter the DG VIII Home Page

http://europa.eu.int/comm/dg08/dgviii.htm

Choose the option

'On going tenders' or 'On going projects'

Correspondence about this operational summary can be sent directly to:

Mr Franco Cupini,
Directorate-General for Development
European Commission
G12 4-14, 200, rue de la Loi
B-1049 Brussels

Please cover only one subject at a time.

SECTOR CODE DESCRIPTION

AAz Planning and public administration
AAa Administrative buildings
AAb Economic planning and policy
AAc Assistance to the normal operations of government not falling under a different category
AAd Police and fire protection
AAe Collection and publication of statistics of all kinds, information and documentation
AAf Economic surveys, pre-investment studies
AAg Cartography, mapping, aerial photography
AAi Demography and manpower studies

ABz Development of public utilities
ABa Power production and distribution
ABai Electricity
ABb Water supply
ABc Communications
ABd Transport and navigation
ABe Meteorology
ABf Peaceful uses of atomic energy (non-power)

ACz Agriculture, fishing and forestry
ACa Agriculture production
ACb Service to agriculture
ACc Forestry
ACd Fishing and hunting
ACe Conservation and extension
ACf Agriculture storage
ACg Agriculture construction
ACh Home economics and nutrition
ACi Land and soil surveys

ADz Industry, mining and construction
ADa Extractive industries
ADai Petroleum and natural gas
ADb Manufacturing
ADc Engineering and construction
ADd Cottage industry and handicraft
ADe Productivity, including management, automation, accountancy, business, finance and investment
ADf Non-agricultural storage and warehousing
ADg Research in industry technology

AEz Trade, banking, tourism and other services
AEa Agriculture development banks
AEb Industrial development banks
AEc Tourism, hotels and other tourist facilities
AEd Export promotion
AEe Trade, commerce and distribution
AEf Co-operatives (except agriculture and housing)
AEg Publishing, journalism, cinema, photography
AEh Other insurance and banking
AEi Archaeological conservation, game reserves

AFz Education
AFa Primary and secondary education
AFb University and higher technical institutes
AFbi Medical
AFc Teacher training
AFci Agriculture training
AFd Vocational and technical training
AFe Educational administration
AFf Pure or general research
AFg Scientific documentation
AFh Research in the field of education or training
AFi Subsidiary services
AFj Colloquia, seminars, lectures, etc.

AGz Health
AGa Hospitals and clinics
AGb Maternal and child care
AGc Family planning and population-related research
AGd Other medical and dental services
AGe Public health administration
AGf Medical insurance programmes

AHz Social infrastructure and social welfare
AHa Housing, urban and rural
AHb Community development and facilities
AHc Environmental sanitation
AHd Labour
AHe Social welfare, social security and other social schemes
AHf Environmental protection
AHg Flood control
AHh Land settlement
AHi Cultural activities

AIz Multisector
AIa River development
AIb Regional development projects

AJz Unspecified

ACP STATES

ANGOLA

Reconstruction support programme. 55 mECU. Relaunch of economic and social activities. Improvement of basic social services and living conditions, poverty alleviation, increase of production and of basic communication possibilities, amelioration of basic infrastructures, participation in mine-clearing operations, support for demobilisation. Project in execution. EDF 7.

EDF ANG 6036/001 - AGz, AHz.

Support for training of lawyers and academics in the Law Faculty of Agostinho Neto University (FDUAN). 0.800 mECU. Training, supply of equipment. Project in execution.

EDF ANG 7018/000 - AFb

BELIZE

Improvement of Hummingbird Highway (2nd segment - Sibun River Bridge to Belmopan). Resp. Auth.: Govt. of Belize. Est. cost 13.7 mECU. Construction, T.A., studies. Project on appraisal. EDF 8.

EDF BEL 6001/002 - ABd

Specific assistance for the banana industry. Two tenders for equipment (nos. 4270 and 4271 to be launched at end of October. Opening of bids for no. 4270 (supply of ten lots of packaging equipement) and for no. 4271 (supply of two lots of equipment for handling and road transport) 23.1.98 at 10.30 local time.

Financed from budget CE B7-5023/95.

BENIN

Improvement works on the Sémé-Porto Nova road. (12.711 km). Resp. Auth.: Ministère des Travaux Publics et des Transports. 20 mECU. Infrastructure works and installation of road signing. Work supervision by KFW (D). Works by int. tender. Project in execution. EDF 7.

EDF REG 7132 - ABd

Support programme for structural adjustment (PAS - 1997/99). Resp. Auth.: Ministre des Finances. 27,5 mECU. Strengthen the country's macro-economic policy. Financing date October 97. EDF 7.

EDF BEN 7200/003 - AAc

BOTSWANA

Sysmin - support to base metal industry (Copper-Nickel-Cobalt). Resp. Auth.: BCL Ltd., 33.7mECU. To deepen the shaft of the Selebi-North mine, to reach a new ore-body, equipping it and carrying out new prospective drilling to identify new ore-bodies. Works, supplies and T.A. Project in execution. EDF 7.

EDF SYSMIN BT 9999/001 - ADa

Botswana Tourism Development Programme (Foundation phase). Resp. Auth. : Department of Tourism (DoT) of Commerce and Industry. 1.91 mECU. Short- and long-term T.A. Project in execution. EDF 7.

EDF BT 5019/001 - AEc

Trade Development Programme (Phase I). Resp. Auth.: Department of Trade and Investment Promotion. Est. cost 1.700 mECU. To support trade diversification and export promotion. T.A. Project in execution. EDF 7.

EDF BT 7008 - AEe

Vocational training programme, Francistown. Resp. Auth.: Ministry of Education. Est. cost 17 mECU. Vocational Teacher Training College and Vocational Training Centre (VTTC/VTC). Construction, supplies of equipment, T.A., works, feasibility study. Project on appraisal. EDF 8.

EDF BT 7004/001 - AFd

Wildlife Conservation and Management Programme. Est. total cost 7 mECU. Works, supplies, T.A. Project on appraisal. EDF 8

EDF BT 6001/002 - ACz

BURKINA FASO

Support project for the reform of the pharmaceutical sector.

Resp. Auth.: Ministère de la Santé - Direction des Services Pharmaceutiques (DSPh) and CAMEG 1.6 mECU. Line of credit, works, equipment and T.A. Project in execution. EDF 7.

EDF BK 7017 - AGc

SYSMIN - Rehabilitation of the Poura mine. Resp. Auth.: I.G.R.International Gold Resources Corporation. 11 mECU. Works by direct agreement. Supplies and T.A. Project in execution. EDF 7.

EDF SYSMIN BK 9999 - ADa

Ouagadougou dam classified forest development. Resp. Auth.: Ministère de l'Environnement et de l'Eau. Est. total cost 1.200 mECU. EDF part 0.300 mECU. Cofinancing with CFD (F), The Netherlands (possible). Project on appraisal. EDF 7.

EDF BK 7023 - AHf

Support for decentralisation. Resp. Auth.: Ministère Administration Territoriale et Sécurité. Est. total cost 2 mECU. Works, supplies, T.A., training. Project on appraisal. EDF 7.

EDF BK 7024 - AAb

Support for the structural adjustment programme 1996-1997. General import programme. EDF 6.4 mECU. T.A. foreseen. Project in execution. EDF 7.

EDF BK 7200/004 - AAc

Support for the judicial system. Est. total cost 1 mECU. Training of magistrates and improvement of judicial services. Project on appraisal. EDF 7

EDF BK 7027 - AAz

Support for rural development. Est. total cost 23 mECU. Financing of action for rice-growing, for support action, financing the rural environment and for information about markets. T.A, works and supplies. Project on appraisal. EDF 8

EDF BK 7032/000 - ACa.

Periodical maintenance of asphalt roads (594 km). Resp. Auth.: Ministère des Infrastructures, de l'Habitat et de L'Urbanisme. Est. total cost 37 mECU. T.A., Works. Project on appraisal. EDF - 8

EDF BK 6017/002 - ABd.

CAMEROON

Lagdo fishing project. Resp. Auth.: MINEPIA. Est. cost 3.500 mECU. Preservation and improvement of the social-economic situation around Lake Lagdo. Project in execution. EDF 7.

EDF CM 6002/002 - ACa

Regional economic integration programme in Central Africa - regional infrastructures. 98 mECU. Building of the Bertoua-Geroua Bulai road. Works and management of the works. Works will be launched in 3 international tenders. For the management of the works, a preselection will be launched. Project in execution. EDF 6,7 and 8.

EDF CM 7002/001 - ABd.

Rural development project in the Lagone and Chari regions. Food supply security. Combatting poverty. Est. cost 9 mECU. Construction, T.A., studies, supplies, training. Project on appraisal. EDF 8.

EDF CM 5004/002 - ACh

Programme of road maintenance (PERFED II). Resp. Auth.: MINTP. Est. cost 55 mECU. Construction, T.A., studies. Project on appraisal. EDF 8.

EDF CM 6031/002 - ABd

CAPE VERDE

Maio island rural electrification. Est. total cost 1.945 mECU. Improvement of living conditions. Supply of electricity, Works, supplies and T.A. Project in execution. EDF 7.

EDF CV 7009/000 - ABa,i

Santo Antao water supply and sanitation. Resp. Auth.: Ministry of Economic Coordination. 1.4 mECU. Works, T.A. Project in execution. EDF 7.

EDF CV 7011 - ABb

CHAD

Relaunch of the fishing sector. Est. cost 2.500 mECU. Sectoral study: shortlist done. Project on appraisal. EDF 7.

EDF CD 7011 - ACa

River Chari embankment protection. Est. total cost 5 mECU. To improve living conditions in N'Djamena. Project on appraisal. EDF 7.

EDF CD 5027 - AHf,g

Support for the electoral process. Resp. Auth.: UNDP(PNUD). Est. totalcost 0.500 mECU. Project on appraisal. EDF 6.

EDF CD 7015 - AAc

Eré-Kélo road improvement. Resp. Auth.: Ministère des T.P., des Transports et de l'Habitat. 13.500 mECU. Works and supervision. Project on appraisal. EDF 6 and 7.

EDF CD 7012 - ABd

Restoration of bridges that fall within the framework of the Second Transport Sectoral Programme. Resp. Auth.: MINTP Chad. Est. total cost 4 mECU. Urgent work to be carried out to restore 15 bridges under the Transport Sectoral Programme. Works, T.A. Project in execution. EDF 7.

EDF CD 6001 - ABd

Support for structural adjustment. 10.2 mECU. Project in execution. EDF 7.

EDF CD 7200/001 - AAc

Support for Health Programme in Mayo Kebbi 1.980 mECU T.A. Training of doctors, medical supplies. Project in execution. EDF 7.

COMOROS

Sea-access to Moheli island. Resp. Auth.: Ministère de l'Equipement - 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. EDF 7.

EDF COM 6006/7003 - ABd

CONGO (DEMOCRATIC REPUBLIC)

Rehabilitation Support Programme. Resp. Auth.: Coordination and Management Unit. Est. total cost EDF 84 mECU. and an indicative amount of 6 mECU from the Commission's budget under heading B7-5076 'Rehabilitation and reconstruction measures for developing countries'. Regions selected: Kinshasa's economic hinterland, the Greater Kivu and the two provinces of Kagai. Rehabilitation and maintenance of roads and farm access roads. Support for production and marketing, support for basic social infrastructure. T.A. and evaluation. Project suspended. EDF 6 & 7.

EDF ZR 6033 - AAc

Support programme for the resinsertion of displaced persons in Kasai province (PARK). 2 mECU. The programme will be implemented by Caritas (Nl), Oxfam (UK), Nuova Frontiera (I), Gret (F), and Raoul Follereau (F). Project in execution. EDF 7.

EDF ZR 7255/001 - ACa

Strengthening of the provisional health support programme. 45 mECU Rehabilitation of health service structures in Kinshasa, Kasai and Kivu. Support for the health service at the basic and intermediate levels. Reinforcement of basic juridical services. Works, supplies and T.A. Project in execution.

Support programme for the preparation of elections. Resp. Auth.: Commission Nationale des Elections (CNE). 30 mECU. T.A., support for democratisation. Project suspended. EDF 7.

EDF ZR 6034/00 - AAc

COTE D'IVOIRE

Support for the structural adjustment programme (GIP V). Resp. Auth.: Ministry of Finance. 25.5 mECU. General import programme. T.A. Project in execution. EDF 6 & 7.

EDF IVC 7200/004 - AAc

Electrification of banana production sites. International tender no. 4249 already launched for the supply, in one lot, of electrical equipment. Opening of bids on 30.12.97 at 09.00 local time.

Financed from budget CE B7-5023

DJIBOUTI

Support for the structural adjustment programme. General import programme. 4.100 mECU. T.A. foreseen. Project in execution. EDF 7.

EDF DI 7200/001 - AAc

DOMINICA

Eco-Tourism Site Development. Resp. Auth.: Ministry of Trade Industry and Tourism (MTIT). Est. total cost 0.558 mECU. Works, equipment and training. Project in execution. EDF 7.

EDF DOM 6002/001 - ACa

Agricultural Diversification Programme. Resp. Auth.: Diversification Implementation Unit. (DIU). 2.25 mECU. Production Credit Scheme. Abattoir Project, Citrus Processing Study, Shipping and Transportation System Project, Quality Assurance, Market Information Service, Export Credit Programme, Monitoring Evaluation, T.A. Works by acc. tender. Project in execution. EDF 7.

EDF DOM 7002 - ACa

DOMINICAN REPUBLIC

Support programme to prevent STD/HIV/AIDS. EDF part 1.350 mECU. Training, T.A., supplies, evaluation. Project on appraisal. EDF 7.

EDF DO 7016 - AGz

EQUATORIAL GUINEA

Conservation and rational utilisation of the forest ecosystems. Resp. Auth.: Ministry of Agriculture. 5,070 mECU. Land classification and use master plan, national system of conservation units, forest training and research centres, T.A. and supply of equipment. Project on appraisal. EDF 6.

EDF EG 6001 - ACc, ACe, ACi

ERITREA

Sector study on national water and irrigation potential. Resp. Auth.: Ministry of Energy, Mines and Water resources 4.5 mECU. Assess the various demands for those resources, determine the potential for their sustainable development, present strategies for their development, and lay the foundations for their management. Project in execution. EDF 7.

EDF ERY 7002 - ABb

Upgrading of the Nefasit-Dekemhare-Tera Imni road. Resp. Auth. : Ministry of Construction. Est. total cost 20 mECU. Road works. Project on appraisal. EDF 7.

EDF ERY 7004 - ABd

Rehabilitation of transmission lines, substations and distribution system in Massawa area. Resp. Auth.: Eritrean Electric Authority. Est. total cost 10-12 mECU. Works, supplies and T.A. Feasibility study: INYPSA (Sp). Project on appraisal. EDF 7.

EDF ERY 7001 - ABa,i

Livestock Promotion, support for the Improvement of the Sanitary Environment of the National Herd. Est. cost 1.2 mECU. Equipment, infrastructure, vaccines, training of veterinary services personnel. Project on appraisal. EDF 7.

EDF ERY 7005/000 -AGz, AFd

Short-term assistance programme for reconstruction and restoration. International tender no 4285 to be published in the supplement to the Official Journal in the first half of November 97. Supply, in a single lot, of ten photovoltaic systems for producing electricity. Opening of bids on 4.2.98 at 10.00 local time.

ETHIOPIA

Rehabilitation of the Addis Ababa-Jima road, Addis Ababa-Abelti (180 km).

Est. total cost 35 mECU. Improvement of the road network. Works and supplies. T.A. Feasibility studies and dossiers projects preparation. Project on appraisal. EDF 7.

EDF ET 7005/002 - ABd

Support programme for the transport sector (TSSP). Resp. Auth.: Ethiopian Road Authority, 2 mECU. Works, equipment, T.A. Project in execution. EDF 7.

EDF ET 7005/001 - ABd

Addis Ababa's water supply and sanitation. Resp. Auth.: Addis Ababa Water Supply Authority. AAWSA. Est. total cost 35 mECU. Works, equipment, T.A.,. Project on appraisal. EDF 7.

EDF ET 5006/002 - ABb

Support at the national level for economic training and research capacity. Resp. Auth.: Department of Economics, Addis Ababa University. 1.05 mECU. T.A. short and long term, purchase of equipment and material, evaluation. Project in execution. EDF 7.

EDF ET 6101/001 - AFb

Lake fishing development project. International tender no. 4269 already launched for the supply, in three lots, of pick-up trucks, motorcycles and 15hp outboard motors. Opening of bids on 9.12.97 at 10.30 local time.

Higher education development support. Resp. Auth.: Ministry of Education, NAO. Est. cost 1.999 mECU. Equipment, works. Project on appraisal. EDF 6, 7.

EDF ET 7016/001 - AFz, AFb

GHANA

Human resources development programme. Resp. Auth.: Ministry of Local Government and Rural Development. 3.8 mECU. Supply of equipment, T.A., evaluation. Project in execution. EDF 7

EDF GH 7003 - AFz

Western Region Agricultural Development Project. Resp. Auth.: Ministry of Food and Agriculture. 12 mECU. T.A., buildings and training, supply of equipment. Project on appraisal. EDF 7.

EDF GH - ACa

Woodworking Sector Development. Resp. Auth.: Ministry of Lands and Forestry. 4.85 mECU. Training and equipment. Project in execution. EDF 7.

EDF GH - ACc

Small towns water supply project. Resp. Auth.: Ghana Water and Sewerage Corporation. Est. total cost 15 mECU. Construction of water supply systems. Strengthening of institutions responsible for operations and maintenance. Works. T.A. Project on appraisal. EDF 7.

EDF GH 6006 - ABb

Decentralised Cooperation Programme. Resp. Auth.: Ministry of Finance. 1.500 mECU. Equipment, construction, training and current inputs of grassroots programmes. TA for implementation and evaluation. Project in execution. EDF 7.

EDF GH 7008 - AJz

4th Microprojects Programme, 2nd tranche. Resp. Auth.: Ministry of Finance. 4 mECU. Improvement of health, water and educational facilities. T.A., evaluation and contingencies. Project in execution. EDF 7.

EDF GH 6102/000 - AHb

Rural electrification programme. Resp. Auth.: Ministry of Mines and Energy. 9.5 mECU. Supply and erection of electirivty lines, supervision, training. Project on appraisal. EDF 7.

EDF GH - Aba,i

GRATIS (Ghana Regional Appropriate Technology Industrial Service), Phase III. Est. total cost 3 mECU. Project on appraisal. EDF 7.

EDF GH - ABai

GUINEA

Pilot programme for the development of secondary towns. *Resp. Auth.: Direction nationale de la décentralisation. 1.91 mECU. Technical cooperation, TA and trainings. Time limit for written procedure Aril 20, 1998. EDF 7.*

EDF GUI 7008/000 - AHa,b

Extension of the Family Plantation Programme in Soguipah. Resp. Auth.: Ministry of Agriculture, Water and Forests. Est. cost 5.5 mECU. Cultivation of rice fields and rubber plantations and the development of transport infrastructures. Works, supplies, T.A. Project on appraisal. EDF 7.

EDF GUI 6008/001 - ACe, AHe, Ahf

Urban health support project. Est. cost 1.2 m ECU. T.A., studies Project in execution. EDF 7.

EDF GUI 6005/000 - Agz

Road infrastructure programme. International tender no. 4262 for works, in two lots. Construction of the Kouroussa-Kankan road and of a bridge over the Niger. Opening of bids on 11.12.97 at 10.30 local time.

Construction of a bridge over the Fatala. Notification of preselection no. 4273 already published. Opening of bids on 5.11.97 at 11.00 local time.

Improvement of living conditions in the interior of the country. International tender no. 4273 already launched for the supply, in one lot, of 26 photovoltaic pump systems.

Opening of bids on 7.1.98 at 11.30 local time.

GUINEA BISSAU

Bridge construction in Sao Vincente. Resp.Auth.: Ministry of Public Works. Est. cost 27 mECU. Works and works supervision. Project on appraisal EDF 8.

EDF GUB 7014/000 - ABd

Support for road maintenance. Est. cost 8 mECU. Construction, T.A. Project on appraisal. EDF 8.

EDF GUB 6013/001 - ABd

Institutional support for the road sector. Resp. Auth.: Ministry of Public Works. Est. cost 1.950 mECU. T.A. Project in execution. EDF 8.

EDF GUB 6003/002 - ABd

GUYANA

Rehabilitation of sea defences and shore zone management. Est. cost 20 mECU. Construction, T.A. studies. Project on appraisal. EDF 8.

EDF GUA 6003/004 - ABd

Private sector development support programme. Est. cost 1.5 mECU. T.A., feasibility study, training. Project on appraisal. EDF 8.

EDF GUA 7002/000 - AEd

HAITI

Support for the Structural Adjustment Programme II. 10.800 mECU. Project in execution. EDF 7.

EDF HA 7200/001 - AAc

Support for the structural programme. Utilisation of satellite imagery for the exploitation of Haitian territory. Resp. Auth.: Ministère de la Planification et de la Coopération Externe (MPCE). Est. cost 1.8 mECU. Project in execution. EDF 7.

EDF HA 7007/000 - AAz

Support for decentralised cultural initiatives. Resp. Auth. Ministry of Culture. Est. cost 0.75 mECU. T.A., supplies. Project on appraisal. EDF 7.

EDF HA 7155/000 - AHi

Road rehabilitation in the western area of the South Peninsula. Est. total cost. 47.36 mECU. Works, T.A. Project on appraisal. EDF 7,8.

EDF HA 7012/000

JAMAICA

Northern coastal highway improvement project. Segment 3 (Ocho Rios - Port Antonio - Fair Prospect - 116 km). Resp. Auth.: Government of Jamaica. Est. cost 80 mECU. Construction, T.A. *Project in execution.* EDF 7, 8.

EDF JM 9999/000 - ABd

Regional project - University of the West Indies. International tender no. 4268 already launched for supply, in four lots, of electronic equipment for administration.

Opening of bids on 2.12.97 at 14.30 local time.

Institutional strengthening and road rehabilitation. International tender no. 4279 already launched for supply, in ten lots, of various equipment.

Opening of bids on 16.1.98 at 11.05 local time.

Public sector modernisation. *Est. cost 1.95 mECU. Feasibility study, T.A. and training; institution building. Project on appraisal. EDF 7 - AAb*

Savanna-La-Mar waste water project. *Est. cost 15 MECU. Feasibility, works and supervision. Project under identification. Financing decision foreseen for 1999. EDF 8 - AHb.*

Rural water supply. *Est. cost 10 mECU. Feasibility, works, supervision and T.A. Project under identification. Awaiting evaluation results of EDF 7 projects. EDF 8 - ABb.*

Trade development programme. *Successor to Target Europe Programme under EDF 7. Feasibility study ongoing, appraisal to be completed. EDF 8 - AEe.*

KENYA

Farming in tsetse infested areas. Est. total cost 14.600 mECU. Refine the techniques to trap the tsetse fly and develop better technologies to prevent infections. Monitor the environmental impact of the techniques. Project in execution. EDF 7.

EDF KE 7011 - ACa

Family Health Programme. Est. total cost 28.710 mECU. Reproduction health status of Kenyans family planning services broadened. EDF 14.810 mECU, ODA (UK) 13.900 mECU. Project in execution. EDF 6

EDF KE 7015 - AGb

Technical Education. 5 mECU. Raising the level of performance of existing teaching institutions. Project in execution. EDF 7.

EDF KE 6005/001 - AFb

Trade Development Programme. Resp. Auth.: Export Promotion Council and a Special TDP Committee composed of private and public sector members and the European Commission. 4 mECU. Trade Promotion and Marketing Programme, Training, Equipment, T.A. and Monitoring and Evaluation. Project in execution. EDF 7.

EDF KE 7008 - AEz

Small scale and informal sector enterprises. Est. total cost 10 mECU. Development of micro-enterprises and informal sector of the economy. Project in execution. EDF 6 & 7.

EDF KE 7009 - AEe,f

Sultan Hamud-Mtito Road rehabilitation. Est. total cost 30 mECU. To rehabilitate priority roads and establish sustainable maintenance organisation. Project on appraisal. EDF 7

EDF KE 7010/002 - ABd

Mai-Mahiu/Naivasha Road rehabilitation Est. total cost 25 mECU. Project on appraisal. EDF 7.

EDF KE 7010/003 - ABd

Community development. Poverty alleviation. Est. total cost 12.500 mECU. Financial facility aimed at priority activities identified by local communities. Project in execution. EDF 7.

EDF KE 7018 - AHb

Support for the establishment of key functions and programmes at the Kenya Institute for Public Policy Research and Analysis (KIPPRA). Resp. Auth.: Ministries of Planning and National Development and Finance and Office of the President. 1.993 mECU. Training, Consulting and T.A. Project in execution. EDF 7.

EDF KE 7016/00 - AAb

Establishment of sustainable tourism development. Resp. Auth.: Ministry of Tourism and Wildlife. 1.970 mECU. Advice on and design of a financially self-sustainable Tourism Board. T.A., equipment, training. Project in execution. EDF 7.

EDF KE 7014 - AEc

Agriculture/livestock research programme. 8.3 mECU. Project in execution. EDF 6.

EDF KE 6003/001 - ACa

LESOTHO

Urban Water Supply and Sanitation. Resp. Auth.: Water and Sanitation Authority. Est. total cost 4 mECU. Implementation of urgent water-supply and sanitation systems in the urban and peri-urban areas. Feasibility study and contract document. Preparation for urgent water supply and sanitation intervention. Short-lists to be done. Project on appraisal. EDF 7.

EDF LSO 7002 - ABb, AHa

Transport infrastructure programme, phase I. 18 mECU. Construction, supplies, T.A., studies, training. Project on appraisal. EDF 8.

EDF LSO 6016/001 - ABd

Transport infrastructure - axle load control. Resp. Auth.: Ministry of Works. 0.850 mECU. Construction, evaluation. T.A., equipment - restricted tender. Project in execution. EDF 7.

EDF LSO 6016/000 - ABd.

Urban water supply for six towns. Resp. Auth.: Government of Lesotho; Water and Sewage Authority (WASA). Est. cost 1.96 mECU. Works, T.A. *Financing date March 1998.*

EDF LSO 7002/000 - ABb

Assistance for the 1998 General Election. Resp. Auth.: Government of Lesotho; Independent Electoral Commission (IEC). Est. cost 0.5 mECU. Supplies. *Financing date March 1998.* EDF 7.

EDF LSO 7009/000

LIBERIA

Support for the electoral process. Resp. Auth.: Govt. of Liberia. T.A and financial assistance for organisation of the election. 1.9 mECU. Project in execution. EDF 7

FED LBR 7001/001 - AAc

Freeport of Monrovia emergency rehabilitation. Resp. Auth.: Government of Liberia. Est. cost 1.95 mECU. Supplies, engineering services and works. Project on appraisal. EDF 6.

EDF LBR 5019/001 - ABd

MADAGASCAR

Road infrastructure rehabilitation. Resp. Auth. Ministère des Travaux Publics. 72.500 mECU. Rehabilitation works, supervision. Project in execution. EDF 6 & 7.

EDF MAG 7004 - ABd

Support programme to rehabilitate social and economic infrastructures. Interventions after cyclones. EDF part 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. EDF 6 & 7.

EDF MAG 7009 - ABd

First decentralised cooperation programme. Resp. Auth.: National Authorising officer and Head of EU Delegation and authorised NGOs. 1.900 mECU. Works. Purchase of equipment by direct agreement, restr. tender or int. tender. Project in execution EDF 7

EDF MAG 7022/000 - AGz, AHz

Support-training for rural development. Resp. Auth.: Ministère du developpement rural et de la réforme foncière. 1.200 mECU. Developing the farmer's organisations role. Training, supplies and technical cooperation. Project on appraisal. EDF 7.

EDF MAG 7029/000 - ACb

Decentralised training programme for regional private tourism operators. Resp. Auth.: Ministère du Tourisme. 1.910 mECU. T.A. training, evaluation. Project on appraisal. EDF 1, 2, 3 and 4.

EDF MAG 6039 - AEc

Professional organisation of rural sector and agricultural loans. Resp. Auth.: Ministère de l'Agriculture et du Dév. Rural. 1.910 mECU. T.A., training, evaluation. Works, supplies, T.A. and services. Project in execution. EDF 7.

EDF MAG 7003 - ACa

Support for Training Programme (FORMFED) Phase II. Resp. Auth.: Ministry of Finance. 0.900 mECU. T.A., equipment. Project in execution. EDF 7.

EDF MAG 7028 - AFd

Support for the Structural Adjustment programme 1997-98. 27 mECU. General Import Programme. Project in execution.

EDF MAG 7200 - AAc

Improvement of the income of the coastal population in the South-Western region. Resp. Auth.: Ministère de l'Agriculture et du Dévelopment Rural. Est. cost 0.613 mECU. Increasing seaweed production. Recruitment, shipbuilding, T.A, equipment and training. Project on appraisal. EDF 6.

EDF MAG/7024/001 - ACd, AHd

Priority Health Action Programme. Support for a national health policy to alleviate poverty. Resp. Auth.: Ministry of Health. 1.95 mECU. Project in execution. EDF 6.

EDF MAG 6041/000 - AGe

Priority health project. Support for a national health service to alleviate poverty. Resp. Auth.: Ministry of Health. Est. cost 15 mECU. EDF 8. Project on appraisal.

EDF MAG 6041/001 - AGe

Rehabilitation of the customs system. Resp. Auth.: Direction Générale des Régies Financières. Total cost 0.42 mECU. T.A., supplies. Project on appraisal. EDF 7.

EDF MAG 7200/001 - AAc

MALAWI

Soil conservation and rural production. Resp. Auth.: MOALD. 23 mECU. EDF 15.500 mECU, local 1.3 mECU, counterpart funds 5.7 mECU. Water supply, sanitation, supply of. fertilizers, T.A. and training. Project in execution. EDF 7.

EDF MAI 5001/002 - ACa

Information, education and communication population programme. Resp. Auth.: NAO -Ministry for Women and Children's Affairs, Community and Social Services - Ministry of Information and Broadcasting. Est. total cost 4 mECU. Increase awareness and promote behaviour change as regards reproductive health, including disease prevention. Supply of equipment and T.A. Project on appraisal. EDF 7.

EDF MAI 6009/001 - AGb,c

Support to the Forestry Department. Resp. Auth.: Ministry of Natural Resources. Est. total cost 4 mECU. T.A. and supply of equipment. Project in execution. EDF 7

EDF MAI 5001/003 - ACa

Health Programme. Strengthening Health Ministry capacities in the framework of planning, decentralisation and equipment maintenance. Training, infrastructures, equipments and T.A. Est. total cost 20 mECU. Project in execution. EDF 7.

EDF MAI 6009/002 - AGe

2nd Lomé IV Micro-project Programme. Improvement of infrastructures in the farmer framework with the EC participation. Building, school's rehabilitation, health centres, water points. Est. total cost 6 mECU. Project in execution. EDF 7.

EDF MAI 7012/038 - AGz, AHz, ABb

Customary Land Utilisation Study. 1 mECU. Studies. T.A. survey. Project in execution. EDF 7.

EDF MAI 6029 - AAg

Karonga-Chilumba-Chiweta Road. Resp. Auth. : Ministry of Works and Supplies. Est. total cost 25.2 mECU. Construction, supervision of works, training of technical staff. Project on appraisal. EDF 8.

EDF MAI 6022 - ABd

Physical assets management in the health sector. Resp. Auth.: Ministry of Works and Supplies. Est. total cost 4 mECU. Construction, supervision of works, training of technical staff. Project on appraisal. EDF 7.

EDF MAI 7018/000 - AGe

Rehabilitation of Chipoka Port - Lake Malawi. Est. cost 3 mECU. Construction, supplies of equipment. Project on appraisal. EDF 8.

EDF 6022/001 - ABd

Urgent maintenance to roads and bridges. Resp. Auth.: Government of Malawi. 1,994 mECU. Works. Supervision - restr. tender. Project in execution. EDF 7.

EDF MAI 6022/002 - ABd

Programme for the prevention of HIV/AIDS among high risk groups. 0.780 mECU. T.A., equipment, training. Project in execution. EDF 7.

EDF MAI 7001/000 - AGz

Community education programme. Resp. Auth.: Ministry of Women and Children's Affairs and Community Services (MOWCAS), Ministry of Information, Broadcasting, Posts and Telecommunications (MOIBPT). Est. cost 1,55 mECU. Training, workshops, equipment, T.A. Project on appraisal. EDF 7.

EDF MAI 6009/003 - AGb, AGc

Project to promote safe motherhood and child welfare. Est. total cost 1.52 mECU. Works, T.A., equipment supply. Project on appraisal. EDF 5.

EDF MAI 6009/004 - AGa

MALI

Support for the electoral process. Resp. Auth.: Commission Electorale Nationale Indépéndante (CENI). Est. cost 1.950 mECU. Project in execution. EDF 7.

EDF MLI 7019 - AAc

Geological and mining sector survey. Adm. Resp: Ministère de l'Energie et des mines. Est. cost 15 mECU. Aerial geophysical prospecting, geological mapping, mining prospecting, sector-based survey. Project in execution. EDF 7.

EDF MLI 9999 - ADa

Support for the central unit of the National Authorising Officer. Resp. Auth.: Ministère des Affaires Etrangères. Est. total cost 1.88 mECU. Improving the services of the National Authorising Officer in the programming, management and follow-up of the projects financed by the EDF. T.A., training, supply. Project on appraisal. EDF 7.

EDF MLI 6007/002 - AAc

Support for decentralisation. Resp. Auth.: Mission de Décentralisation (MDD). 1.3 mECU. Training, T.A., study. Project in execution. EDF 7.

EDF MLI 7009/001 - AAz

MAURITANIA

Kaédi and Mederda water supply. Est. total cost 2.8 mECU. Improvement of the living conditions. Works and T.A. Rehabilitation, strengthening and improvement of water systems. Project on appraisal. EDF 7.

EDF MAU 7012/000 - ABb

Support for the programme to strengthen institutional capacity (PRCI). Resp. Auth. Ministry of Planning and Finance. 1.865 mECU. T.A. to strengthen the effectiveness of administration. Supply of equipment. Project in execution. EDF 7.

EDF MAU 7200/002 - AAc

Rural development in rainy areas. Est; cost 4 mECU. Works, supplies, T.A. Project on appraisal. EDF 8.

EDF MAU 7014/001 - ACb, ACg

Oasis rural development in the Atar region. Est. cost 5 mECU. Works, supplies, T.A. Project on appraisal. EDF 8.

EDF MAU 7025/000 - ACb, ACg

Diversification of irrigated agriculture. Est. total cost 4 mECU. Works, supplies, T.A. Project on appraisal. EDF 8.

EDF MAU 7015/001 - ACa

MAURITIUS

Irrigation of the Northern Plains. Resp. Auth.: Ministry of Agriculture. Est. cost 9 mECU. Works, supplies, T.A. Restricted tender for T.A. Project in execution. EDF 7

EDF MAS 7002 - ABb

Mahebourg market. Resp. Auth.: Ministry of Local Government. Est. cost 1.850 mECU. To promote agricultural diversification, and also to upgrade the city centre. Feasibility study. Works, supplies, TA. Project on appraisal. EDF 7.

EDF MAS 7008 - ACe

Phoenix-Nouvelle France road. Est. cost 4 mECU. Upgrading the existing Phoenix-Nouvelle France road to a dual carriageway. Works, T.A. Project on appraisal. EDF 7.

EDF MAS 7010/001 - ABd

Upgrading of sewerage infrastructure of housing estates. Resp. Auth.: Ministry of Works. Est. cost 7.4 mECU. Rehabilitation/provision of sewerage infrastructure to 10 housing estates. Works. T.A. for supervision. Project on appraisal. EDF 8.

EDF MAS - AHa

Training of police officers. Est. cost 0.43 mECU. T.A. and training. Project on appraisal. EDF 7

EDF MAS - AAd

St. Martin sewage treatment plant. Provide adequate treatment of sewage from the Plains Wilhems area. Resp. Auth.: Ministry of Environment and Quality of Life. Est. cost 15 mECU. T.A., services. Project on appraisal. EDF 8.

EDFD MAS 7005/000 - ABz

Technology Development in Private Firms. Resp. Auth.: Ministry of Industry and Commerce. Est. cost: 2.9 mECU. T.A., monitoring and evaluation. Project on appraisal. Date foreseen for financing Feb. 1998. EDF 7.

EDF MAS 7013/000

MOZAMBIQUE

Socio-economic reintegration of young people. Est. cost 1.950 mECU. Supplies, T.A. and pilot actions. Project on appraisal. EDF 6.

EDF MOZ 7017 - AHb

Rehabilitation of the rural health system. Est. cost 22mECU. Rehabilitation and renovation of 3 rural hospitals and 2 health centres. Supply of essential medicines and equipment, T.A. Project in execution. EDF 7.

EDF MOZ 7018 - AGa,e

Social reintegration in Zambezia and Niassa provinces. 5.600 mECU. Health, education, rural life (farming, fishing,setting up of micro-enterprises), urban economic development. The projects will be carried out by NGO's and the provincial authorities. Project in execution. EDF 7.

Support for the judicial system. Est. total cost 2 mECU. Project on appraisal. EDF 7.

EDF MOZ 7022 - Ajz

Computerised system for the population register and issue of identity cards. Resp. Auth.: Ministry of Internal Affairs. Est. cost 1.995 mECU. Supplies, T.A. Int. Tender. Project in execution. EDF 6.

EDF MOZ 7024 - AAz

Private sector development. Resp. Auth.: Mozambican Government, NAO. Est. cost 1.98 mECU. Studies, training, TA. Project on appraisal. EDF 6,7,8.

EDF MOZ 7023/000 - AEe

Support for municipal elections. Resp. Auth.: National Electoral Commission. Est. cost 9.5 mECU. T.A., equipment and materials. Tender no. 4298 already launched. Project in execution. EDF 7.

EDF MOZ 7027/001 - AAc

GIP III - General Import Programme. Resp. Auth.: Government of Mozambique. Est. total cost 60.9 mECU. Structural adjustment support. Project on appraisal. EDF 8.

EDF MOZ 7200/002

NAMIBIA

Namibia Integrated Health Programme. Resp. Auth.: Ministry of Health and Social Services. 13.500 mECU. Infrastructures, equipment, training and T.A. Project in execution. EDF 7.

EDF NAM 7007 - AGz

Expansion of NBC transmitter network and production facilities for educational broadcasting. Resp. Auth.: Namibian Broadcasting Corporation. Est. total cost 5.7 mECU. EDF 5 mECU, local 0.700 mECU. Works, supply of equipment, technical training and technical consultancies. Project in execution. EDF 7.

EDF NAM 7005 - AFi

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. EDF 7.

EDF NAM 7011 - ACa

Rural Towns Sewerage Schemes. Resp. Auth.: Ministry of Local Government and Housing. Works, supplies and T.A. Project in execution. EDF 7.

EDF NAM 7015 - AHc

Namibia Tourism Development Programme. (Foundation Phase). Resp. Auth.: Ministry of Environment and Tourism. 1.882 mECU. Implementation of programme. Staff training. T.A. Project in execution. EDF 7.

EDF NAM 7010 - AEc

Livestock Marketing Project. Resp. Auth.: Directorate of Veterinary Services - Ministry of Agriculture, Water and Rural Dept., 3.750 mECU. Construction of buildings, water and road infrastructure, provision of equipment materials, tractors for quarantine farms in the Northern Communal Areas. All by acc. tenders or restr. tenders. Project on appraisal. EDF 7.

EDF NAM 7020 - ACa

Support for the regional control programme against the Tsetse fly and trypanosomiasis (RTTCP), phase II. Resp. Auth.: Dept. of Veterinary Services, Min. of Agriculture, Water and Rural Devt. 3,75 mECU. Construction of buildings and infrastructures, provision of equipment, vehicles, tractors. All by acc. tender or restr. tender. Project on appraisal. EDF 7.

EDF NAM 7020 - ACa

Support for implementation of the Cross Border Initiative. Resp. Auth.: Ministry of Trade and Industry. 5.370 mECU. To promote an strengthen Namibia's economic integration. T.A., supplies and line of credit. Project in execution. EDF 7.

EDF REG 70012/22 - AEd,e

AIDS Programme. Est. total cost 1.5 mECU. Reduction of sexual transmission of HIV/AIDS. Project on appraisal. EDF 8.

EDF NAM (REG) 8000/003 - AGz

Seed production project. To support the establishment of an efficient, sustainable staple crop seed production system. Est. cost 2 mECU. Feasibility study to be carried out. Project on appraisal. EDF 8

EDF NAM 7011/002 - ACa

Rural development support programme (RDSP), Phase II. Resp. Auth.: Ministry of Agriculture, Water and Rural Development. Est. cost 7 mECU. T.A. Project on appraisal. EDF 8.

EDF NAM 7001/001 - ACa

Education programme. Est. cost 12 mECU. Construction, supplies, T.A., training. Project on appraisal. EDF 8.

EDF NAM 7001/001 - AFa, AFb, AFd, AFi

Institutional support for the Planning Directorate in the Department of Agriculture and Rural Development: Phase II. Resp. Auth.: DARD, NAO. Est. cost 1.026 mECU. Project on appraisal. EDF 7.

EDF NAM 7003/001 - ACz

NIGER

Fishery development in the southern Zinder zone. Resp. Auth.: NGO under control of Ministère de l'Hydraulique et de l'Environnement. Est. total cost O.500 mECU. Professional sector organisation, strengthening of fish marketing. Project in execution. EDF 7.

EDF NIR 7014 - ACa

Support for the 1996 Structural Adjustment Programme. General import programme. 14 mECU. Imports on basis of negative list. T.A. for implementation and institutional support. Project in execution. EDF 6 and 7.

EDF NIR 7200/002 - Aac

Support for the craft industry. PROFORMAR II (2nd phase). Improved training facilities for rural crafts. Est. cost 1.8 mECU. Training. Project on appraisal. EDF 7.

EDF NIR 7101/011 - AFd

Support for the Structural Adjustment Programme 1997-98. Est. cost 15.8 mECU. Project in execution. EDF 7,8.

EDF NIR 7200/004 - AFe, AGe

Institutional support for the NAO. Assistance to maximise the effectiveness of Community aid. Sectoral reforms and macro-economics. Est. cost 1.3 mECU. Project in execution . EDF 7.

EDF NIR 7110/003 - AAb

Strengthening basic education in the Tillabéri department in the framework of the large-scale irrigation programme in the Niger valley.. Resp. Auth.: Ministry of National Education. 1.77 mECU. Construction, training, equipment, T.A., evaluation. Project in execution. EDF 7.

EDF NIR 7011/000 - AFa

PROFORMAR II. Resp. Auth. Ministère de l'Artisanat. Est. cost 1.85 mECU. T.A., supplies. Project on appraisal. EDF 7.

EDF NIR 7101/011

PAPUA NEW GUINEA

Human resources development programme, phase II (HRDP II). Est. cost 20mECU. Construction of and improvements to educational buildings. Scholarships, training and T.A. Project on appraisal. EDF 7.

EDF PNG 6008/002 - AFb

RWANDA

Return and social reintegration of students currently still in the central and east European states. Est. cost 0.996 mECU. T.A. Project on appraisal. EDF 7

EDF RW 7012/002 - AAc

SAMOA

Rural water supply programme. Resp. Auth.: Ministry of Finance. Est. cost 16.7 mECU. Preparatory study, works, supplies, project management. Project on appraisal. EDF 7 and 8.

EDF WSO 7002/000 - ABb

SAO TOME AND PRINCIPE

Support for the Structural Adjustment Programme. 0.900 mECU. Project on appraisal. EDF 7.

EDF STP 7200/001 - AAc

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 in execution. EDF 7.

EDF SE 6002/7002 - ACa

Support for the PNLS-MST (Phase III). Resp. Auth.: Ministry of Economics, Finance and Planning. Est. total cost 3 mECU. T.A., works. Project on appraisal. *Date foreseen for financing March 1998.* EDF 8.

EDF SE 7003/001 - AGz

SEYCHELLES

Victoria market rehabilitation. Resp. Auth.: Ministry of Agriculture. Est. total cost 1 mECU. EDF 0.770 mECU, local 0.230 mECU. Works and improvements. Project in execution. EDF 7.

EDY SEY 7011 - ACb

Anse Royale landfill. Est. cost 3 mECU. Construction of a fully-engineered landfill. Works, supplies, T.A. Project on appraisal. EDF 8.

EDF SEY - AJz

Le Niol water treatment plant extension. Est. cost 3.5 mECU.

Rehabilitation and extension of water treatment works. Works. T.A. Project on appraisal. EDF 8.

EDF SEY - AFh

SIERRA LEONE

(All projects suspended)

Improvement of Freetown - Conakry road link. Est. 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. EDF 7.

EDF SL 7004 - ABd

Sierra Leone roads authority (SLRA) support programme. Resp. Auth.: SLRA. 22.500 mECU. To strengthen SLRA's management capacity, to support maintenance operations, rehabilitate 160 km of road, provide training and equipment to enable local private contractors to increase their role in road works. Rehabilitation works, equipment, T.A. to SLRA. Project on appraisal. EDF 7.

EDF SL 7002 - ABd

Management and protection of wildlife in Outamba Kilimi National Park (OKNP). Resp. Auth.: NAO. Est. cost 1.980 mECU. Development of sound management plan for sustainable protection of wildlife and ecosystem in park. Improvement of local infrastructure and community development. Works, supplies, T.A. Project on appraisal. EDF 7.

EDF SL 7003 - AEi, AHi

SOLOMON ISLANDS

Guadalcanal road: Aola-Matau. Resp. Auth. Ministry of Transport, Works and Utilities. Est. total cost 6 mECU. Works and supervision. Project on appraisal. EDF 7.

EDF SOL 7001 - ABd

Programme Management Unit. *Resp. Auth.: Ministry of Development Planning. Est. cost 1.2 mECU. Institutional support. Supplies, works, services, T.A. Project on appraisal. EDF 7.*

EDF SOL 6022 000 - AAz

SOMALIA

2nd rehabilitation programme. 47 mECU. Inter-sectoral approach. The project will be implemented by NGOs and T.A. Project in execution. EDF 1, 2, 3, 4, 5 and 6.

EDF SO 6029 - AAc

SURINAME

Timber Institute. Control of logging and reafforestation activities. Est. total cost 3.5 mECU. Project on appraisal. EDF 7

EDF SUR 7005 - ACc

Road from Nickerie to the Suriname-Guyana ferry terminal. Resp. Auth.: Ministry of Public Works. Est. total cost 8.4 mECU. Construction of 29.4 km road. Project on appraisal EDF 6.

EDF SUR 5602/001 - ABd

Strengthening STD (including HIV) health services among Maroon and indigenous populations in the hinterland. Resp. Auth.: NAO. Est. cost 680,000 ECU. Supplies, works, services, medical training and education. Project on appraisal. EDF 7.

EDF SUR 7010/000 - AGc

Sysmin programme to upgrade and expand the electricity and telecommunications sectors. Est. total cost 20.72 mECU. Works, supplies, T.A. Project on appraisal. EDF 7.

EDF SUR 9999/000 - Abai, ABc

SWAZILAND

Support for implementation of the Cross Border Initiative. Resp. Auth.: Ministry of Commerce and Industry. 1.5 mECU. T.A., training, supply of equipment. EDF 7. Project in execution.

EDF REG 7012/024 - AAz

Development of smallholder irrigation in the Lower Usuthu River. Est. cost 84 mECU. Construction, supplies, studies, T.A. Project on appraisal. EDF 8.

EDF SW 7007/001 - ACa

TANZANIA

Mwanza-Nyanguge Road and Mwanza urban roads rehabilitation, and Nyanguge-Musoma overlay. Resp. Auth.: Ministry of Transport and Communications. Est. cost 55 mECU. Rehabilitation of 67 km of trunk roads (Nyanguge-Mwanza and Mwanza airport) and rehabilitation of Mwanza sewerage system (main works). Design study on-going. Project on appraisal. EDF 7.

EDF TA 6021 - ABd

Mwanza Water Supply. Phase II. Resp. Auth.: Ministry of Water energy and minerals. Est. cost 21 mECU. Works, pumping equipment, studies and supervision. Short-list done. Project on appraisal. EDF 7.

EDF TA 5005(7) - ABb

Iringa Water Supply. Resp. Auth.: Ministry of Water, Energy and Minerals. Est. cost 22 mECU. Pumping, treatment, storage and distribution. Works, equipment, design and supervision. Short-list done. Project on appraisal. EDF 7.

EDF TA 7009 - ABz

Rehabilitation of the Mwanza/Shinyanga-Nzega road. Resp. Auth. Ministry of Works. Est. total cost 70 mECU. Project on appraisal. EDF 6, 7 and 8.

EDF TA 7012 - ABd

Rehabilitation of the Dodoma to Singida Road. Est. cost 90 mECU. Project on appraisal. EDF 8.

EDF TA 7024/000 - ABd

Institutional strengthening for the education sector development programme. Resp. Auth.: Ministry of Education and Culture. Est. cost 1.91 mECU. T.A. (short term), training and equipment. Project on appraisal. EDF 7.

EDF TA 7023/000 - AFd

Special programme for refugee-affected areas. Resp. Auth.: Prime Minister's office. Est. cost 22 mECU. Rehabilitation of the Mwanza Airport runway, contribution to the Kagera road maintenance programme, improvement of the Kigoma-Nyakanasi gravel road (335 km). Shortlists established. Project on appraisal. EDF 7.

EDF TA - ABd

Institutional strengthening for improved water supply and sewerage services in four towns. Est. total cost 1.985 mECU. T.A., training, works and supplies. Project on appraisal. EDF 7

EDF TA 7014/000 - ABb

Support for the introduction of Value Added Tax. Resp. Auth.: Government of Tanzania. Est. cost 1,945 mECU. TA (restr. tender), training, taxpayer education, publicity, testing of procedures. Project on appraisal. EDF 7.

EDF TA 7200/003 - AAz, AAb

TOGO

Aid for the voluntary reintegration of refugees from Togo. Resp. Auth.: Min. Du Plan. Est. cost 0.430 mECU. Project under the direction of CARE Togo. Socio-economic contribution for the reintegration of 17 000 Togo refugees in their place of origin. EDF 7.

EDF TO 7006 - AHn

Support for a group of producers in the Savanes region. Est. cost 1.8 mECU. Construction, supplies, T.A., training. Project on appraisal. EDF 5.

EDF TO 6003/002 - ACa

TRINIDAD AND TOBAGO

Training project for young farmers (AYTRAP). Assistance for the young farmer to create rural enterprises. Est. cost 7.300 mECU. EDF 5 mECU. local 2.300 mECU. Line of credit, T.A. and monitoring. Project in execution. EDF 6 and 7.

EDF TR 7002 - ACa

Support for Caribbean Business Services Ltd. (CBSL). Resp. Auth.: NAO. Est. cost 347,000 ECU. Support for SMEs through management advice and the transfer of technology. T.A. Project on appraisal. EDF 7.

EDF TR 7006/000 - ADe

Rehabilitation of the L'Anse Fourmi - Charlotteville road. Est. cost 3.5 mECU. Construction, T.A., feasibility study. Project on appraisal. EDF 8.

EDF TR 5013/000 - ADc

UGANDA

Water supply in Hoima, Masindi and Mubende. Resp. Auth.: Ministry of Natural Resources. Est. total cost 12 mECU. Rehabilitation of catchments, treatment plants and water distribution network. Project on appraisal. EDF 7.

EDF UG 7010 - ABb

Third structural adjustment support programme (SASP 3). *Resp. Auth.*

Ministry of Finance. Est. cost. 51.06 mECU. T.A. Project on appraisal. Date foreseen for financing Feb. 1998. EDF 7,8.

EDF UG 7200/002

VANUATU

Education development programme. Est. total cost 7.5 mECU. To increase enrolment in junior secondary school and to improve the quality of education delivered. T.A., supplies, training. Project on appraisal. EDF 8.

EDF VA 7005/001 - AFa.

ZAMBIA

Forestry management for sustainable woodfuel production in Zambia (along the railway line). Resp. Auth.: Ministry of Environment. Est. total cost 2 mECU. Training supply of equipment, studies and T.A. Project on appraisal. EDF 7.

EDF ZA 7009 - ACc

Rehabilitation of the Kabwe-Kapiri Mposhi and Chisamba Road. Resp. Auth.: Ministry of Works and Supply. Est. total cost 15.360 mECU. Works and supervision. Project on appraisal. EDF 7.

EDF ZA 6014/001 - ABd

Capacity building in the Bank of Zambia. Strengthening of the banking and financial sector. Macroeconomic management and planning. Resp. Auth.: Bank of Zambia. Est. cost 1 mECU. T.A., supplies and training. Project on appraisal. EDF 8.

EDF ZA 7020/000 - AEh

Technical assistance to the Roads Department. Resp. Auth.: Dept. of Roads. Est. cost 1.8 mECU. Provision of long-term T.A. to the Roads Department and implementation of a formal training programme for the department's professional and technical staff. T.A., studies, training. Project on appraisal. EDF 8.

EDF ZA 7022/000 - ABd

Educational capacity-building programme. To plan and deliver effective and relevant education and training. Est. cost 10 mECU. Feasibility study, T.A., construction, budgetary aid and training. Project on appraisal. EDF 8.

EDF ZA 7003/003 - AFz, AFh, AFi

Development and rehabilitation of urban markets in Lusaka, Kitwe and Ndola. Est. cost 7 mECU. Construction, T.A. including studies. Project on appraisal. EDF 8.

EDF ZA 7011/000 - ACf

Private sector development programme. Trade and enterprise support facility/micro-credit project. Est. cost 8 mECU. T.A., studies and training. EDF 8.

EDF ZA 7010/001 - AEz, AEe

Export Development Programme Phase II. To increase exports of non-traditional goods. Est. cost 5 mECU. T.A. and training. Project on appraisal. EDF 8.

EDF ZA 5017/002 - AEd

Assistance to the wildlife sector, phase II. Improvement in management of wildlife resources. Est. cost 10 mECU. Feasibility study. Project on appraisal. EDF 8.

EDF ZA 7002/001 - AEc

Agricultural private sector development (SME) - microprojects. Est. cost 10 mECU. T.A., study, credit facility. Project on appraisal. EDF 8.

EDF ZA 7023/000 ACa

Economic management support programme, phase II. Resp. Auth.: Ministry of Finance and Economic Development. Est. cost 6 mECU. T.A., feasibility study, financial aid, training. Project on appraisal. EDF 8. EDF ZA 7018/001 - AAc

Rehabilitation of the Monze-Zimba road. Est. cost 34 mECU. Construction, T.A. Project on appraisal. EDF 8.

EDF REG 7323/001 - ABd

Improvement of the Zambian Safe Blood Transfusion Programme. Resp. Auth.: Ministry of Health. Est. cost 3.735 mECU. T.A., equipment, training. Project in execution. EDF 8.

EDF ZA 7003/002 - AGd

ZIMBABWE

Minefield clearance in N.E. Zimbabawe. Rural development, clearance of landmines. Zimbabwe minefields survey. Shortlist to be done. Est. 10 mECU. Tender published on 17 Oct. 1997. EDF 7.

EDF ZIM 7004 - ACa

Trade development programme - import/export. Est. cost 9 mECU. Feasibility study - Phase II. Project on appraisal. EDF 8.

EDF ZIM 6001/002 - AEd, AEe

Tourism development programme - master plan. Resp. Auth.: Government of Zimbabwe. Est. cost 1 mECU. Feasibility study - short list established. Project on appraisal. EDF 8.

EDF ZIM 6008/002 - AEc

Health sector development programme. Est. cost 14 mECU. Feasibility study. Project on appraisal. EDF 8.

EDF ZIM 7002/000 - AGe

Education sector support programme. Improvement of education system. Est. cost 14 mECU. Feasibility study - phase II. Project on appraisal. EDF 8.

EDF ZIM 7009/000 - AFa, AFe

Natural resources project. Est. total cost 2 mECU. Project on appraisal. EDF 8.

EDF ZIM 7012/000

Agricultural services and management project (ASMP). Est. total cost 25 mECU. Works, supplies, T.A. Project on appraisal. EDF 8.

EDF ZIM 7011/000

Decentralised cooperation programme. Est. total cost 5 mECU. *Project on appraisal.* EDF 8.

EDF ZIM 7013/000

OVERSEAS COUNTRIES AND TERRITORIES

BRITISH OCTs

Integrated Tourism Development Project. Resp. Auth.: Caribbean Tourism Organisation (CTO). Est. total cost 790,000 ECU. T.A. Project on appraisal. EDF 6,7.

EDF REG/RCA 7601/003 - AEc

BRITISH VIRGIN ISLANDS

Beef Island airport terminal. Est. total cost 16.84 mECU. Works, supplies. Project on appraisal. EDF 6.

EDF REG 6631/001

Hamilton Lavity Stoutt Community College Learning Resource Centre. *Resp. Auth.: Territorial Authorising Officer, Road Town. 2,484,200 ECU. Works. Construction of a learning resource centre for the existing HLS Community College. Project in execution. Submission and opening of tender on May 6. 1998.*

EDF 7.

7 OCT VI 005/6 - Afb

FRENCH POLYNESIA

Agricultural development. Aid project for the management of land and hydraulics to install young farmers. 1,234 mECU. Study. Project in execution. EDF 6.

EDF POF/6010/000 - ACg

MAYOTTE

Water supply. Est. cost 7.2 mECU. Works, T.A., study. Main works completed. Supervision completed. Study on remaining works in execution. Project in execution. EDF 6 & 7.

EDF MY - ABb

NETHERLANDS ANTILLES - ARUBA

Tourism development programme. 5 mECU.Training, T.A., marketing in Europe. Project in execution. EDF 7.

EDF REG 7835 - AEc

Technical Assistance to the National Authorising Officer. Technical assistance will be given to promote sound and effective management of external aid. 1.3 mECU. T.A supplies Restricted tender. Project in execution. EDF 7.

EDF NEA 7012/000

Netherlands Antilles social action programme. *Total est. cost 13.2 mECU. Project on appraisal. EDF 7,8*

EDF NEA 7011/000

NEW CALEDONIA

New aquarium. To increase the capacity and improve the infrastruture of the aquarium. Est. cost 4 mECU. Construction, T.A. and supplies. Project in execution. EDF 7.

EDF NC 6009/001 - AEc

ST. HELENA

Wharf improvement project. Resp. Auth.: Public Works and Service Department. Est. total cost 1.743 mECU. To increase the safety and efficiency of Jamestown Port by upgrading wharf facilities for passenger and cargo handling. Works, supplies. Project on appraisal. EDF 7.

EDF SH 7001 - ABd

TURKS AND CAICOS ISLANDS

Water and sewerage in Providenciales. Resp. Auth.: Ministry of Works, 3.700 mECU. Water supply works and pipes. T.A. *Project in execution.* EDF 7.

EDF TC 7001 - AHb,c

WALLIS AND FUTUNA

Creation of improved structures for pig-rearing. Resp. Auth. EDF authorising officer for the territory. Est. total cost. 110,000 ECU. To establish viable production structures adapted to market conditions. T.A., training, follow-up. Project in execution. EDF 7.

EDF WF 7009/000 - ACa

REGIONAL PROJECTS

AFRISTAT

Support for AFRISTAT (economic and statistical control). 0.900 mECU. Improvement in the quality of statistical information. T.A., supplies and equipment. Project in execution. EDF 7.

EDF REG 7106/004 - AAc, AFd

10 MEMBER COUNTRIES OF AGM - BURKINA FASO, CAMEROON, COTE D'IVOIRE, GHANA, MALI, NIGER, NIGERIA, SENEGAL, CHAD, TOGO

Promotion of a regional grain market in West and Central Africa. Resp. Auth.: NAO-Mali. Est. cost 12 mECU. Creation of a regional grain market. Promotion and strengthening of initiatives by private operators. Project on appraisal. EDF 7.

EDF REG 6175 - ACf

INTRA-ACP

Strengthening of fisheries and biodiversity management in ACP countries. Resp. Auth. : ICLARM, Manila (Philippines). 5mECU. T.A., management, supply of equipment, data base creation. Project in execution. EDF 7.

EDF REG 70012/016 - ACa

COLEACP, Interim Project. Commercial development in exports and in the field of horticulture. Est. cost 1.860 mECU. Training, T.A. Project on appraisal. EDF 7.

EDF REG 6900/002 - AEe

Business Assistance Scheme for Exports (B.A.S.E.) Est. total cost 30 mECU. To expand receipts from exports and tourism by improving enterprises' export competitiveness and trade facilitation skills. T.A. training. Project on appraisal. EDF 8.

EDF REG 70001/020 - AEd.

Support to regional cooperation for HIV/AIDS control. Est. cost 20 mECU. T.A., studies, supplies, equipment, training. Project on appraisal. EDF 8.

EDF REG 8000/004 - AGz, AGc, AGe

Interuniversity support programme - Level 3 - in French-speaking sub-Saharan countries. Est. cost 1.976 mECU. Training, equipment and educational material. Project in execution. EDF 7.

EDF REG 7004/014 - AFb

CARIBBEAN REGION

University level programme. Resp. Auth.: S.G. Cariforum. 21 mECU. To train a critical mass of Caribbean ACP nationals at masters degree level in development economics, business administration, public administration, agricultural diversification, natural resources, management and architecture, works, educational equipment, T.A., scholarships. Project on appraisal. EDF 7.

EDF REG 7604 - AFb

Caribbean Postal Union.

Resp. Auth.: S.G. Cariforum. 0.500 mECU. T.A. and other action necessary for the creation of the Caribbean Postal Union. Project on appraisal. EDF 7.

EDF REG 7605 - ABc

Caribbean Telecommunications Union. Resp. Auth.: S.G. Cariforum. 0.500 MECU. T.A. for the accomplishment of the C.T.U. and the harmonisation of legislation on telecommunications within the Cariforum member states. Project on appraisal. EDF 7.

EDF REG 7605/001 - ABc

Education policy and dialogue. Resp. Auth.: Cariforum S.G. 0.450 mECU. T.A. for regional common policies in three education areas: basic education, technical and vocational training, language teaching. Project on appraisal. EDF 7.

EDF REG 7607 - AFa,d

Tertiary level programme. Est. total cost 5.946 mECU. Upgrading tertiary level education and teacher training. Project in execution. EDF 7.

EDF REG 6628/001 - AFb

Cariforum Regional Environment Programme. Resp. Auth.: SG Cariforum. Est. total cost 11 mECU. Environmental management action, programme for protected areas and community development, management and expansion of marine and coastal park and protected areas. Terrestrial parks. Project on appraisal. EDF 7.

EDF REG 7613 - AHf

CARIFORUM Programming Unit. Resp. Auth.: CARIFORUM. Est. total cost 5 mECU. T.A. to the Secretary General of CARIFORUM to help in the allocation, preparation and implementation of regional funds under Lomé IV. T.A., supply. Project on appraisal. EDF 7 and 8.

EDF REG 7615/001 - AAb

Caribbean News Agency Development Programme. Resp. Auth.: Regional Authorising Officer. Est. total cost 4.179 mECU. Establishing a CARIFORUM Information Network by setting up a coordinating centre and mechanisms and archives and increasing radio, TV and Cana wire services. T.A., supply. Project on appraisal. EDF 7.

EDF REG 7605/003 ABc

COUNTRIES PARTICIPATING IN THE CBI

Standardisation and quality assurance. Resp. Auth.: COMESA (Common Market for Eastern and Southern Africa. Est. cost 2,543 mECU. TA and training. Project on appraisal. EDF 7.

EDF REG 7321 AEe

Regional Integration in Eastern and Southern Africa. Assistance to COMESA Secretariat. 1.950 mECU. Training, supply of equipment, evaluation and services. T.A. short-term. Project on appraisal. EDF 7.

EDF REG/7316 - AAc

CENTRAL AFRICA

CIESPAC, Public Health Education Centre in Central Africa. 1.980 mECU. Student accommodation, equipment, scholarships. T.A. Project on appraisal. EDF 7.

EDF REG 7205 - AFb

ECOFAC II, Forest ecosystems. Resp. Auth.: Ministère du Plan. République du Congo. Est. total cost 16.000 mECU. To develop national and regional capacities for good management of forest resources. Works, supplies and T.A. Project in execution EDF 7.

EDF REG 6203/001 - ACc

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. EDF 5.

EDF REG 5311 (7) - AFb

Combatting the tse tse fly in East Africa (Ethiopia, Kenya, Uganda). 20 mECU. Evaluation, training and research. T.A.., equipment. Project in execution. EDF 7.

EDF REG 736 -ACa, ACe

KENYA, UGANDA, TANZANIA

Lake Victoria Fisheries Research Project (Phase II). Project headquarters in Jinja, Uganda at FIRI-Fisheries Research Institute. EDF part 8.4 mECU. T.A., supplies, training, monitoring and evaluation. Project in execution. EDF 7.

EDF REG 5316/001 - ACd

Tanzania rehabilitation programme for refugee affected areas and related infrastructure. Est. cost 20 mECU. Rehabilitation of roads and conserving the environment in refugee areas. Project in execution. EDF 7.

EDF REG 7322/001 - ABd

Uganda - Kampala by-pass. Resp. Auth.: Ministry of Works. Road construction. Est. cost 35 mECU. T.A. works. Project on appraisal. EDF 7,8.

EDF REG 6304/001 - ABd

MEMBER COUNTRIES OF ECOWAS

Guarantee Fund for Private Investment Financing in Western Africa. FGIPAO, Lomé. Creation of a Guarantee Fund to cover partially credit risks given by Banks to the private sector. Est. total cost 22.5 mECU. EDF 3.8 mECU, Others: France, Germany, EIB., Commercial Banks (E.U.). Development Agencies. Project on appraisal. EDF 7.

EDF REG 7115 - AEz

Regional programme to combat drugs. Est. total cost 5.1mECU. Elaboration of training programmes and national plans. Project in execution. EDF 7.

EDF REG 7135 - AGz

MEMBER COUNTRIES OF IGAD

IGAD Household Energy Programme. Resp. Auth.: IGAD Executive Secretary. Est. total cost 1.900 mECU. T.A. to initiate pilot projects in the area of household energy, define the role and organize the setting up of a regional unit to coordinate activities, and develop working relationships with national and sub-region institutions in IGADD's member countries. Project in execution EDF 7.

EDF REG - ABa

Development of the artisanal fisheries sector. The promotion of artisanal fisheries and fisheries trade. Improvement of the level of services available in the post-harvest field of artisanal fisheries in IGADD member states. Est. total cost 7.8 mECU. Project on appraisal. EDF 7.

EDF REG/7314/000 - ACd, AFd

Grain marketing training programme. Resp. Auth. IGADD Executive Secretary. 1.990 mECU. T.A., equipment, evaluation. Project on appraisal. EDF 7.

EDF REG 5359 - ACa

MEMBER COUNTRIES OF THE INDIAN OCEAN COMMISSION (IOC) - COMORES, MADAGASCAR, MAURITIUS, SEYCHELLES

Establishment of a University in the Indian Ocean region. Resp. Auth.: Indian Ocean Commission. Est. cost 2.150 mECU. Creation of a network of research and training institutions providing support for existing institutions. T.A. Project on appraisal. EDF 7.

EDF REG 7501 - AFb

Indian Ocean University. Resp. Auth.: IOC. Est. cost 1,925 mECU. Training. Project on appraisal. EDF 7.

EDF REG 7506/000 - AFd

Education in environment regional programme. Est. cost 2 mECU. Supplies, T.A. Project on appraisal. EDF 8.

EDF REG 7508/000 - AFz

Regional action programme for maritime security. Est. total cost 4 mECU. Supplies, T.A., works. Project on appraisal. EDF 8.

EDF REG 7507/000

PACIFIC ACP STATES

Pacific regional civil aviation. Phase II. Resp. Auth.: Forum Secretariat. Fiji. 4.9 mECU. Supply of security, air traffic control, navigation and meteorology, and training equipment. T.A. Project in execution. EDF 6 and 7.

EDF REG 7704 - ABc,d

Pacific Regional Waste Awareness and Education Programme. Resp. Auth.: Forum Secretariat. 0.600 mECU. T.A. EDF 7.

EDF REG 7714 - AHf

Air communications - upgrading of Fua'amotu Airport in Tonga. Resp Auth.: Ministry of Works. Est. cost 0.340 mECU. Construction, supplies of equipment. Project in execution. EDF 7.

EDF REG 7704/001 - ABc

SADC

SADC Hydrological Cycle Observing System (SADC-HYCOS). Resp. Auth.: SADC Secretariat. 1.964 mECU. Programme for the improvement of regional integrated water resources. Supply of equipment by int. Tender. T.A. by restricted tender. Project in execution. EDF 7.

EDF REG 6450 - ABb

ANGOLA, MOZAMBIQUE, NAMIBIA, SOUTH AFRICA AND TANZANIA

SADC monitoring, control and surveillance (MCS) of fishing activities. Resp. Auth.: SADC - Sector Coordinator for Marine Fisheries. Est. cost 13.3 mECU. To improve national and regional capacity to manage marine fishery resources. Feasibility study, T.A., supplies. Project on appraisal. EDF 8.

EDF REG 6406/000 - ACd

SAHEL COUNTRIES

Support to strengthen vaccine independence in Sahel Africa. 9.5 mECU. Project on appraisal. EDF 7.

EDF REG 7012 - ACa

MEMBER COUNTRIES OF PALOP

(Angola, Cape Verde, Guinea Bissau, Mozambique, São Tomé & Principe).

Technical secretariat for the general coordination of PALOP regional programmes. *995,000 mECU. Institutions and administration. Project in execution. EDF 8.*

REG 7901/010 - AAz

MISCELLANEOUS

CAMEROON, CENTRAL AFRICAN REPUBLIC

Bertua-Garoua Boulai Road. Resp. Auth.: Ministère des Travaux Publics (Cameroon). Rehabilitation and improvement of transport infrastructures between Douala and Bangui. Est. total cost 50 mECU. Prequalification for services. Project on appraisal. EDF 6.

EDF REG, CM-CA-7002/001 - ABd

BURKINA FASO, CAPE VERDE, GAMBIA, MALI, MAURITANIA, NIGER, SENEGAL, CHAD

Regional environmental training and information programme. Resp. Auth.: Institut de Sahel in Bamako. 16 mECU. T.A. training, supply of equipment. Project in execution. EDF 7.

EDF REG 6147/001 - AFz, AHz

BENIN, BURKINA FASO, COTE D'IVOIRE, MALI, NIGER, SENEGAL, TOGO

Support for the West Africa Economic and Monetary Union (UEMOA). Promotion of regional economic integration. Resp. Auth. UEMOA Commission. 12 mECU. Project in execution. EDF 7.

EDF REG 7106/02 - AAf

Support for the ENAREF. 0.900 mECU. T.A., training, equipment. Project in execution. EDF 7.

EDF REG 7106/003 - AAc, AAf, AFd

BENIN, CAMEROON, COTE D'IVOIRE, GHANA, GUINEA, TOGO

Regional Programme to relaunch pineapple production in West and Central Africa. Resp. Auth.: Execution unit composed of one senior expert, T.A. and one junior expert. 1.995 mECU. T.A. studies, evaluation. Project on appraisal. EDF 7.

EDF REG 7138 - ACa

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United Kingdom

France

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St Pierre and Miquelon
(Overseas territories)
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French Polynesia
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Wallis and Futuna Islands

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(Bonaire, Curaçao, St Martin, Saba, St Eustache)
Aruba

Denmark

(Country having special relations with Denmark)
Greenland

United Kingdom

(Overseas countries and territories)
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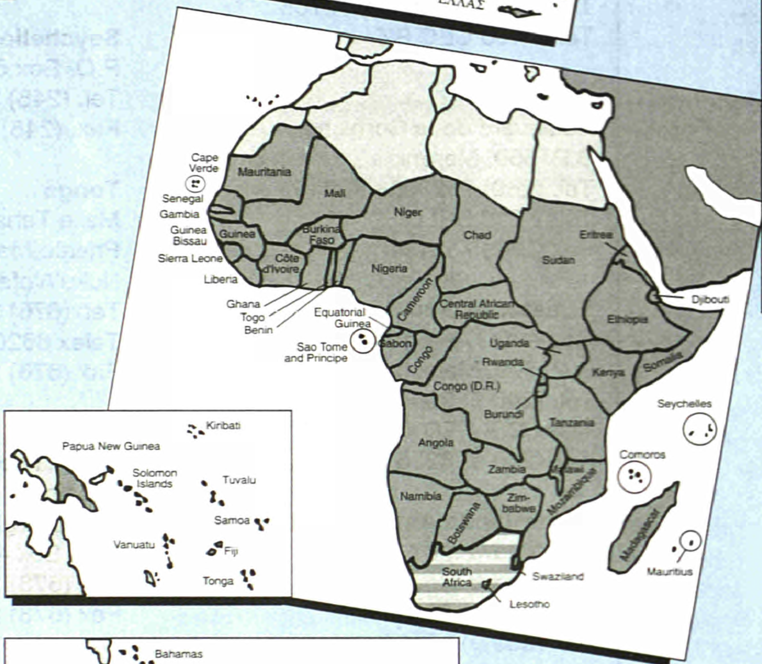
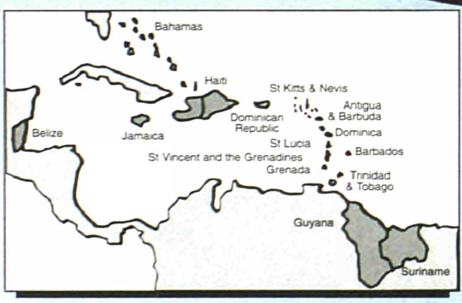
British Indian Ocean Territory
British Virgin Islands
Cayman Islands
Falkland Islands
Southern Sandwich Islands and dependencies
Montserrat
Pitcairn Island
St Helena and dependencies
Turks and Caicos Islands





THE 71 ACP STATES

Angola
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Barbados
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Burkina Faso
Burundi
Cameroon
Cape Verde
Central African Republic
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Comoros
Congo
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Djibouti
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Sudan
Suriname
Swaziland
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Togo
Tonga
Trinidad & Tobago
Tuvalu
Uganda
Vanuatu
Zambia
Zimbabwe

*Not all provisions of the Lomé Convention apply to South Africa

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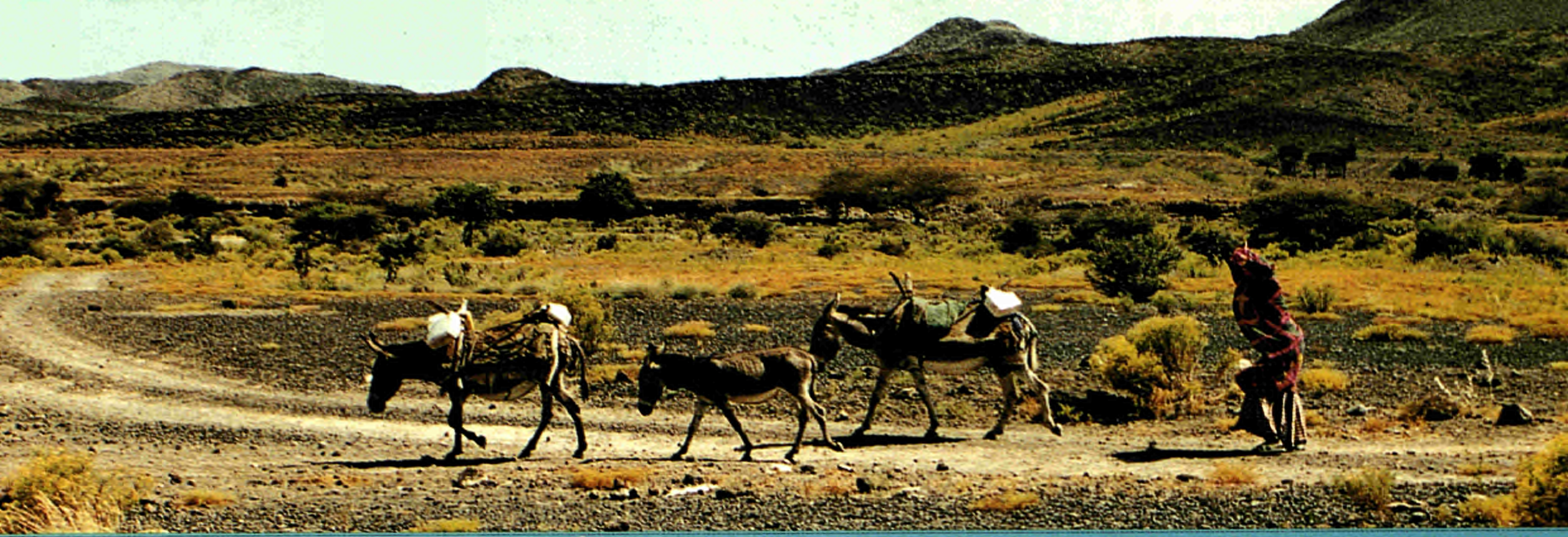
Harmony out of discord

The house which is the central feature of this watercolour is plainly Caribbean but what makes the image typically Trinidadian is the scene in the foreground. People may have got together to play the pans as far apart as London, New York and Kingston, but everyone knows that Trinidad is the home of the steel band. On a balmy evening in Port of Spain, you may well hear tantalising snatches of this clear and distinctive music as groups rehearse in their pan yards for the Carnival competition.

The chiming sound of the steel drum has a sublime, almost ethereal quality which you feel should have come from an altogether more delicate instrument. Nowadays, the pans are lovingly crafted to produce just the right pitch and tone, but they still have the robust look of the oil barrels from which they were originally fashioned.

The steel drum is a relatively new instrument, dating back to the 1930s, though people in Trinidad says its roots go far deeper – with links to the African drum. During the 19th century, while the islands were under British colonial rule, neighbourhood gangs are said to have used hand drums to summon their members when a fight was brewing with a rival group. Each gang had its own distinctive beat – a kind of signature tune. In 1886, in an attempt to stamp out the violence, the authorities banned the drums. As a conflict-prevention measure, it wasn't exactly effective (it hardly went to the nub of the problem!) and the gangs took to using bamboo canes. The call to 'battle' was issued by thumping these on the ground. The unimaginative official response, in time, was to prohibit the 'Tamboo Bamboos' as well. With traditional instruments outlawed, so the story goes, people cast around for other objects to 'keep the beat'. It was realised that old oil barrels could be used to produce a satisfactory volume and thus the original 'Iron Bands' (still essentially competing gangs) came into being. Not long after that, someone realised that different pitches could be produced by hammering sections of the flat end of a barrel into a dish shape – and a new way of making music was created.

The steel band movement may have an unusual and not wholly reputable ancestry, but today it gives pleasure to thousands of players and millions of listeners. In Trinidad itself, the rivalry remains intense in the struggle for (artistic) supremacy, but while sweat, toil and tears may still be involved, blood mercifully no longer features. St Francis of Assisi would be happy with this tale of harmony born out of discord.



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